



PAMBANSANG PUNONGHIMPILAN TANOD BAYBAYIN NG PILIPINAS
(National Headquarters Philippine Coast Guard)
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NHQ-PCG/MARSLEC/CG K9 Force

19 May 2022

CIRCULAR
NUMBER.....04-22

**POLICY ON PHYSICAL COUNT, VALUATION AND DISPOSITION OF
PHILIPPINE COAST GUARD K9 DOGS**

I. AUTHORITY:

Republic Act 9993 (Philippine Coast Guard Law of 2009)

II. REFERENCES:

- A. GAM Volume III
- B. HPCG Circular Number 04-10 dated 24 March 2010
- C. HPCG SOP Number 09-10 dated 24 March 2010

III. PURPOSE:

This Circular prescribes the policies, guidelines and procedures for the conduct of valuation of every PCG K9 Dogs for accounting.

IV. SCOPE:

This Circular shall be applicable to all PCG K9 Dogs under the Physical Count of Other Property, Plant and Equipment (Work/Zoo Animals)

V. DEFINITION OF TERMS:

- a) **Candidate Coast Guard Working Dog (CCGWD)** - a Philippine Coast Guard Dog undergoing specialization training
- b) **Coast Guard Working Dog (CGWD)** – a Philippine Coast Guard Dog trained and certified to perform specified work
- c) **Fair Market Value** – the prevailing value of dogs procured by other related agencies (e.g., PDEA, PNP-EOD K9 Group, PSG, and the AFP) and other recognized institution
- d) **Material Dog** – refers to a PCG Dog potential for training or undergoing basic training

- e) **Graduation date** – refers to the completion of training
- f) **Working years** - starting upon the day after the completion of training
- g) **Date Acquired** - for the purpose of this circular, the date a dog is included in the roster of PCG Dogs
- h) **Estimated Useful Life** – for the purpose of this circular, it is the estimated period for which a CGWD is functional and used for operations
- i) **Impairment loss** – refers to the amount incurred after the impairment
- j) **Litter** - the live birth of multiple offspring at one time in animals from the same mother and usually from one set of parents, particularly from three to eight offspring.
- k) **PCG Non-Retired Dogs** – canines that have failed to complete the detection training

VI. GENERAL PROVISIONS:

- a) PCG Dogs that succumb to death due to fatal clinical illness shall be reported to Accounting Office for proper recording.
- b) The market value of any dog depends on its breed, sex and age at the time of acceptance either from regular procurement or donation from private entities.
- c) Valuation of Dogs may be classified based on their source i.e., Procurement, Donation, and Breeding.
- d) PCG Dogs fall into five categories i.e., Puppy, CCGWD, Material Dog, CGWD and Breeder.
- e) The estimated useful life of a CGWD is seven (7) years. However, CGWD reaching the estimated useful life shall be assessed if their health status and proficiency still warrant them to continue working.
- f) Depreciation shall start the year after graduation from specialization training for seven (7) years with a salvage value of 10%.
- g) Depreciation shall be computed on a straight-line method wherein the cost of CGWD less the salvage value (10%) is divided by estimated useful life.
- h) Depreciable PCG dogs shall include all working dogs including donated or purchased.
- i) PCG dogs that acquire debilitating diseases and an operational working dog that failed to maintain its proficiency as determined by a series of evaluations based on the unit policy shall be subjected to impairment losses.

VII. POLICIES:

a. Puppy

a.1) Puppies produced from the breeding program shall be valued and included in the monthly Roster of PCG dogs.

a.2) Valuation of puppies shall be computed based on the breeding expenses divided by the number of puppies within the litter.

a.3) Valuation of a puppy acquired through donation shall be based on the prevailing fair market value for its breed, age and sex at the time of donation.

a.4) Puppies that will not qualify for training shall be dropped from the roster and may be put up for adoption as recommended by the CGK9 Technical Evaluation Team.

a.5) Puppies dropped from the roster shall retain their initial computed value.

b. Material Dog

b.1) Valuation of a Material Dog shall be based on the computed value of puppy plus the cost of maintenance until its reclassification as CCGWD.

b.2) Valuation of a Material Dog with potential for training, acquired through donation, shall be based on the prevailing fair market value for its breed, age and sex at the time of donation.

b.3) Valuation of a Material Dog acquired through procurement shall be based on the contract price.

b.4) Material Dog that is not able to complete the K9 basic training shall be delisted and put up for adoption or retained as recommended by the CGK9 Technical Evaluation Team.

b.5) The maintenance cost shall be capitalized until the time of delisting.

c. Candidate Coast Guard Working Dog (CCGWD)

c.1) Valuation of a CCGWD shall be based on the computed price of Material Dog plus the cost of maintenance until its reclassification as CGWD.

c.2) CCGWD that is not able to complete the K9 specialization training shall be reclassified as Non-Retired PCG Dogs and subject to further disposition.

c.3) The maintenance cost shall be capitalized until the time of delisting from the inventory.

d. Coast Guard Working Dogs (CGWD)

d.1) Valuation of a CGWD shall be based on the value of CCGWD multiplied by the estimated useful life.

d.2) Valuation of a CGWD will be conducted upon graduation from specialization training.

d.3) Donated working dogs from other agencies and private entities shall be valued based on the value declared by the donor agency/entity.

d.4) Upon retirement, a CGWD shall be dropped from the roster and may be open to adoption.

e. Breeder

CGWD that is used for breeding shall be temporarily transferred to the Breeder category until it is assessed as fit to work, and shall retain its computed value as a CGWD.

VIII. RECISSION:

All PCG previous publications not in conformity with this Circular are hereby rescinded.

IX. EFFECTIVITY:

This Circular shall take effect upon publication.

BY COMMAND OF COAST GUARD ADMIRAL ABU PCG:

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