



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila

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DEPARTMENT ORDER)
No. 12)
Series of 2012 03-02-12)

SUBJECT : **GUIDELINES on the PROCUREMENT, TURN-OVER, DISPOSAL, and INVENTORY of INFORMATION TECHNOLOGY (IT) RESOURCES (Amendment to D.O. 49 s 2007)**

The use of computer systems is recognized as a means of improving productivity. These systems, however, should be cost-effective. There is a need, therefore, to adopt a policy and corresponding guidelines rationalizing the acquisition, turn-over and disposal of Information Technology (IT) goods and services in the DPWH.

Section 1. Objectives – Specifically, it is the objective of the DPWH to:

- a. ensure that the utilization of all available IT resources of the DPWH are optimized before any new procurement can be made;
- b. maintain compatibility of all IT resources;
- c. allow authorized sharing/transfer/exchange of common data/files by various DPWH offices;
- d. ensure that established standards are met;
- e. ensure the compliance of the DPWH to the Intellectual Property Rights (IPR) Law;
- f. optimize software development cost;
- g. minimize hardware downtime losses by making available common spare parts;
- h. ensure compatibility of packaged software and software applications to the DPWH IT Architecture; and,
- i. ensure that the inventory of all IT equipment is updated at any given time.

Section 2. Definition of Terms - For purposes of this Department Order, IT goods and services shall refer to :

- a. application systems - systems and processes or solutions to which a computer program or software is applied, such as the Civil Works Registry and Contract Preparation System;
- b. auxiliary equipment - optional accessory components of computer systems such as microfilm units, plotters, digitizers, voice and data communications equipment, routers and the like;

- c. computer hardware - equipment such as, but not limited to, servers, PC workstations, printers, scanners, keyboard, mouse, automatic voltage regulator, uninterrupted power supply, network wiring and cables, modems, and other peripherals;
- d. computer programs - set of instructions that tell a computer how to perform a function or series of functions, such as the generation of Payroll Report;
- e. database management system - a software for managing data and coordinates data sharing and transfer, such as Sybase, Oracle, Informix, and Progress;
- f. IT services - services relating to IT or where the use of IT equipment is a principal component, such as management consultancy, computer programming, systems design/analysis, subscription for telephone lines (direct, trunk and leased), subscription services from Internet Service Providers, IT Training, and maintenance services of application systems and IT Equipment;
- g. Technology Architecture - a series of principles or rules used by an organization to direct the process of acquiring, building, and maintaining its IT resources. It acts as a framework within which the IT infrastructure can be established, and should support the applications, data and technology which are required by the organization to support its business needs;
- h. software packages - ready to use computer programs such as MS Office, AutoCAD and the like, programming tools such as PowerBuilder, Jaguar, C++, Visual Basic, Java and the like;
- i. IT consumables – IT supplies, either devices or peripherals, like flash drives, hard disks, LAN cards, RJ45/RJ11 Connectors. Floppy drives, CD ROM drives, etc.

Section 3. Scope - The guidelines for the acquisition of IT goods and services cover all acquisitions regardless of funding source and whether such acquisition and accountability is made on a purchase, rental, or lease/purchase basis except for consumable computer supplies and/or replacements for defective peripherals/parts such as diskettes, compact discs, flash drive, hard discs, LAN card, RJ45/RJ11, CD ROM, floppy drive, keyboards, monitor, mouse, printer ink, cartridges, printer head, tabulating stock forms, etc. Further, it shall apply to all offices of the DPWH, i.e., the Office of the Secretary, Services, Bureaus, Regional Offices, District Engineering Offices, Project Management Offices and its field offices, Regional Equipment Services, Area Equipment Shops, Special Committees, and other offices of the DPWH.

Section 4. Sanctions – Pursuant to the expressed provisions of section 22 c), Rule XIV, Book V of Executive Order No. 292, series of 1987, the corresponding penalties for violation of reasonable office rules and regulations are as follows:

- a. 1st offense - Reprimand
- b. 2nd offense - Suspension for one (1) to thirty (30) days
- c. 3rd offense - Dismissal

The Guidelines and Responsibilities for the Central Office, Regional and District Engineering Offices in the Procurement, Turn-over, Disposal, and Inventory of IT Resources are attached as Annex A and Annex B respectively with this issuance.

This Order supersedes Department Order No. 49, Series of 2007, and shall take effect immediately.


ROGELIO L. SINGSON
Secretary



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Annex A – Guidelines for the Procurement, Turn-over , Disposal and Inventory of Information Technology (IT) Resources in the Central Office, Regional and District Engineering Offices

In order to achieve the objectives described in this issuance, all offices in the Central Office and the Regional/District Offices are hereby directed to observe the following guidelines and responsibilities:

1. All procurement of IT equipment, software and services, including those procured by Consultants/Contractors, shall be submitted to the MIS for review and evaluation based on the approved DPWH Technology Architecture and Information Systems Strategic Plan (ISSP).
2. All procurement of PC Workstations and Network Printers, including those procured by Consultants/Contractors, shall use the specifications published at the DPWH Intranet Website (<http://dpwhweb>). For other IT equipment, which are not found in the latest specifications published at the DPWH Intranet website, queries shall be coursed through the MIS.
3. All specialized software procurement must be reviewed by the Institutional Capacity Development (ICD) Steering Committee for assessment of needs, identification of scope, setting of standards, and determination of appropriate implementation mechanism.
4. The following shall be coursed through MIS for Central Office and the Regional/District Network Administrator for the Regional/District Office to ensure compliance and compatibility with the DPWH Technology Architecture and for proper documentation and inventory:
 - 4.a. All contracts, if procurement of hardware and/or software is part of a project.
 - 4.b. All Purchase Requests for IT equipment and software.
5. All software bought by Consultants/Contractors shall be licensed for and in behalf of DPWH who will handle its maintenance after they have turned-over the said items upon project completion.
6. All original installers either in CDs, DVDs, and USBs used in the Central Office shall be endorsed to MIS for safekeeping and to those used in the Regional/District Office to the Regional/District Network Administrator.
7. All requisitioning offices/end users in the Central Office and the Regional/District Offices shall adhere to these guidelines.

