



**REPUBLIC OF THE PHILIPPINES  
CITY OF IMUS | PROVINCE OF CAVITE  
OFFICE OF THE CITY MAYOR**

**EXECUTIVE ORDER NO. 20**  
*Series of 2022*

**AN ORDER CREATING THE INVENTORY COMMITTEE**

**WHEREAS**, the Commission on Audit issued Circular No. 2020-006 dated January 31, 2020 entitled, "Guidelines and Procedures in the Conduct of Physical Count of Property, Plant and Equipment (PPE), Recognition of PPE Items Found at Station, and Disposition for Non-Existing /Missing PPE Items, for the One-Time Cleansing of PPE Account Balances of Government Agencies."

**WHEREAS**, the Commission on Audit acknowledges that PPE generally constitute a significant portion of the total assets of the government, usually comprising more than fifty percent thereof.

**WHEREAS**, the existence of enormous amount of discrepancies in PPE account balances of government agencies has become a perennial issue and caused the non-establishment of the accuracy of the PPE balances presented in the financial statements.

**WHEREAS**, such condition, if not properly addressed would always cause an exception in the fairness of presentation of the financial position of government agencies and will deprive the government of reliable and useful information in decision making and accountability for these assets. Thus, the Commission on Audit issued Circular No. 2020-006 prescribing the guidelines and procedures on inventory taking, recognition of those found at station and disposition for non-existing/missing PPE items for the one-time cleansing of PPE accounts of government agencies to establish PPE balances that are verifiable as to existence, condition and accountability.

**WHEREAS**, Paragraph 5.2 of COA Circular No. 2020-006 provides that the Head of the Agency shall create an Inventory Committee composed of adequate number of members to be able to complete the physical inventory in three months or less.

**NOW THEREFORE**, I, **HON. ALEX L. ADVINCULA**, Mayor of the City of Imus, by virtue of the powers vested in me by law, do hereby order:



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CITY OF IMUS | PROVINCE OF CAVITE  
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**Section 1. The Creation of Inventory Committee-** The Inventory Committee of the City Government of Imus is hereby created pursuant to COA Circular 2020-006 dated 31 January 2020.

**Section 2. Composition-** The Inventory Committee shall be composed of the following:

**Chairman:**                   **Hon. Alex L. Advincula**  
City Mayor

**Vice-Chairman:**       **Ms. Roselie A. Pangilinan**  
City Accountant

**Members:**               **Mr. Elmer L. Camerino, REA**  
OIC – City Assessor

**Mr. Jeffrey M. Purisima**  
City Administrator

**Mr. Lauro D. Monzon**  
General Service Officer

**Engr. Christian Mervin S. Sarno**  
City Engineer

**Arch. Roel S. Saquilayan**  
City Architect

**Mr. Hertito V. Monzon**  
Chief of Staff

The respective Supply Officers of every department shall also serve as members of the Committee with respect to the conduct of the inventory in their respective departments or offices and the deliberation of any and all discrepancies that may be discovered.

The members of the Inventory Committee shall be temporarily relieved of all their regular duties to devote their full time in the conduct of the physical inventory taking until the same is completed. As mandated by COA, the physical inventory



**REPUBLIC OF THE PHILIPPINES  
CITY OF IMUS | PROVINCE OF CAVITE  
OFFICE OF THE CITY MAYOR**

shall be completed in three months or less. Thus, the Committee may require representatives from other departments or offices to expedite the inventory.

