




**CONDUCT OF INVENTORY AND TURN OVER
OF BARANGAY AND SK PROPERTIES,
FINANCIAL RECORDS, DOCUMENTS, AND
MONEY ACCOUNTABILITIES**

(based on DILG MC NO. 2023-047)

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City Director
DILG-Butuan City

SESSION OBJECTIVES:


Republic of the Philippines
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT
DILG-NAPOLCOM Center, EDSA cor. Quezon Avenue, West Triangle, Quezon City
www.dilg.gov.ph

CR: N900-2023-02-27-018
RSCN-2023-03-11-202

OFFICIAL RELEASED
SIGNATURE: _____
DATE: 03 21 2023
TIME: 03:00PM
RECORDS SECTION

MEMORANDUM CIRCULAR
No. 2023-047

TO : ALL CITY AND MUNICIPAL MAYORS, ACCOUNTANTS, BUDGET OFFICERS, TREASURERS AND YOUTH DEVELOPMENT OFFICERS, PUNONG BARANGAYS, MEMBERS OF THE SANGGUNIANG BARANGAY, BARANGAY SECRETARIES AND TREASURERS, SANGGUNIANG KABATAAN (SK) CHAIRPERSONS, OTHER BARANGAY AND SK OFFICIALS, REGIONAL DIRECTORS AND FIELD OFFICERS, BARMM MINISTER OF THE INTERIOR AND LOCAL GOVERNMENT (MILG) AND OTHERS CONCERNED

SUBJECT: CONDUCT OF INVENTORY AND TURNOVER OF BARANGAY/ SANGGUNIANG KABATAAN PROPERTIES, FINANCIAL RECORDS, DOCUMENTS AND MONEY ACCOUNTABILITIES BY ALL INCUMBENT BARANGAY AND SK OFFICIALS, AND THE CREATION OF THE BARANGAY AND SK INVENTORY TEAM AND THE CITY/MUNICIPAL ASSESSMENT AND TURNOVER TEAM, IN VIEW OF THE OCTOBER 30, 2023 BARANGAY AND SANGGUNIANG KABATAAN ELECTIONS

DATE : MAR 21, 2023

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1. Gain knowledge on the salient provisions of DILG MC No. 2023-047;
2. Build understanding on the importance of turn-over of properties, financial records, documents, and money accountabilities;

PURPOSE OF THE MEMORANDUM CIRCULAR:

- Enjoin the Punong barangays and SK Officials to conduct an inventory of all government properties under their custody, and to turn over the said properties to the incoming BSKOs not later than NOVEMBER 30, 2023
- Direct the creation of the Barangay Inventory Team (BIT), Sangguniang Kabataan Inventory Team, and the City/Municipal Assessment and Transition Team (C/MATT)

PURPOSE OF THE MEMORANDUM CIRCULAR:

- Conduct of Turn-over Ceremony by all outgoing and incoming BSKOs with the assistance and/or presence of C/MATT
- Ensure that the barangay and SK properties and money accountabilities are properly turned-over to the incoming/elected BSKOs

3.0. COVERAGE

- Punong Barangays
- Members of the Sangguniang Barangays
- SK Chairpersons
- Other accountable BSKOs (Who are they?)
- City/Municipal Mayors
- concerned City/Municipal Officials/Employees
- DILG Regional and Field Officers
- BARMM-MILG
- Others concerned

4.0 POLICY CONTENT

4.1 All concerned BSKOs, City/Municipal Officials/ Employees shall perform the following:

4.1.1 PUNONG BARANGAY:

a. to create the **Barangay Inventory Team (BIT)** through an Executive Order

Composition:

Chairperson: Punong Barangay

V-Chairperson: SB Member (to be selected by the PB)

Members: 3 Regular SB Members
Barangay Secretary
Barangay Treasurer
Bookkeeper or City/
Municipal Representative
At least 1 CSO/NGO
Representative

4.1.1 PUNONG BARANGAY:

b. **ensure** that the following activities/functions of BIT are undertaken and complied with.

