



Republic of the Philippines  
Department of the Interior and Local Government  
NATIONAL POLICE COMMISSION  
**NATIONAL HEADQUARTERS PHILIPPINE NATIONAL POLICE**  
**OFFICE OF THE CHIEF, PNP**  
Camp Crame, Quezon City

JAN 28 2010

STANDARD OPERATING PROCEDURE  
NUMBER 2010-01

**ANNUAL LOGISTICS INSPECTION AND PHYSICAL ACCOUNTING OF PNP  
PROPERTIES**

**1. REFERENCES:**

- a. Letter of Instructions 001/2002 (LOI BAWI) dated 26 March 2002;
- b. NHQ-PNP Memorandum Circular No. 2000-013 dated 25 September 2000, re: *"Procedures and Guidelines to be followed by PNP Officials in the Conduct of Inventory and Turn-Over of PNP Assets and Other Government Properties during Relinquishment and Assumption of PNP Units/offices at all Levels"*;
- c. NAPOLCOM Memorandum Circular No. 95-012 dated 29 June 1995 re: *"Guidelines in the Conduct of Inventory of PNP Supplies, Equipment and Facilities"*;
- d. NHQ-PNP Memorandum Circular No. 09 dated 01 March 1993, re: *"Annual Inventory and Quarterly Report of Gains and Losses of PNP Properties"*; and
- e. NHQ-PNP SOP No. 22 dated 24 September 1992, re: *"Turn-over of Command Property Inventory"*.

**2. PURPOSE:**

This SOP prescribes the policies, procedures and responsibilities in the conduct of inspection and physical inventory of PNP properties.

**3. GENERAL:**

This aims to provide the guidelines in the conduct of inventory of all the firepower and mobility assets of the PNP through the process of inspection by physical accounting. The reports submitted by PROs through the PNP Logistics Information Management System will be used as basis in the conduct of this activity.

**4. DEFINITION OF TERMS:**

- a. Inventory – a procedure of conducting physical accounting of real estate, facilities, and stock taking of supplies and equipment to check the integrity of property custodianship;



b. Supplies – expendable and non-expendable commodities, except real estate, necessary to equip, maintain and operate the PNP;

c. Expendable Supplies – those which are consumable or perishable in nature which lose the identity when placed in or attached to a major item or consumed by personnel;

d. Non-Expendable Supplies – those which are durable in nature and when used do not suffer any material or substantial change or alteration in size and form;

e. Equipment – all non-expendable supplies other than land, structure and fixed facilities, having a useful life greater than one (1) year and a unit value of more than one thousand five hundred pesos (Php1,500.00);

f. Property Accountability - primary obligation imposed by laws and regulations on the Supply Accountable Officer to keep formal records of supplies;

g. Property Responsibility – secondary obligation imposed by laws and regulations of the property custodian to keep and maintain informal records of supply, equipment and other properties entrusted to him. He shall maintain a property book for non-expendable and a record of consumption for expendable supplies;

h. Personal Responsibility – obligation imposed by laws and regulations on any member of the PNP for the proper use, care and maintenance of supplies entrusted to him; and

i. Command Responsibility – obligation imposed by laws or regulations on head of offices/commanders to ensure that their command authority be carried out by the lower echelon of command to record, maintain and utilize properly all PNP properties.

## 5. POLICIES:

a. The conduct of physical inspection/inventory aims to reconcile the records submitted to DL by the different PNP offices/units, for inclusion in the PNP Logistics Information Management System (PLIMS);

b. The conduct of annual physical accounting of properties will be conducted days before the scheduled PNP Transformation Caravan at PROs, if the schedule permits;

c. Heads of Offices shall be jointly liable with persons primarily responsible to any losses of PNP property under the Doctrine of Command Responsibility;

d. Personnel entrusted with the custody of PNP property shall be deemed primarily accountable to said property;

e. Physical Inventory shall include all PNP assets contained in the property book of account, properties found in station, properties covered by deed of donation, captured, confiscated, surrendered and deposited (CCSD) firearms/properties under custody for safekeeping or deposited as evidence in court proceedings;

