

# DILG MC 2023-047

**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**

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# LEGAL BASIS

- Section 375 of Republic Act (RA) No. 7160, otherwise known as the Local Government Code of 1991, provides for the “Primary and Secondary Accountability for Government Property”, which mandates that:

Each head of department or office of a province, city, municipality or barangay shall be primarily accountable for all government property assigned or issued to his department or office. The person or persons entrusted with the possession or custody of government property under the accountability of any head of department or office shall be immediately accountable to such officer .

# LEGAL BASIS

The head of a department or office primarily accountable for government property may require any person in possession of the property or having custody and control thereof under him to keep such records and make reports as may be necessary for his own information and protection .

Buildings and other physical structures shall be under the accountability and responsibility of the Provincial or City General Services Officer or the Municipal Mayor or Punong Barangay, as the case may be .

Every officer primarily accountable for government property shall keep a complete record of all properties under his charge and render his accounts therefor semiannually to the Provincial or City General Services Officer or the Municipal Mayor or Punong Barangay, as the case may be .

# LEGAL BASIS

- Section 376 of the same Code states that the person in actual physical possession of government property or entrusted with its custody and control shall be responsible for its proper use and care and shall exercise due diligence in the utilization and safekeeping thereof .
- Section 377 provides for the “Measure of Liability of Persons Accountable for Government Property”.
- On the bases of the above-cited provisions of RA No. 7160, the Punong Barangay, as the head of the Barangay Government, shall be primarily accountable for all government properties assigned or issued to and for the barangay while other accountable barangay officials entrusted with the possession or custody of such government properties, under the accountability of the Punong Barangay, shall be immediately accountable to the Punong Barangay.

# LEGAL BASIS

- Article 71, Rule XIV defines Elective Local Officials to include the Members of the Sangguniang Kabataan as elective officials at the barangay level.
- The Commission on Audit (COA) Handbook on the Financial Transaction of the Sangguniang Kabataan (HFTSK) mandates that the:

SK Chairperson shall be immediately and primarily responsible for all the funds and property pertaining to the SK. (Section 3.10)

Proper handling or custody of the funds and property of the SK rests with the SK Treasurer. (Section 3.11)

# LEGAL BASIS

Persons entrusted with the possession or custody of the funds or property shall be immediately responsible to the SK Chairperson without prejudice to the liability of either party to the SK (Section 3.13)

Every officer with the possession or custody of government funds or property shall be accountable therefor and for the safekeeping thereof in conformity with law. (Section 3.1.4)



# LEGAL BASIS

- Republic Act 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 (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 Memorandum Circular (MC) No. 2013-115 dated October 17, 2013 and DILG MC No.2018-12 dated February 1, 2018, respectively, which aim to sustain a transparent, accountable and a smooth transition of governance by the outgoing barangays officials to the incoming Barangay and SK Officials (BSKOs).

# POLICY CONTENT

## PUNONG BARANGAY

Create, through an Executive Order, the Barangay Inventory Team (BIT), composed of the following:

POSITION	COMPOSITION
<b>Chairperson</b>	Punong Barangay
<b>Vice Chairperson</b>	Member of the Sangguniang Barangay [to be selected by the PB]
<b>BIT Members</b>	<ul style="list-style-type: none"><li>✓ 3 Regular Sangguniang Barangay Members</li><li>✓ Barangay Secretary</li><li>✓ Barangay Treasurer</li><li>✓ Bookkeeper or City/Municipal Representative</li><li>✓ At least 1 CSO/NGO Representative</li></ul>



# POLICY CONTENT

Ensure that the following activities/functions of BIT are undertaken and complied with:

ACTIVITY	OPR	TIMELINE (2023)
1. Issue an Executive Order on the Creation of BIT	Punong Barangay	August 7-11
2. Convene the members of the BIT		
3. Discuss the roles and responsibilities of BIT in the conduct of inventory of BPFDRs		
4. Provide the City/ Municipal Mayor and the DILG City Director or the City/ Municipal Local Government Operations Officer, with a copy of the Executive Order	Punong Barangay	Not later than August 16

