

**Memorandum Order  
No. 12  
August 17, 1990**

**SUBJECT: Addendum to DENR Memorandum Order No. 36, Series of 1988, Re: Guidelines on the Confiscation, Seizure and Disposition of Illegally Cut, Gathered and/or Transported Forest Products**

Pursuant to the provisions of Presidential Decree No. 705, as amended, the National Accounting and Auditing Guidelines and other pertinent policies, laws and regulations, additional procedures on the confiscation and disposition of illegally cut forest products are hereby issued for the information and guidance of all concerned:

**I. GENERAL PRINCIPLE**

1. Supplies and equipment acquired by the Department through confiscation/forfeiture are considered government properties and henceforth must be entered in the book in the books of accounts. Any subsequent transactions made will in all instances be accounted for.
2. For internal control, all confiscation and disposition forms shall be numerically marked and issued by Central Office thru the General Services Division.

**II. ADDITIONAL PROCEDURES ON CONFISCATION:**

1. Confiscation order forms shall be accomplished in five (5) copies and distributed as follows:

**ORIGINAL** - to the owner of articles confiscated. In the absence of the owner, the original copy should be posted in the premises of the confiscating office;

**DUPLICATE** - to the head of Agency or its designated Office/Officer;

**TRIPLICATE** - to the Accountant;

**QUADRUPPLICATE** - to the receiving officer or the person/official holding custody of the property;

**QUINTUPLICATE - for file apprehending Office**

2. If a case is filed in court by the owner or DENR after a confiscation order was issued, a certification from the court handling the case should be secured manifesting that the seized property is under litigation. The accounting office should always be furnished a copy of the certification and final court decision.

**III. ADDITIONAL DISPOSITION PROCEDURES - This holds true to all modes of disposition (bidding, donation, release and use for DENR infrastructure projects).**

1. A quintuplicate prenumbered copy of the disposition forms shall in all instances be accomplished and distributed as follows:

**ORIGINAL** - for file of issuing Office;

**DUPLICATE** - to the recipient;

**TRIPLICATE** - to the Accountant;

**QUADRUPPLICATE** - to the official holding custody of the confiscated items;

**QUINTUPLICATE** - to the head of Agency or designated Office/Official.

2. A certification of acceptance from the official or owner receiving the confiscated items should also be secured in all modes of disposition.
3. The Office/Officer handling the case should inform the COA and request the Resident Auditor or its representatives to be present and witness the physical transfer of the confiscated items for disposition.

**IV. ACCOUNTING ENTRIES:**

1. The Secretariat handling the data and records shall furnish the Accounting Division all papers, and documents pertaining to the confiscation of goods, forest products, equipment and other paraphernalia as well as its disposition thru sale, donations or release as basis for recording such transactions in the books of accounts.
2. The entries to be followed in the confiscation and disposition procedures are as follows:

a) Upon confiscation of goods.

8-72-500	xx	
8-86-500		xx

b) Upon confiscation of equipment, tools in the commission of the crime treated as contingent asset.

8-74-300	xx	
8-86-500		xx

c) Upon court order for forfeiture.

Reverse entries on (b) then take up as asset

8-79-8?	xx	
0-94-140		xx

d) Upon disposition

- Sale of confiscated goods

Collection		
8-70-400	xx	
0-91-000		xx

Adjusting Entry

8-86-500	xx	
8-72-500		xx

- Release of confiscated goods

8-86-500	xx	
8-72-500		xx

- Donation of confiscated goods

8-86-500	xx	
8-72-500		xx

**V. REGISTRATION OF CONFISCATED VEHICLES:**

After thirty (30) days from receipt of the confiscation order by the owner of the conveyance and no appeal is filed, the office/officer holding custody of the confiscated vehicles and/or equipment shall register the same with the proper government offices.

**VI. CONFISCATION AND RELEASE OF EQUIPMENT AND TOOLS**

Implementing provisions on the forfeiture or release of apprehended/seized equipment and/or tools will explicitly be covered in a separate order.

This ORDER takes effect immediately and amends or modifies previous order inconsistent herewith.

**FULGENCIO S. FACTORAN, JR.**  
Secretary