f. PNP units shall conduct a physical inventory of all its assets at least once a year. However, Heads of Offices may conduct physical inventory anytime should the situation warrant. It shall render quarterly reports of gains and losses to the Directorate for Logistics;



g. Police Regional Offices, through the Regional Bids and Awards Committee, shall furnish DL and NHQ-BAC their consolidated and updated Annual Procurement Plan (APP) in compliance to Sec 7, Rule II of RA 9184;

h. No issuance of supplies, materials and equipment shall be implemented without the approval of DL/LSS. These issuances shall be coursed through proper channels of issuance i.e. from highest levels of issuing unit down to the end-user, to avoid unnecessary loss of records or discrepancies of records;

i. The issuance of PNP equipment shall solely be for the administrative and operational functions or duty of the PNP. No PNP equipment shall be loaned or issued to civilians or any civilian entity, as it will violate PNP MC No. 2007 – 11 dated October 4, 2007;

j. Assignment of Logistics Officers shall be governed by the Logistics Eligibility and Placement Policy as prescribed in MC No. 2008 – 12 dated August 13, 2008. The PROs shall forward the list of short listed applicants to DL for the appropriate approval of TDL;

k. All PROs shall observe the requirements and procedures of Disposals of Beyond Economical Repair (BER) and CCSD firearms in compliance with PNP MC No. 2009 – 009 dated June 9, 2009 and PNP Circular No. 5 Series of 2005;

l. No turn-over and assumption of office shall be enforced/implemented without the proper inventory and turn-over of unit assets and other properties as prescribed in PNP Circular No. 2000 – 13 dated September 15, 2000; and

m. PROs shall formulate their respective implementing policies on the inventory procedures on the properties peculiar to their units in accordance with existing policies.

## **6. PROCEDURES:**

a. The Directorate for Logistics shall supervise the conduct of Annual Nationwide Physical Accounting of PNP properties especially on firearms and mobility assets;

b. PROs and NSUs shall conduct a monthly Saturday showdown inspection of firearms, ammunition and vehicles at their respective units;

c. NSUs Regional Offices shall join in the monthly inspection by the Regional Physical Accounting Team;

d. PROs shall include in their Quarterly Gains and Losses the Report on the Status of Ammunition Inventory and Utilization;

e. PROs and NSUs shall also conduct a quarterly showdown inspection on communication equipment, CDM equipment and others;

f. All PROs shall furnish the NHQ-BAC and DL a copy of their consolidated Annual Procurement Plan (APP) as well as their updates thereafter;

g. The following will compose the NHQ Physical Accounting Team:

Director, HSS  
DC Representative

- Team Leader  
- Asst Team leader



DDL	- Supervisor
LSS Representative	- Member
SAO, PNP-Wide	- Member
ES Representative	- Member
COA Representative	- Observer

h. For PROs, the Regional Physical Accounting Team shall be organized as follows:

Chief, Regional Logistics & Research & Development Division (C, RLRDD)	- Team Leader
Chief, Regional Comptrollership Division (C, RCD)	- Asst Team Leader
Ex-O, DL	- Supervisor
RSAO	- Member
Regional Engineer	- Member
Regional COA Representative	- Observer

i. PPOs and other lower PNP units shall create their own Physical Accounting Teams;

j. Upon completion of the inventory, the Teams shall submit their reports using the following prescribed format:

- 1) General Form 41-A for serviceable property; and
- 2) General Form 17-A for unserviceable/BER/valueless properties

k. Relatedly, inventory report of gains and losses of PNP units shall be submitted quarterly to the Regional Physical Accounting Team which in-turn will also be submitted to the Directorate for Logistics in prescribed PNP inventory forms No. 1 (General Form 41-A) and 2 (General Form 17-A) formats;

l. The Regional Physical Accounting Team shall inspect and countercheck the reports from lower units for discrepancies;

m. The Regional Director shall approve and sign the reports for transmittal to Regional Commission on Audit. A similar report summarizing the findings and recommendations shall be forwarded to the Directorate for Logistics. It shall be accompanied by a certification that the property records have been reconciled with the report of inventory; and

n. Procedures in the turn-over of properties of outgoing PNP Officer shall be governed by PNP Circular No. 2000 - 13 while disposition of such properties shall be governed by PNP MC No. 2009 - 009 dated June 9, 2009 and PNP Circular No. 5 Series of 2005.