# POLICY CONTENT

<b>5. Conduct an <u>initial inventory</u> of all BPFDRDs;</b>	<b>BIT</b>	<b>August 21 to August 25</b>
<b>6. Accomplish the prescribed Inventory and Turnover Form No.1</b>	BIT	
<b>7. Submit the accomplished Inventory and Turnover Form No.1 to the City/ Municipal Mayor, through the City/Municipal Accountant, copy furnished the local COA and DILG Field Office</b>	BIT	Not later than August 31

# POLICY CONTENT

<p><b>8. Conduct the <u>Final Inventory</u> of BPFDRs and Money Accountabilities using Inventory and Turnover Form No. 2</b></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>BIT</p>	<p>Not later than November 10</p>
<p><b>9. Accomplish Inventory and Turnover Form No. 2</b></p>		
<p><b>10. Submit the accomplished Inventory and Turnover Form No. 2 to the City/Municipal Mayor, through the City/Municipal Accountant, copy furnished the local COA and DILG Field Office</b></p>	<p>BIT</p>	<p>Not later than November 15</p>

# POLICY CONTENT

<b>11. Plan and organize the conduct of formal Turnover Ceremony</b>		
<b>12. Notify the City/Municipal Mayor; local officials; local COA; the DILG City Director or C/MLGOO; and the newly elected barangay officials of the schedule of the turnover ceremony</b>	<b>BIT</b>	<b>Not later than November 17</b>
<b>13 .Conduct the Turnover Ceremony (same schedule with the SK)</b>	Punong Barangay	Not later than 12 Noon of November 30

# POLICY CONTENT

## SANGGUNIANG KABATAAN CHAIRPERSON

Through an Order, create the Sangguniang Kabataan Inventory Team (SKIT), composed of the following:

POSITION	COMPOSITION
<b>SKIT Chairperson</b>	SK Chairperson
<b>SKIT Vice Chairperson</b>	Member of the SK [to be chosen by the SK Chair]
<b>SKIT Members</b>	<ul style="list-style-type: none"><li>✓ 2 Regular SK Members</li><li>✓ SK Secretary</li><li>✓ SK Treasurer</li><li>✓ Representative/s from the Youth Organizations who is/are member/s of the Local Youth Development Council (LYDC)</li><li>✓ At least one (1) KK member</li></ul>

# POLICY CONTENT

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

ACTIVITY	OPR	TIMELINE
1. Issue an Order on the Creation of SKIT	SK Chairperson	August 7-11
2. Convene the members of the SKIT		
3. Discuss the roles and responsibilities of SKIT in the conduct of inventory SK properties		
4. Submit the Order to the City/ Municipal Mayor, through the Local Accountant and the Local Youth Development Officer (LYDO), copy furnished the Punong Barangay, DILG City Director or the City/ Municipal Local Government Operations Officer	SK Chairperson	Not later than August 16



# POLICY CONTENT

5. Conduct an <u>initial inventory</u> of all SK properties, financial records and other documents	SKIT	August 21 to August 25
6. Accomplish the SK Inventory and Turnover Form No.1		
7. Submit the accomplished SK Inventory and Turnover Form No.1 to the City/ Municipal Mayor, through the City/Municipal Accountant and LYDO, copy furnished the Punong Barangay, local COA and DILG Field Office	SKIT	Not later than August 31
8. Conduct the <u>Final Inventory</u> of SK PFRDs and Money Accountabilities using SK Inventory and Turnover Form No. 2	SKIT	Not later than November 10
9. Accomplish SK Inventory and Turnover Form No. 2		
		Not later than November 10