Activity	OPR	Timeline (2023)
1. Issue the EO creating the BIT 2. Convene the members of the BIT 3. Discuss the roles and responsibilities of BIT in the conduct of inventory of BPF RDs	Punong Barangay	August 7-11

Activity	OPR	Timeline (2023)
4. Provide the C/M Mayor and the DILG City Director or the C/MLGOO with a copy of the EO	Punong Barangay	Not later than August 16
5. Conduct an initial inventory of all BPFDRs: 6. Accomplish the prescribed Inventory and Turnover Form No. 1	Barangay Inventory Team (BIT)	August 21 to 25
7. Submit the accomplished Inventory and Turnover Form No. 1 to the C/M Mayor, through the C/M Accountant, copy furnished the local COA and DILG Field Office	BIT	Not later than August 31

Activity	OPR	Timeline (2023)
<p>8. Conduct the Final Inventory of BPF RDs and Money Accountabilities using Inventory and Turn-over Form No. 2</p> <p>(In barangays without SK Officials, the Inventory and Turnover Form No. 2 Should reflect the total amount of SK Funds that shall be turned over to the newly elected SK Officials.)</p> <p>9. Accomplish Inventory and Turnover Form No. 2</p>	BIT	Not later than November 10

Activity	OPR	Timeline (2023)
<p>10. Submit the accomplished IT Form No. 2 to the <u>City/M Mayor, through the C/M Accountant</u>, copy furnished the local <u>COA and DILG Field Office</u></p>	BIT	Not later than Nov. 15
<p>11. Plan and Organize the conduct of formal Turnover Ceremony</p> <p>12. Notify the C/M Mayor; local officials; local COA; DILG City Director or C/MLGOO; and the newly elected barangay officials of the schedule of the turnover ceremony</p>	BIT	Not later than November 17
<p>13. Conduct the Turnover Ceremony (same schedule with SK)</p>	PB	NLT 12 Noon of Nov. 30

4.1 All concerned BSKOs, City/Municipal Officials/ Employees shall perform the following:

4.1.2 SANGGUNIANG
KABATAAN CHAIRMAN: a.

Through an Order, create the
**Sangguniang Kabataan
Inventory Team (SKIT)**

Composition:

Chairperson: SK Chairperson

V-Chairperson: Member of the SK (to
be selected by the SK Chair)

Members: 2 Regular SK Members

SK Secretary

SK Treasurer

Representative/s from the
Youth Organization/s who
is/are member/s of the
LYDC

At least 1 KK Member

4.1.2 SANGGUNIANG KABATAAN CHAIRMAN:

b. Ensure that the following activities/functions of SKIT are undertaken and complied with

Activity	OPR	Timeline (2023)
1. Issue an Order on the Creation of SKIT 2. Convene the members of the SKIT 3. Discuss the roles and responsibilities of SKIT in the conduct of inventory SK properties	SK Chairperson	August 7-11
4. Submit the Order to the City/Municipal Mayor, through the Local Accountant and LYDO, copy furnished the Punong, Barangay, DILG Director or the C/MLGOO	SK Chairperson	NLT August 16

4.1.2 SANGGUNIANG KABATAAN CHAIRMAN:

b. Ensure that the following activities/functions of SKIT are undertaken and complied with

Activity	OPR	Timeline (2023)
5. Conduct an <u>initial inventory</u> of all SK Properties, financial records and other documents	SKIT	August 21 to 25
6. Accomplish the SK Inventory and Turnover Form No.1		

4.1.2 SANGGUNIANG KABATAAN CHAIRMAN:

b. Ensure that the following activities/functions of SKIT are undertaken and complied with

Activity	OPR	Timeline (2023)
7. Submit the accomplished SK Inventory and Turnover Form No. 1 to the C/M Mayor, through the C/M Accountant and LYDO , <u>copy furnished the Punong Barangay, local COA and DILG Field Office</u>	SKIT	NLT August 31
8. <u>Conduct the Final Inventory</u> of SK PFRDs and Money Accountabilities using SK Inventory and Turnover Form No. 2	SKIT	NLT November 10

4.1.2 SANGGUNIANG KABATAAN CHAIRMAN:

b. Ensure that the following activities/functions of SKIT are undertaken and complied with

Activity	OPR	Timeline (2023)
9. Accomplish SK Inventory and Turnover Form No. 2	SKIT	NLT November 10
10. Submit the accomplished SK IT Form No. 2 to the <u>City/M Mayor, through the C/M Accountant and LYDO</u> , copy furnished the local <u>COA and DILG Field Office</u>	SKIT	NLT November 15

Activity	OPR	Timeline (2023)
<p>1 1. Plan and organize the conduct of formal Turnover Ceremony, in coordination and collaboration with the Punong Barangay</p> <p>1 2. Notify the C/M Mayor; local officials; local COA; DILG City Director or C/MLGOO; and the newly elected SK Officials of the conduct of turnover ceremony</p>	SK Inventory Team	Not later than November 17
<p>1 3. Conduct the Turnover Ceremony (same schedule with the barangay)</p>	PB and SK Chairperson	NLT 12 noon of Nov. 30