**Section 3. Functions-** The Inventory Committee shall perform the following functions:

- a. The Inventory Committee shall be responsible for the actual count to ascertain the existence, completeness and condition of all PPEs owned by the City Government of Imus.
- b. Plan/strategize on how to conduct and complete the physical inventory within the prescribe period. It shall prepare a Physical Inventory Plan (PIP) containing, at least, the specific assignment/duties of the Committee members, the cut-off date and a schedule specifying the dates and locations of the inventory taking activities from start up to the targeted completion of the physical inventory.
  - b.1 The PIP shall be approved by the City Mayor.
  - b.2 The Inventory Committee shall submit the approved PIP to the COA Audit Team at least ten (10) calendar days before the scheduled start of inventory taking activities.
  - b.3 The inventory taking activities shall be executed in accordance with the approved PIP.
  - b.4 The entire inventory taking shall be witnessed by the COA Auditor. The Audit Team Leader and/or any of her audit team members may be assigned for the purpose.
  - b.5 After the cut-off date set in the PIP, the Accounting Office and GSO shall ensure that the proper accounting and reporting procedures for all acquisition/receipt/issue/transfer/disposal of PPEs pursuant to the Accounting Manuals, and other relevant laws, rules and regulations are strictly followed.
- c. Upon completion of the physical count, the Inventory Committee shall prepare the RPCPPE, using the prescribed format under the Accounting Manuals of the respective Sectors. The RPCPPE shall be prepared in four (4) copies to be distributed as follows:



**REPUBLIC OF THE PHILIPPINES  
CITY OF IMUS | PROVINCE OF CAVITE  
OFFICE OF THE CITY MAYOR**

Original – COA Auditor  
Copy 2 – Accounting Office  
Copy 3 – GSO  
Copy 4 – Inventory Committee

The GSO and Accounting Office shall undertake collaborative procedures to ensure that all PPEs included in the RPCPPE are duly recorded in their respective records and that the Property Cards (PCs) maintained by the GSO and the PPELCs maintained by the Accounting Office are reconciled. The reconciliation shall be completed within ten (10) days from rendition of the RPCPPE by the Inventory Committee.

- d. Assign the cost/value of articles/items counted if no information could be found in both accounting and property records.
- e. Prepare Inventory and Inspection Report of Unserviceable Property (IIRUP) using the prescribed format for all PPEs found unserviceable, obsolete and/or no longer needed.
- f. Determine the appraised value of disposable property taking into consideration depreciation, obsolescence, market demand, physical condition, reference to other items with similar characteristics, in similar circumstances and location.
- g. Recommend the most advantageous price and mode of disposal for the City.
- h. Prepare a List of Non-Existing/Missing PPEs using the prescribed format, and determine the person/s accountable for non-existing/missing PPEs not otherwise disposed or transferred. The accountability shall be verified from the GSO's file copy of the Property Acknowledgment Receipts (PARs), Property Cards (PCs) and other available property records.



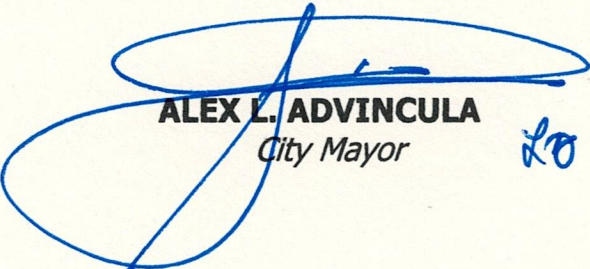
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CITY OF IMUS | PROVINCE OF CAVITE  
OFFICE OF THE CITY MAYOR**

- h.1 A demand shall be sent to the accountable person for the production of the PPEs he is accountable for. The letter shall be signed by the City Mayor or his designated representative.
- i. Conduct investigation if there are non-existing/missing PPEs for which accountability could not be established despite exhaustion of all diligent efforts.
- j. Request authority for derecognition from the COA Audit Team Leader and/or Supervising Auditor if accountability/responsibility over the missing PPE could not be pinpointed after investigation.

**Section 4. Separability Clause-** If any provision of this Executive Order is declared invalid or unconstitutional, other provisions not affected thereby shall remain valid and subsisting.

**Section 5. Effectivity-** This Executive Order shall take effect immediately upon the approval hereof and shall remain in full force and effect unless revoked or amended by the Local Chief Executive

**DONE** and **SIGNED** this 19<sup>th</sup> day of September 2022, City of Imus.

  
**ALEX L. ADVINCULA**  
City Mayor 