# POLICY CONTENT

<p><b>10. Submit the accomplished SK Inventory and Turnover Form No. 2 to the City/Municipal Mayor, through the City/ Municipal Accountant and LYDO, copy furnished the local COA and DILG Field Office</b></p>	<p><b>SKIT</b></p>	<p><b>Not later than November 15</b></p>
<p><b>11. Plan and organize the conduct of formal Turnover Ceremony, in coordination and collaboration with the Punong Barangay</b></p>	<p>SKIT</p>	<p>Not later than November 17</p>
<p><b>12. Notify the City/Municipal Mayor; local officials; local COA; the DILG City Director or C/MLGOO; and the newly elected SK Officials of the conduct turnover ceremony</b></p>	<p>Punong Barangay/SK Chairperson</p>	<p>Not later than 12 Noon of November 30</p>
<p><b>13. Conduct the Turnover Ceremony (same schedule with the barangay)</b></p>	<p>SKIT</p>	<p>Not later than 12 Noon of November 30</p>

# POLICY CONTENT

## ACCOUNTABLE BARANGAY AND SK OFFICIAL:

- 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/SK PFRDs to the BIT/SKIT before the expiration of his/her term of office.

# POLICY CONTENT

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 Implementing Rules and Regulations of RA No. 7160, before the expiration of their respective term of office, such as the following:

- Affidavit of the accountable barangay official containing a statement of the facts and circumstances of loss;
- Affidavits of two (2) disinterested persons cognizant of the facts and circumstances of loss;

# POLICY CONTENT

- Final investigation report of the office and the proper government investigating agency; and
- 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.

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.

# POLICY CONTENT

- 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 .
- 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) , to wit:

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



# POLICY CONTENT

## CITY/MUNICIPAL MAYOR

The City/Municipal Mayors, in the exercise of their power of general supervision over component barangays, pursuant to Section 32 of RA No. 7160, 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:

- Direct all BSKOs to adhere to this Circular.
- Provide necessary support to all BITs and SKITs under his/her jurisdiction to efficiently and effectively perform related duties, roles and functions.

# POLICY CONTENT

- Create, through an Executive Order, the City/Municipal Assessment and Transition Team (C/MATT), not later than September 30, 2023, with the following composition and functions, to wit:

POSITION	COMPOSITION
<b>C/MATT Chairperson</b>	C/M Accountant (or other City/Municipal Official as may be designated by the LCE)
<b>C/MATT Co-Chairperson</b>	DILG Field Officer
<b>C/MATT Vice Chairperson</b>	City/Municipal Treasurer (or other City/Municipal Official as may be designated by the LCE)
<b>C/MATT Members</b>	<ul style="list-style-type: none"><li>✓ City/Municipal Assist. Treasurer</li><li>✓ City/Municipal Budget Officer</li><li>✓ Local Youth Development Officer</li><li>✓ At least 3 CSO representatives</li><li>✓ At least two (2) LYDC Member/s (except the LYDC President and Vice President)</li><li>✓ Other City/Municipal Official/ Employees, as may be designated by the City/Municipal Mayor</li></ul>

# POLICY CONTENT

## C/MATT DUTIES AND FUNCTIONS

- ✓ Remind all Punong Barangays, SK Chairpersons and other accountable BSKOs to conduct initial and final inventory, prepare and submit the list of the government properties under their custody.
- ✓ Supervise the BIT and SKIT in the conduct of inventory and turnover of their respective B/SK PFRDs and Money Accountabilities.
- ✓ Plan and schedule the conduct of assessment and checking of B/SK inventory of PFRDs and Money Accountabilities of the component barangays and SKs.
- ✓ 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.

# POLICY CONTENT

- ✓ Ensure completeness of BPFDRs/SKPFRDs and liquidation of all money accountabilities by the concerned accountable barangay officials before the conduct of the Turnover Ceremony.
- ✓ Submit to the City/Municipal Mayor a list, containing the names of accountable BSKOs who failed to turnover B/SK PFRDs and money accountabilities, if any.
- ✓ Assist the City/Municipal 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.

# POLICY CONTENT

- Direct the C/MATT to convene and discuss their duties and functions.
- Ensure that members of the C/MATT perform their duties and functions.
- 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.
- Attend or authorize the City/Municipal Officials and or/ employees to attend/witness the scheduled Turnover Ceremony of the component Barangays and SKs.
- Ensure the successful conduct of turnover within the jurisdiction.

# SANCTION

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



THANK YOU!