4.1.3 ACCOUNTABLE BARANGAY AND SK OFFICIALS

- Submit to the BIT/SKIT the **list of all barangay/SK properties** that are entrusted to him/her or under his/her custody/possession
- Liquidate or settle all **money accountabilities** or other **financial concerns**
- Turn over **all B/SKPFRDs** to the BIT/SKIT BEFORE THE EXPIRATION OF HIS/HER TERM

4.1.3 ACCOUNTABLE BARANGAY AND SK OFFICIALS

- In case of loss of barangay properties occurring in transit or due to casualty or calamity, the concerned accountable barangay officials are directed to comply with the requirements stated under Article 442 of the IRR of RA 7160, before the expiration of their respective term of office, such as the following:
 - a. Affidavit of the accountable barangay official containing a statement of the facts and circumstances of loss;

4.1.3 ACCOUNTABLE BARANGAY AND SK OFFICIALS

- b. Affidavit of two (2) disinterested persons cognizant of the fact and circumstances of loss;
- c. Final investigation report of the office and the proper government investigating agency; and,
- d. A list and description including book value, date of acquisition, property number, account classification, condition of the property and other additional relevant information of the properties lost duly certified by the Barangay Treasurer.



Important Note!

Failure by the concerned accountable official to comply with such requirements, shall not relieve him/her of liability or allowed credit for any of such loss in the settlement of his/her account.

4.1.3 ACCOUNTABLE BARANGAY AND SK OFFICIALS

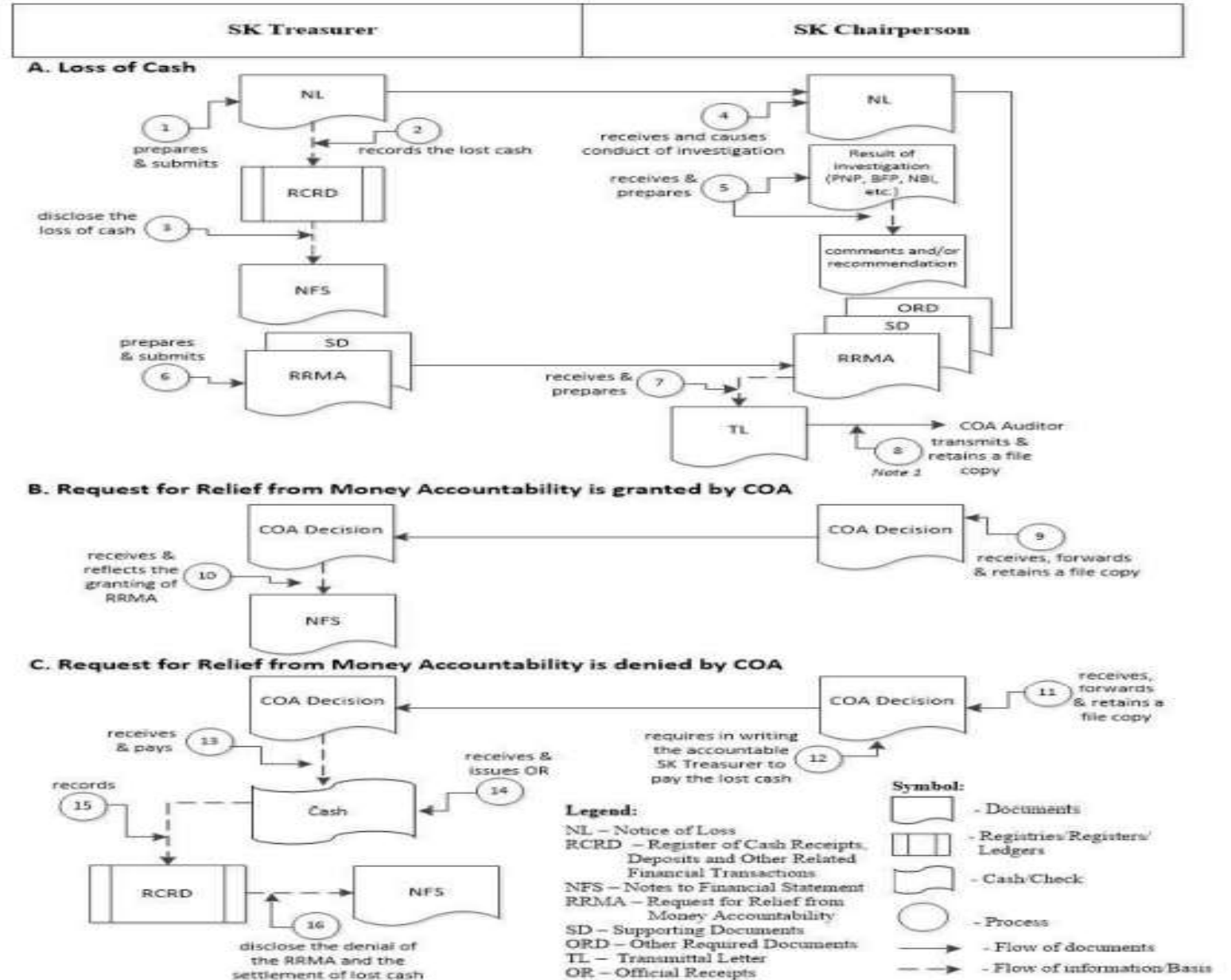
- File a request for relief before the concerned city/municipal auditor, through the barangay treasurer, within the statutory period of thirty (30) days or such a longer period as may be allowed by the city/municipal auditor