## 7. RESPONSIBILITIES:

a. Director for Logistics

1) Shall supervise the conduct of Annual Nationwide Accounting of PNP properties giving emphasis on firearms and vehicles;

2) Organize three (3) DL Teams to supervise the physical accounting at NHQ, PROs, PPOs and police stations; and



3) Submit annual physical inventory report to NAPOLCOM (ATTN: Chief, Installation and Logistics Service) not later than March of every year.

b. Regional Directors, PROs

1) Responsible for the over-all supervision and administration of Annual Physical Accounting of PNP properties in their respective AORs;

2) Organize the Regional Physical Accounting Team;

3) Prepare to receive the DL Supervisory Team;

4) Submit After Physical Accounting Report to TDL; and

5) Brief the TDL Team on the status of PNP properties.

c. Directors, NSUs

1) Responsible for the over-all supervision and administration of Annual Physical Accounting of PNP properties in their respective AORs;

2) Receive and assist the NHQ Physical Accounting Team; and

3) Brief the NHQ Teams on the status of PNP properties.

d. Inspection Teams

1) Conduct physical inventory/inspection of all equipment;

2) Submit report of inventory to ODL (Attn: LPPD) for consolidation; and

3) Perform other tasks as may be directed.

e. Secretariat

1) Facilitate the conduct of inspection and inventory by the Inspecting Team;

2) Provide for efficient scheduling of the Inspection Teams;

3) Consolidate inventory reports of all the Inspection Teams;

4) Facilitate the documentary needs of the Inspection Team;

5) Provide technical support during the inspection activity;

6) Coordinate with other PNP units; and

7) Perform other tasks as may be directed.

**8. ADMINISTRATIVE INSTRUCTIONS:**

a. All members of the DL Inspection Team will undergo a pre-departure briefing;



b. The Team Leader shall prepare the report and submit it to the Office of the Director for Logistics not later than five (5) days after the conduct of the Physical Inventory;

c. Inspection Teams shall also look into the compliance of PNP Units to LOI Bawi, particularly on the recovery of firearms of personnel who resigned, retired, or were dismissed or reassigned to other units;

d. The conduct of Physical Inventory by the ODL Inspection Team should be coordinated and scheduled/synchronized with the PMO Transformation Caravans, if possible;

e. All PROs, PPOs, PS and other PNP units are encouraged to conduct a regular Saturday Inspection/Showdown Inspection with PICE;

f. The thrust of the Physical Inventory for this year is mobility and firepower;

g. ODL shall be represented in the NHQ Inspection Teams;

h. EX-O, ODL shall act as the overall supervisor of the ODL Inspection Teams;  
and


i. Henceforth, all PNP Units from the NSUs, PROs and PPOs are directed to conduct a regular annual physical inventory of all their command property, equipment and assets, reports of which shall be submitted to ODL.

#### 9. REPEALING CLAUSE

All SOPs, directives and issuances contrary to this Standard Operating Procedure are hereby amended or rescinded.

#### 10. EFFECTIVITY

This SOP shall take effect fifteen (15) days from filing of a copy thereof at the UP Law Center in consonance with Section 3, Chapter 2, Book VII of Executive Order 292, otherwise known as "the Revised Administrative Code of 1987", as amended.

  
JESUS M. VERZOSA, CEO VI  
Police Director General  
Chief, PNP

#### Distribution:

All RDs, PROs 1-13, COR, ARMM, NCRPO  
All Dirs, NSUs

#### Copy furnished:

Command Group  
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