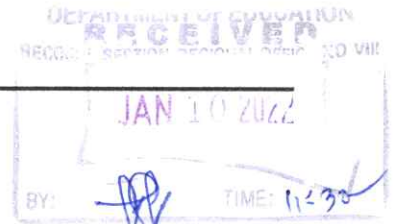




Republic of the Philippines  
**Department of Education**  
OFFICE OF THE UNDERSECRETARY FOR FINANCE

OFFICE OF THE DIRECTOR IV  
10 JAN 2022  
11 JAN 2022  
Signature  
Signature


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MEMORANDUM  
OUF-2022-0009

FOR : UNDERSECRETARIES  
ASSISTANT SECRETARIES  
BUREAU AND SERVICE DIRECTORS  
REGIONAL DIRECTORS  
SCHOOLS DIVISION SUPERINTENDENTS  
SCHOOL HEADS  
ALL FINANCE OFFICERS  
ALL OFFICES CONCERNED



FROM :   
ANNALYN M. SEVILLA  
Undersecretary

  
RAMON FIEL G. ABCEDE  
Assistant Secretary

SUBJECT : ADVISORY ON THE FY 2022 CAPITALIZATION THRESHOLD FOR  
SEMI-EXPENDABLE PROPERTY

DATE : January 5, 2022

Republic Act No. 11639, otherwise known as the "Fiscal Year (FY) 2022 General Appropriations Act," provides the increased capitalization threshold for semi-expendable property from Php15,000.00 to Php50,000 to wit:

*"Section 23. Semi-Expendable Property. Tangible items below Fifty Thousand Pesos (P50,000.00) shall be accounted as semi-expendable property." (General Provision, Volume I-B, page 790)*

However, the implementation of the said provision "shall be subject to the issuance by the Commission on Audit (COA) of appropriate accounting and auditing rules and regulations." (CONDITIONAL IMPLEMENTATION - President's Veto Message, Volume I-B, page 819)

Therefore, **the Department and its operating units shall adhere to the current capitalization threshold of Php15,000.00** (COA Circular No. 2015-007 "Prescribing the Adoption of the FY 2016 Government Accounting Manual [GAM] for Budgetary Documents and Transactions) for semi-expendable property. The Php50,000.00 threshold shall only apply upon the release of required issuance from the COA.

Finally, this Office is in close coordination with the COA to discuss and ensure the immediate implementation of the increased capitalization threshold.

For compliance and guidance.