4.1.3 ACCOUNTABLE BARANGAY AND SK OFFICIALS

- In the case of the SK, the concerned Accountable SK Officials are advised to undertake the procedures/ activities as stipulated in the COA Handbook on the Financial Transaction of SK (HFTSK)

Type of Loss	Table No.	HFTSK Page No.
Loss of Cash Due to Theft, Robbery or Other Causes	4	18-20
Loss of Purchased Semi-Expendable Property	14	51-53
Loss of Purchased Property Equipment	22	78-81

Loss of Cash Due to Theft, Robbery or Other Causes Procedural Flowchart



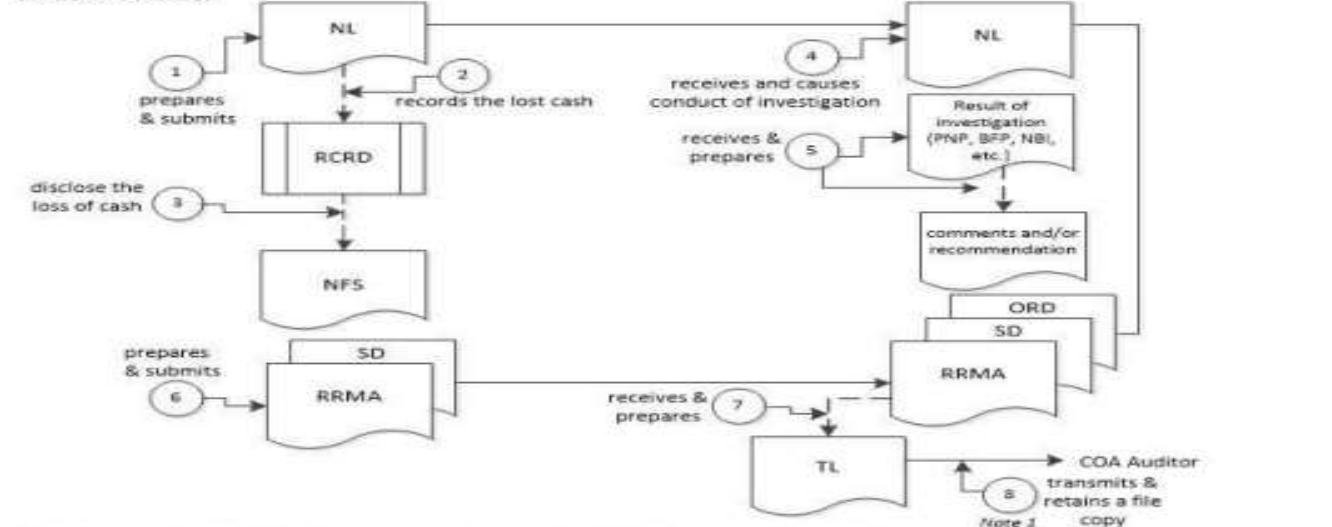
Type of Loss	Table No.	HFTSK Page No.
Loss of Cash Due to Theft, Robbery or Other Causes	4	18-20
Loss of Purchased Semi-Expendable Property	14	51-53
Loss of Purchased Property Equipment	22	78-81



