



Republic of the Philippines
Department of Environment and Natural Resources

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07 AUG 2023

MEMORANDUM

FOR : **DIRECTOR FELIX S. MIRASOL, JR., CESO IV**
OIC, Executive Director
DENR-Region IV-B
1515 L & S Building, Roxas Boulevard,
Ermita, Manila

ATTENTION : **PENRO ALAN L. VALLE**
OIC, PENRO Oriental Mindoro
Sitio II, Ilang-ilang St., Brgy. Suqui, Calapan City

PENRO ERNESTO E. TAÑADA
OIC, PENRO Occidental Mindoro
Brgy. Payompon, Mamburao, Occidental Mindoro

FROM : **THE CHAIRPERSON**
DENR Inventory Committee
OIC Director, Financial and Management Service
DENR Central office

SUBJECT : **CONDUCT OF PHYSICAL INVENTORY**

This has reference to the forthcoming conduct of final actual ground validation and inspection of the remaining infrastructure of the Low Income Upland Communities Project (LIUCP), a completed foreign assisted project in Mindoro tentatively to be scheduled on August 13-19, 2023.

Please be informed that the Commission on Audit issued an Audit Observation Management (AOM) No. 2022-010 (2021) dated March 19, 2022 to DENR pertaining to the audit of PPE account by end of 31 December 2021. Included in the discrepancies are the LIUCP and various FAPs account amounting to P61,393,499.50 and P2,078,877.16, respectively. The COA recommended that the DENR Inventory Committee facilitate the conduct of physical inventory for the one-time cleansing of PPE account balances of the DENR-CO, excluding the fixed/non-movable PPE.

Prior to the receipt of the said AOM, the DENR issued a Special Order (SO) No. 2021-646 dated November 18, 2021 creating an Inventory Committee for the conduct of the Physical count of Property, Plant and Equipment (PPE) chaired by the Director of Financial and Management Service and co-chaired by the Director of Administrative Service for the implementation of the COA Circular No. 2020-006 dated January 31, 2020. Said SO was composed of six (6) various Sub-Committee and one of which is the Sub-Committee No. 6: Land; Land Improvement: Land and Land Improvement and Reforestation Projects, Other Land Improvement. The team leader of the said sub-committee is the Chief of the Project Accounts Management Division of the Foreign Assisted and Special Projects Service.

To comply with the directives of COA, on April 25-29, 2022, two (2) teams from the Central Office were deployed in Oriental and Occidental Mindoro for the conduct of actual

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physical inventory of the infrastructures established by LIUCP. The said activity was attended by the concerned personnel of PENROs and CENROs of Mindoro including the concerned personnel of the Provincial Office as well as from the COA of Oriental while in Occidental Mindoro the personnel from COA was only present during the exit meeting.

Due to complexity of project location, the teams were not able to validate all the infrastructure as indicated in the Project Completion Report. In this regard, we are requesting your office to assist the team in the conduct of another round of actual ground inspection/validation as well as coordination with the LGUs concerned.

Attached is the summary report of actual ground validated infrastructure in Oriental and Occidental Mindoro for your reference.



IMELDA R. DELA CRUZ

cc:

Director Rolando R. Castro
Administrative Service

Director Al O. Orolfo, Ph.D.
Foreign Assisted and Special Projects Service

Low Income Upland Communities Project

Particular	Target as indicated in the PCR			Actual Ground Validated in Oriental Mindoro	Actual Ground Validated in Occidental Mindoro
	Oriental	Occidental	Total		
Multi-purpose building constructed			35	18	
Watershed Management Unit					2
Site Management Unit					4
Sitio Service Center				1	15
Office building constructed				1	1
Culvert constructed			29	45	33
Access road constructed / Farm to Market Road (km)	233	114		82.6 (km)	19 (no)
Water System	87	28		25	8
One and two classrooms building	28	16		2	8
One classrooms building				1	
Hanging bridge constructed			17	6	3
Maintenance of roads (km) due to calamities in 1993, 1994,1998			1,459		
Graded Trails			102	1	1
Communal Irrigation facilities Malaylay Bucayao Watershed				1	
Communal Irrigation Facilities Tagumpay Watershed					
Solar pavement dryer constructed				2	10
Spillway				2	2
Dike				1	