



Republic of the Philippines
Department of Education
REGION VII – CENTRAL VISAYAS
Schools Division of Bohol

**Office of the Schools
Division Superintendent**

April 6, 2026

DIVISION MEMORANDUM

No. 234, s. 2026

**ADOPTION OF STANDARD ESTIMATED USEFUL LIFE AND RESIDUAL VALUE
FOR PROPERTY, PLANT, AND EQUIPMENT (PPE)**

To:

Assistant Schools Division Superintendent
Division Chiefs (SGOD/CID)
Public Schools District Supervisors/Acting PSDS
Implementing Unit School Heads
Administrative Officers II
Senior Bookkeepers
All Others Concerned

1. This Office hereby informs all Implementing Unit School Heads, Administrative Officers II, Senior Bookkeepers, and other concerned personnel regarding the proper recording of Property, Plant, and Equipment (PPE) within the DepEd Division of Bohol.
2. Property, Plant, and Equipment (PPE) gradually loses its service potential over time. Accordingly, its cost shall be systematically allocated throughout its estimated useful life. This allocation is referred to as depreciation. All applicable depreciation policies must be consistently applied in recording PPE.
3. Pursuant to COA Circular No. 2015-007 dated October 22, 2015, effective January 1, 2016, which mandates the adoption of the Government Accounting Manual (GAM) for all National Government Agencies (NGAs), the following guidelines are hereby adopted for uniform implementation across the Division, particularly in accordance with Volume I, Chapter 10 on Property, Plant, and Equipment:
 - All PPE shall be subject to depreciation, except land and unrecognized heritage assets.
 - Depreciation shall commence once the asset is available for use. If availability occurs on or before the 15th day of the month, depreciation shall be recorded for that month; if after the 15th, depreciation shall begin in the succeeding month.
 - The straight-line method of depreciation shall be applied.
 - Depreciation shall be computed based on the cost of the asset less its residual value, divided over its estimated useful life.
 - **The residual value of PPE shall be set at five percent (5%) of its acquisition cost (refer to PPE Cost under Section 5: Measurement at Recognition).**
 - **The estimated useful life of PPE shall conform to the prescribed durations indicated in Annex “A,” which shall serve as the standard basis for depreciation within the DepEd Division of Bohol.**



Republic of the Philippines
Department of Education
REGION VII – CENTRAL VISAYAS
Schools Division of Bohol

- Depreciation shall be recorded monthly, following the COA's recommended Lapsing Schedule format as shown in Annex B, to ensure that all essential information is captured and to maintain uniform presentation of assets within each PPE category.
- 4. These guidelines shall not apply to tangible items with an acquisition cost below the capitalization threshold of ₱50,000 or those classified as semi-expendable property.
- 5. For proper recording of transactions, sample accounting entries for depreciation and related adjustments are provided in Volume I, Chapter 10 of the Government Accounting Manual on Property, Plant, and Equipment.
- 6. Immediate dissemination of and strict compliance with this Memorandum are hereby directed.


FAY C. LUAREZ, EdD, PhD, TM, CESO VI
Schools Division Superintendent 



Republic of the Philippines
Department of Education
 REGION VII - CENTRAL VISAYAS
 Schools Division of Bohol

Annex A

Property, Plant, and Equipment	Estimated Useful Life
Land Improvements	Depreciated over the asset's useful life or the duration of the improvement, whichever is shorter if the improvement has a significantly shorter lifespan.
Infrastructure Assets:	
Water Supply System	20 years
Other Infrastructure Assets	20 years
Buildings, School Buildings and Other Structures:	
those that are predominantly- Wood	10 years
Mixed	20 years
Concrete	30 years
Machinery and Equipment	
Machineries	10 years
Information and Communication Technology	10 years
Equipment	
Office Equipment	10 years
Communication Equipment	10 years
Disaster Response and Rescue Equipment	10 years
Medical, Dental and Laboratory Equipment	10 years
Sports Equipment	10 years
Printing Equipment	10 years
Technical and Scientific Equipment	10 years
Other Machineries and Equipment	10 years
Transportation Equipment	
Motor Vehicles	10 years
Furniture, Fixtures and Books	5 years
Other Property, Plant and Equipment	5 years