Loss of Cash Due to Theft, Robbery or Other Causes Procedural Flowchart



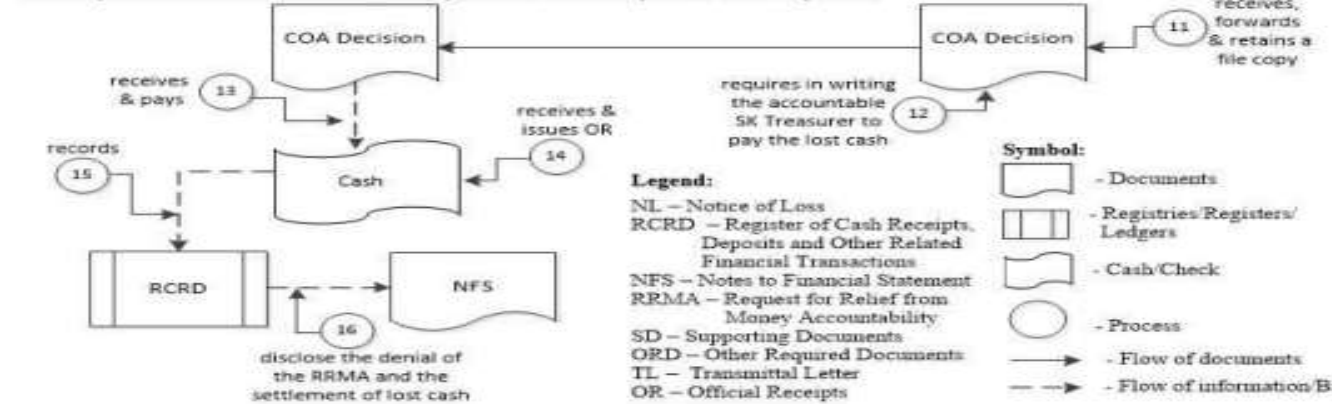
A. Loss of Cash



B. Request for Relief from Money Accountability is granted by COA



C. Request for Relief from Money Accountability is denied by COA



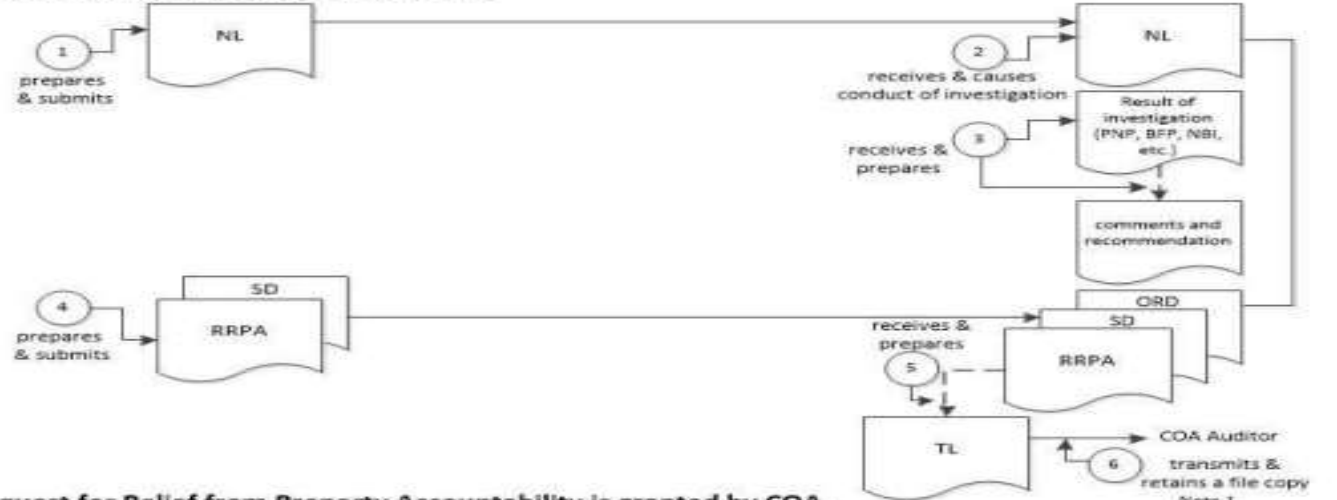
Type of Loss	Table No.	HFTSK Page No.
Loss of Cash Due to Theft, Robbery or Other Causes	4	18-20
Loss of Purchased Semi-Expendable Property	14	51-53
Loss of Purchased Property Equipment	22	78-81



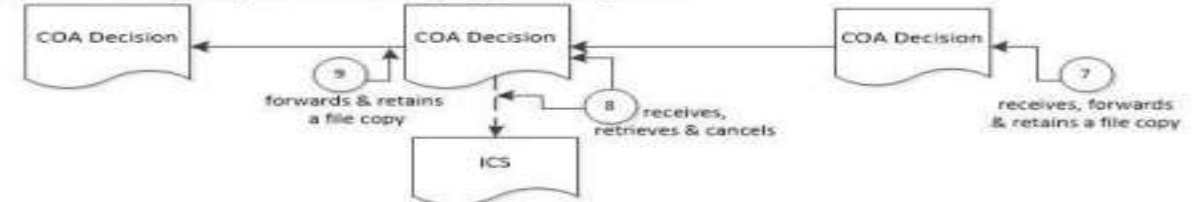
Loss of Purchased Semi-Expendable Property Procedural Flowchart

