



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

MASTER COPY

05 September 2019

CUSTOMS MEMORANDUM CIRCULAR
NO. 202-2019

To: The Assistant Commissioner
All Deputy Commissioners
All Directors and Division Chiefs
All District/Port Collectors
And Others Concerned

SUBJECT: COA Circular No. 2019-005

Attached is the Memorandum dated 29 August 2019 of Mr. Alvin P. Diaz, Director IV, Central Administration Office endorsing a copy of COA Circular No. 2019-005 entitled:

"Submission of Contracts Involving Government Buildings and/or Lands Leased to Private Entities/Individuals, For Review by the Technical Services Office, Systems and Technical Services Sector".

For your information and guidance.

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.

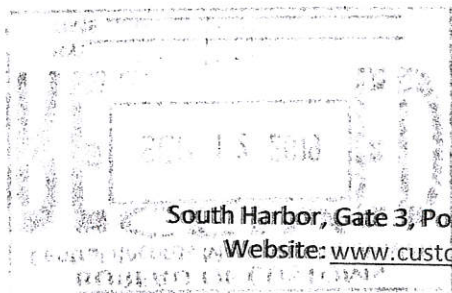

REY LEONARDO B. GUERRERO

Commissioner

SEP 11 2019



BOC-09-06070



South Harbor, Gate 3, Port Area, Manila 1099 .Tel. Nos.527-4537, 527-1935 (OCOM)

Website: www.customs.gov.ph . E-mail: BOC.cares@customs.gov.ph (PIAD)

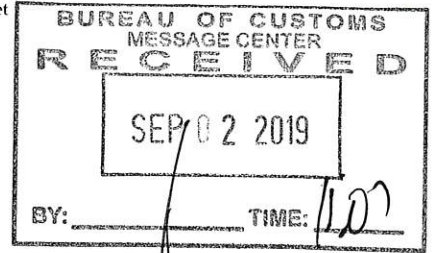
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Republic of the Philippines
DEPARTMENT OF FINANCE

Roxas Boulevard Corner Pablo Ocampo, Sr. Street
Manila 1004



MEMORANDUM

FOR : **HEADS OF OFFICES**
This Department

HEADS OF BUREAUS/ATTACHED AGENCIES
Department of Finance



BOC-09-06070

FROM : 
ALVIN P. DIAZ
Director IV
Central Administration Office

SUBJECT : **COA Circular No. 2019-005** entitled "SUBMISSION OF
CONTRACTS INVOLVING GOVERNMENT BUILDINGS
AND/OR LANDS LEASED TO PRIVATE
ENTITIES/INDIVIDUALS, FOR REVIEW BY THE TECHNICAL
SERVICES OFFICE, SYSTEMS AND TECHNICAL SERVICES
SECTOR"

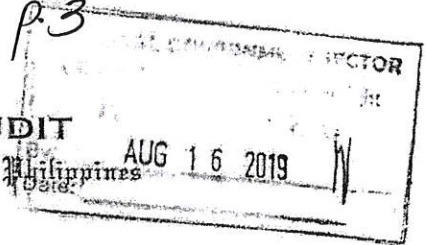
DATE : August 29, 2019

Attached for information and guidance is a copy of COA Circular No. 2019-005 dated 07 August 2019 signed by Mr. Michael G. Aguinaldo, Chairperson of Commission on Audit on the above-mentioned subject.

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Republic of the Philippines
COMMISSION ON AUDIT
 Commonwealth Avenue, Quezon City, Philippines

**CIRCULAR**

No. : 2019 - 005
 Date : AUG 07 2019

- TO** : All Heads of Departments, Bureaus, Offices, Agencies and Instrumentalities of the National Government, Heads of Local Government Units, Managing Heads of Government-Owned and/or Controlled Corporations, COA Assistant Commissioners, COA Directors, COA Auditors and All Others Concerned
- SUBJECT** : Submission of Contracts Involving Government Buildings and/or Lands Leased to Private Entities/Individuals, for review by the Technical Services Office, Systems and Technical Services Sector

Pursuant to Section 7, Executive Order No. 301, series of 1987, the head of any agency intending to lease out government-owned buildings or spaces for private use, shall have authority to determine the reasonableness of the terms of the lease and the rental rates thereof, and to enter into such lease contracts without need of prior approval by higher authorities, subject to compliance with the uniform standards or guidelines established by the Department of Public Works and Highways (DPWH), and to the audit jurisdiction of the Commission on Audit (COA) or its duly authorized representative, in accordance with existing rules and regulations.

By virtue of COA Circular No. 88-282A issued on March 3, 1988, this Commission adopted the Uniform Standards/Guidelines to Determine the Reasonableness of the Terms and Rental Rates of Lease Contracts for Private or Government Buildings/Spaces promulgated by the DPWH (Annex "A") for the guidance of all officials concerned.

However, results of the audit disclosed that some agencies did not adhere to the guidelines, as there are contracts which were found to be disadvantageous to the interest of the government. Thus, to check the reasonableness of the terms and rental rates of government properties leased to private entities/individuals, it is imperative to review such contracts.

Considering that the reasonableness of rental rates is technical in nature, the review shall be done by the Technical Services Office (TSO), Systems and Technical Services Sector (STSS), this Commission.

Accordingly, all government agencies which have an existing contract involving lease of government building and/or lands with private entities/individuals

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are required to submit to the TSO, STSS, a certified true copy of contracts, within 15 days from publication/posting of this Circular or upon the execution of the contract. The contracts shall be submitted through the respective Audit Team Leader, for agencies in the National Capital Region (NCR), or to the respective Regional TSO for agencies outside NCR.

This Circular shall take effect fifteen (15) days after publication in a newspaper of general circulation.



Signature of Michael G. Aguinaldo
MICHAEL G. AGUINALDO
Chairperson

Signature of Jose A. Fabia
JOSE A. FABIA
Commissioner

Signature of Roland C. Pondoc
ROLAND C. PONDOC
Commissioner