

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

December 4, 2002

REVENUE MEMORANDUM ORDER NO. 36-2002

SUBJECT: Extraction/Salvaging of Reusable Parts of Obsolete/
Unserviceable Information Technology (IT) Equipment

TO : All Internal Revenue Officials and Others Concerned

I. OBJECTIVES

This Order is issued to:

- A. Maximize the use of reusable parts of IT equipment prior to their disposal.
- B. Establish policies and procedures on the extraction and safekeeping of reusable parts of obsolete/unserviceable IT equipment.
- C. Define and delineate the responsibilities of various offices concerned.

II. POLICIES

- A. Procedures on the return and disposal of unserviceable IT equipment shall be in accordance with RMO Nos. 27-99 and 35-2000.
- B. All IT equipment certified as obsolete/unserviceable shall be subject to further inspection/evaluation of offices mentioned in Item II.C to determine if there are still reusable parts that can be extracted for future use.
- C. The following offices shall be responsible in the conduct of joint inspection and extraction/salvaging of still useful parts of obsolete/unserviceable IT equipment:

For National Office

- Systems Support Division of Information Systems Operations Service (SSD-ISOS)
- Property Monitoring and Control Section – General Services Division (PMCS-GSD)
- Representative from Inspection and Acceptance Committee

For Regional and District Offices and Large Taxpayers District Offices

- Property Section of Administrative Division (PS-AD)
 - Computer Operations, Network and Engineering Division (CONED) of Revenue Data Center (RDC) concerned
 - Representative from the Regional Inspection and Acceptance Committee
- D. Extraction/salvaging of parts that are reusable/functional shall be done simultaneously with the conduct of joint inspection of the returned obsolete/unserviceable IT equipment.
- E. A record of IT equipment/unit where the extracted parts have been obtained shall be maintained by PMCS-GSD and PS-AD of Regional Office to ensure that history of the extracted/salvaged IT parts is properly monitored.
- F. Extracted/salvaged IT parts shall be issued to end users through a Requisition and Issue Slip (RIS) duly signed by the Head of Office of the requesting personnel and approved by Chief, GSD/Administrative Division of Regional Office. The accountable officer/user shall indicate in the RIS the property number of the equipment where the requested extracted parts shall be installed. A copy of the trouble ticket issued by SSD-ISOS/CONED-RDC shall also be attached to RIS to support and confirm the necessity of the request.
- G. The Warehousing and Distribution Section of General Services Division (WDS-GSD)/ General Services Section of Administrative Division (GSS-AD) of Regional Office shall safekeep, issue and monitor the distribution of the extracted/salvaged parts of IT equipment.

III. PROCEDURES

A. Accountable Officer/User

1. Accomplish Request for Inspection/Certification (I/C) Form for Obsolete and Unserviceable IT Equipment (Annex A) and forward to SSD-ISOS for National Office and concerned RDC for Regional Offices, RDOs, and LTDOs.
2. Acknowledge receipt of duly signed Certification of Obsolescence/Unserviceability from Assistant Commissioner, ISOS/RDC Head.
3. Return unserviceable/obsolete IT equipment thru the office head with letter request and General Form No. 12 - Inventory and Inspection Report of Unserviceable Property, (Annex B) to PMCS-GSD/PS-AD.

4. Receive the Receipt for Returned Items Form (Annex C) for the returned IT equipment.
5. Request for the available parts of IT equipment from WDS-GSD/GSS-AD using the Requisition Issue Slip (RIS) (Annex D), when needed.
6. Forward the RIS with attached Trouble Ticket evidencing the necessity of the request to WDS-GSD/GSS-AD.
7. Surrender the damaged IT part/s together with the Waste Materials Report (Annex E) to WDS-GSD/GSS-AD and receive the requested IT part/s.

B. Systems Support Division of Information Systems Operations Service (SSD-ISOS)/CONED of Revenue Data Center (RDC) Concerned

1. Conduct physical assessment of specified IT equipment based on Inspection/Certification Form submitted.
2. Determine whether the equipment involved is already obsolete/unserviceable.
3. Mark/tag the identified obsolete/unserviceable IT equipment that has still usable parts.
4. Have the certification portion of the I/C Form signed by ACIR, ISOS/RDC Head declaring that the IT equipment inspected is obsolete/unserviceable.
5. Upon request, conduct joint inspection with PMCS-GSD/PS-AD and representative of Inspection and Acceptance Committee on the returned obsolete/unserviceable IT equipment and extract all parts that are still useful/functional.
6. Upon request of user for repair of IT equipment, conduct inspection and provide accountable officer/user copy of Trouble Ticket if replacement of the damaged part of IT equipment is needed.
7. Conduct repair upon availability of the requested replacement part/s.

C. Property Monitoring and Control Section of General Services Division (PMCS-GSD)/Property Section of Administrative Division (PS-AD) of Regional Office

1. Record items received from accountable officer/user.
2. Prepare and issue the Receipt for Returned Items Form for the surrendered IT equipment.
3. Transfer accountability of returned items to Chief, General Services Division/Chief, Administrative Division, Regional Office.
4. Store/safekeep surrendered unserviceable IT equipment for future disposal.
5. Classify and segregate each item by condition of equipment based on the evaluation of SSD-ISOS/RDC.
6. Request SSD-ISOS/CONED-RDC and the representative from Inspection and Acceptance Committee for the conduct of joint inspection of the returned obsolete/unserviceable IT equipment and extraction/salvaging of parts that are still useful/functional.
7. Prepare List of Extracted Parts (Annex F) in four copies to be distributed as follows:

Original	-	PMCS-GSD/PS-AD
2 nd copy	-	WDS-GSD/GSS-AD
3 rd copy	-	Disposal Committee (attachment to I & I Report)

8. Turnover all extracted working parts of obsolete/unserviceable IT equipment together with the 2nd copy of List of Extracted Parts to WDS-GSD/GSS-AD for storage.
9. Request Disposal Committee to conduct inspection on the unserviceable/obsolete IT equipment. (**Note: Pertinent documents such as I&I Report and the 3rd copy of List of Extracted Parts shall be provided for inspection).**
10. Follow procedures per Item D.2.6 to D.2.13 of RMO 27-99 (Updated Guidelines and Procedures on the Disposal of Unserviceable Property).
11. Receive from WDS-GSD/GSS-AD the copy of Waste Materials Report and the damaged part of IT equipment for future disposal.

D. Warehousing Distribution Section of General Services Division (WDS-GSD)/General Services Section of Administrative Division (GSS-AD) of Regional Office

1. Receive from PMCS-GSD/PS-AD of RRs the extracted parts of IT equipment for storage together with the 2nd copy of List of Extracted Parts.
2. Issue the extracted working parts of IT equipment to requesting office (accountable officer/user) as per approved RIS and require them to surrender the waste material or the damaged IT part together with the Waste Materials Report.
3. Maintain a record/logbook of the receipt and distribution of extracted/salvaged reusable/working parts. (Note: Stock card shall also be prepared for proper monitoring).
4. Forward copy of Waste Materials Report and the damage part of IT equipment to PMCS-GSD/PS-AD for future disposal.

IV. REPEALING CLAUSE

All revenue issuances or portions thereof inconsistent herewith are hereby repealed or amended accordingly.

V. EFFECTIVITY

This Order shall take effect immediately.

(Original Signed)
GUILLERMO L. PARAYNO, JR
Commissioner of Internal Revenue

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LBM/mbe