Accountable SK Official	SK Treasurer	SK Chairperson
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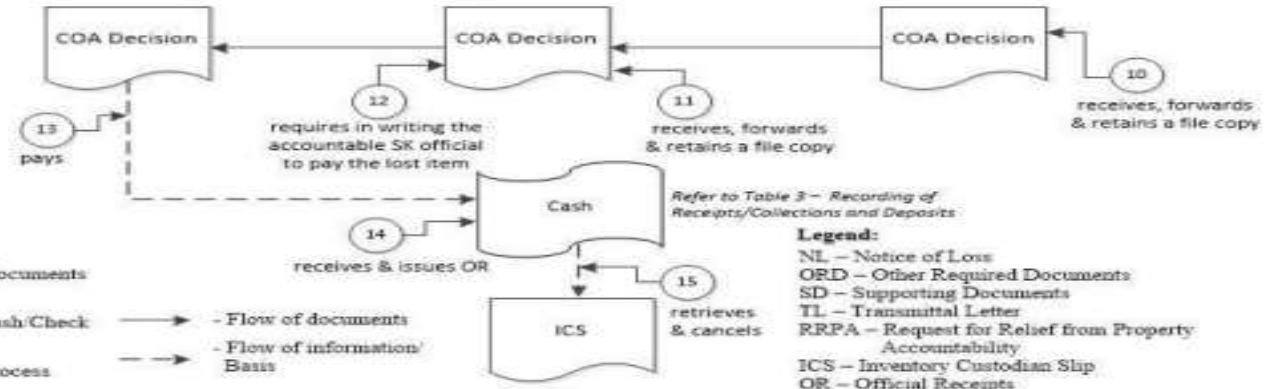
A. Loss of Purchased Supplies and Materials



B. Request for Relief from Property Accountability is granted by COA



C. Request for Relief from Property Accountability is denied by COA



Symbol:

- Documents
- Cash/Check
- Process
- Flow of documents
- Flow of information/Basis

Legend:

- NL - Notice of Loss
- ORD - Other Required Documents
- SD - Supporting Documents
- TL - Transmittal Letter
- RRPA - Request for Relief from Property Accountability
- ICS - Inventory Custodian Slip
- OR - Official Receipts

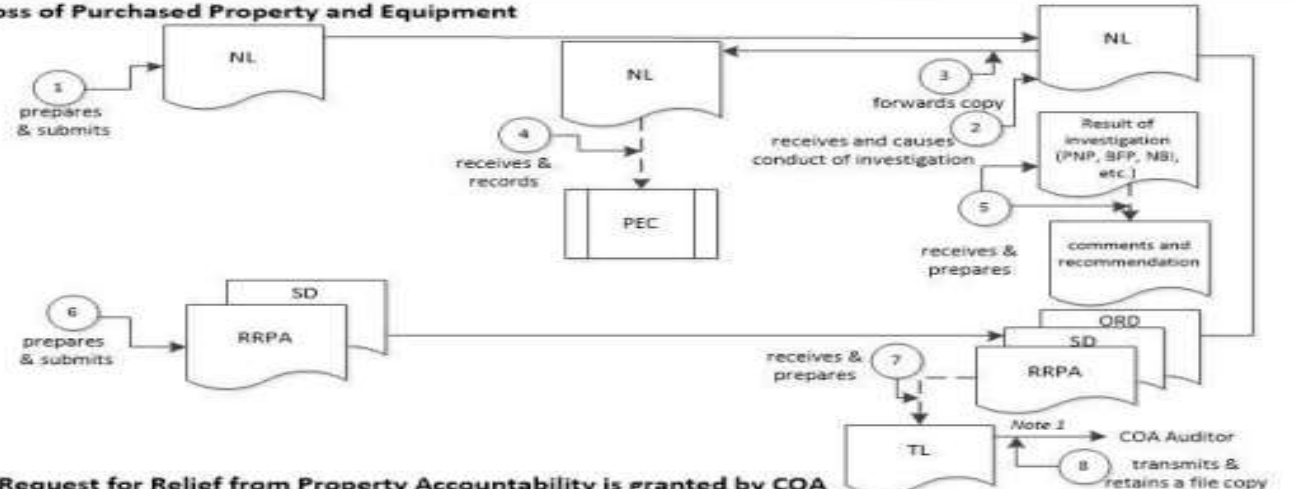
Type of Loss	Table No.	HFTSK Page No.
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Loss of Purchased Property Equipment	22	78-81



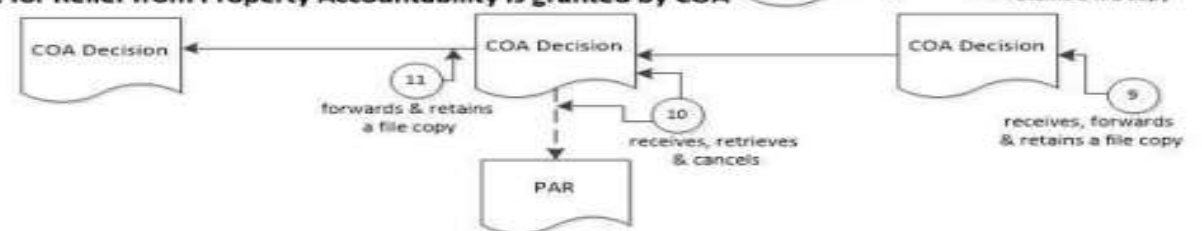
Loss of Purchased Property and Equipment Procedural Flowchart

Accountable SK Official	SK Treasurer	SK Chairperson
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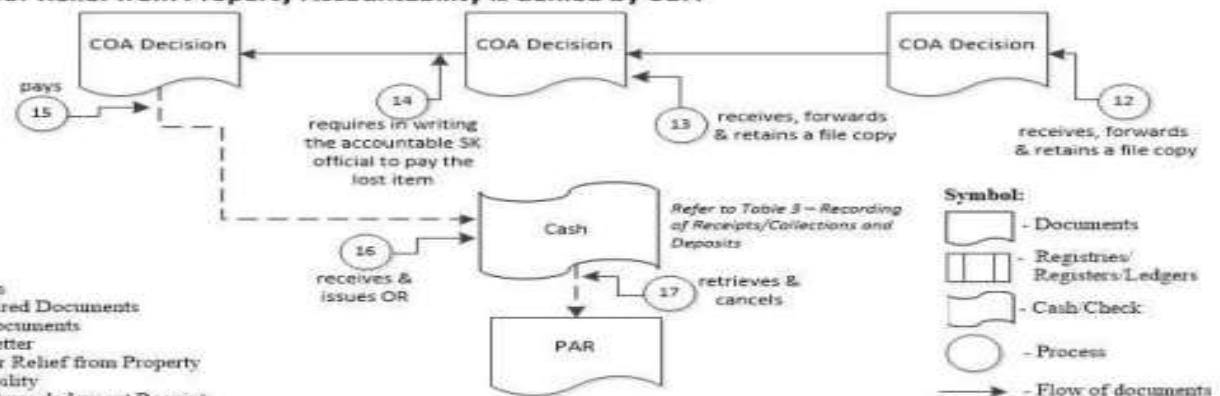
A. Loss of Purchased Property and Equipment



B. Request for Relief from Property Accountability is granted by COA



C. Request for Relief from Property Accountability is denied by COA



Legend:

- NL – Notice of Loss
- ORD – Other Required Documents
- SD – Supporting Documents
- TL – Transmittal Letter
- RRPA – Request for Relief from Property Accountability
- PAR – Property Acknowledgment Receipt
- PEC – Property Equipment Card
- OR – Official Receipts

Symbol:

- Documents
- Registries/ Registers/ Ledgers
- Cash/Check
- Process
- Flow of documents
- Flow of information/Basis

Type of Loss	Table No.	HFTSK Page No.
Loss of Cash Due to Theft, Robbery or Other Causes	4	18-20
Loss of Purchased Semi-Expendable Property	14	51-53
Loss of Purchased Property Equipment	22	78-81



4.1.4 CITY/MUNICIPAL MAYOR

- The City/Municipal Mayors, pursuant to Section 32 of RA 7169, are enjoined to ensure the smooth and orderly turnover of responsibilities for the proper use and care of government funds and properties by the Barangays and SKs, shall perform the following:
 - a. Direct all BSKOs to adhere to this Circular
 - b. Provide necessary support to all BITs and SKITs under his/her jurisdiction to efficiently and effectively perform related duties, roles and functions

4.1.4 CITY/MUNICIPAL MAYOR

c. Create, through a Executive Order, the City/Municipal Assessment and Transition Team (CMATT), not later than **SEPTEMBER 20, 2023**, with the following composition and functions, to wit:

POSITION	COMPOSITION
C/MATT Chairperson	C/M Accountant (or other C/M Official as may be designated by the LCE
C/MATT Co-Chairperson	DILG Field Officer
C/MATT Vice Chairperson	<ul style="list-style-type: none">• C/M Assistant Treasurer• C/M Budget Officer• LYDO• At least 3 CSO representative• At least two (2) LYDC Members (except the LYDC President and Vice President)• Other C/M Employees, as may be designated by the C/M Mayor

C/MATT DUTIES AND FUNCTIONS

1. Remind all PBs, SK Chairpersons and other accountable BSKOs to conduct initial and final inventory, prepare and submit the list of the government properties under their custody
2. Supervise the BIT and SKIT in the conduct of inventory and turnover of their respective B/SK PFRDs and Money Accountabilities
3. Plan and schedule the conduct of inventory of PFRDs and Money Accountabilities of the component barangays and SKs
4. Conduct assessment, verification and checking of the actual physical count of PFRDs of the component barangays and SKs as against the accomplished Inventory and Turnover Forms prepared and submitted by BSKOs

C/MATT DUTIES AND FUNCTIONS

5. Ensure completeness of BFRDs/SKFRDs and liquidation of all money accountabilities by the concerned accountable barangay offices before the conduct of the Turnover Ceremony.
6. Submit to the C/M Mayor a list, containing the names of accountable BSKOs who failed to turnover B/SK PFRDs and money accountabilities, if any.
7. Assist the C/M Mayor in ensuring the smooth and orderly transition, and the successful conduct of the turnover ceremony by the outgoing BSKOs to the newly elected/re-elected BSKOs.

- d. Direct the C/MATT to convene and discuss their duties and functions.
- e. Ensure that members of the C/MATT perform their duties and functions.
- f. Enjoin all Barangay and SK Officials to conduct inventory, list down all government properties within their custody and ensure smooth transition and turnover of properties, money accountabilities and responsibilities to the incoming/newly elected BSKOs.
- g. Attend or authorize the C/M Officials and/or employees to attend/witness the scheduled Turnover Ceremony of the component Barangays and SKs.
- h. Ensure the successful conduct of turnover within the jurisdiction

5.0 SANCTION

- The concerned accountable BSKOs who failed to turnover the government properties under their possession/custody may be held liable in accordance with the existing applicable laws, rules and regulations.




WHY TURNOVER GOVERNMENT PROPERTIES, FINANCIAL RECORDS AND DOCUMENTS?

LEGAL BASES:

Sec. 2, Presidential Decree No. 1445, known as “Government auditing Code of the Philippines” – “It is the policy of the State that all resources of the government shall be managed, expended, or utilized in accordance with law and regulations, and safeguarded against loss or wastage through illegal or improper disposition, with a view to ensuring efficiency, economy and effectiveness in the operations of government.”

Sec. 375 of the LGC 1991, provides for the “Primary and Secondary Accountability for Government Property” - defines the mandates of the accountable person

- the Punong barangay shall be accountable and responsible for the buildings and other physical structures
- Every officer primarily accountable for government property shall keep a complete record of all properties under his charge and render his accounts therefor semiaannually to the Punong Barangay, as the case maybe.



Section 376 of the LGC 1991 provides for the “Responsibility for Proper Use and Care of Government Property” by the concerned local officials who are in actual physical possession of government property or entrusted with its custody and control. (shall exercise due diligence in the utilization and safekeeping thereof.

Section 377 provides for the “Measure of Liability of Persons Accountable for Government Property.”

Article 71, Rule XIV defines Elective Local Officials to include the Members of the Sangguniang Kabataan as elective officials at the barangay level.

COA Handbook on the Financial Transaction of the SK mandates that:

- SK Chairperson shall be immediately and primarily responsible for all the funds and property pertaining to the SK (Sec. 3.10)
- Proper handling or custody of the funds and property of the SK rests with the SK Treasurer (Sec. 3.11)

RA No. 11935 mandates for the conduct of the synchronized Barangay and Sangguniang Kabataan Elections (BSKE) on the last Monday of October 2023, or October 30, 2023, and every three years (3) years thereafter, and the assumption of office of the elected Barangay and SK Officials shall commence at noon of November 30, 2023.

The Department, during the October 28, 2013 Barangay Elections and May 14, 2018 BSKE, issued DILG MC No.. 2013-115 dated October 17, 2013 and DILG MC 2018-12 dated February 1, 2018, respectively, which aim to sustain a transparent, accountable and a smooth transition of governance by the outgoing barangay officials to the incoming BSKOs.



END OF PRESENTATION!