Annex B – Duties and Responsibilities in the Procurement, Turn-over, Disposal, and Inventory of Information Technology (IT) Resources in the Central Office, Regional and District Engineering Offices

The following are the respective duties and responsibilities of the requisitioning office or end-user, MIS and the Regional/District Network/System Administrator in the procurement, turn-over, inventory and disposal of IT equipment and software.

I. For IT Procurement

a. MIS

1. Convene the Institutional Capacity Development (ICD) Steering Committee to define the IT requirements of the DPWH;
2. Prepare and/or update the Technology Architecture, Application Architecture, and the Information Systems Strategic Plan (ISSP) of the Department;
3. Define the need and the procurement requirements including intended purpose and function of the IT goods to be procured;
4. Establish the IT Procurement Plan of the Department;
5. Review the necessity of the IT Procurement of the requisitioning office that is not included in the ISSP by taking into consideration the following:
 - i. that there is no existing surplus capacity of existing IT resources;
 - ii. that the procurement is economically and technically capable of satisfying the application requirements of the office; and,
 - iii. that the procurement serves the best interest of the DPWH.
6. Provide technical assistance to end-users as required in all phases of the acquisition process;
7. Recommend approval of new procurement of IT equipment and services consistent with this Department Order;
8. Form a Technical Working Group (TWG) to perform bid evaluation on IT procurement.
9. Ensure that distribution schedule defined in the approved IT Procurement Plan was strictly followed.

b. Regional/District Network Administrator

1. Submit to MIS the IT requirements of the Regional/District Engineering Offices;
2. Review the necessity of the IT Procurement not included in the ISSP of the requisitioning office by taking into consideration the following:
 - i. that there is no existing surplus capacity of existing IT resources;
 - ii. that the procurement is economically and technically capable of satisfying the application requirements of the office; and,
 - iii. that the procurement serves the best interest of the DPWH;
3. Ensure that specifications are compatible with the Technology Architecture and Application Architecture of the DPWH;
4. Provide technical assistance to regional/district end-users as required in all phases of the acquisition process;
5. Recommend approval of new procurement of IT equipment and services consistent with this Department Order;
6. Perform bid evaluation on IT procurement; and,
7. Ensure that distribution schedule defined in the approved IT Procurement Plan was strictly followed.

c. Requisitioning Office or End-User

1. Define the need and the procurement requirements including intended purpose and function of the IT goods to be procured;
2. Coordinate the technical specifications of IT software and hardware with MIS;
3. Ensure that adequate funds are available to cover procurement; and,
4. Prepare justification for all IT procurement outside of the approved IT Procurement Plan.

II. For IT Turn-over

a. MIS

1. Maintain copies furnished by SPMD-AMMS of all IT goods and software turned-over by the Consultants/Contractors after the acceptance of the project;

b. Regional/District Network Administrator

1. Maintain copies of all IT goods turned-over by the Consultants/contractors after the acceptance of the project; and,
2. Forward to MIS copies of all IT goods turned-over by the Consultants/contractors after the acceptance of the project.

c. Requisitioning Office or End-User

1. Ensure that Consultants/Contractors turn-over to the concerned office all IT equipment and software licenses after the completion/acceptance of the project with proper documentation.

III. For IT Disposal

d. MIS

1. Assess and evaluate all non-serviceable IT equipment and its peripherals prior to disposal;
2. Maintain copies furnished by SPMD-AMMS of Property Return Slip (PRS) of IT equipment disposed; and,
3. Dispose of software according to the provisions of the contract entered into by the DPWH.

e. Regional/District Network Administrator

1. Assess and evaluate all non-serviceable IT equipment and its peripherals prior to disposal procedure; and,
2. Keep copies furnished by the Regional/District Custodian of PRS of IT equipment disposed.

f. Requisitioning Office or End-User

1. Surrender any IT equipment and its peripherals that had been inspected by the ITAMS and/or the Regional/District Office as no longer usable.

IV. For IT Inventory

a. MIS

1. Collate and consolidate the list of all IT equipment and software procured and accepted every month including those submitted by the Regional and District

Engineering Office and which shall form part of the Information and Communication Technology (ICT) Inventory Report.

b. Regional/District Network Administrator

1. Maintain list of all IT equipment procured, delivered and accepted by the Regional/District Property Custodian every month, including copies of corresponding Acknowledgment Receipt of Equipment (ARE) for inventory update;
2. Submit to MIS a copy of all IT equipment procured, turned-over, and disposed of by the Regional/District Property Custodian every month, including copies of corresponding Acknowledgment Receipt of Equipment (ARE) for inventory update; and,
3. Maintain the IT Inventory of their respective area.

c. Requisitioning Office or End-User

1. Keep a copy of AREs of their respective area.



Department of Public Works and Highways

POLICY IMPACT ANALYSIS

This analysis assists policy makers in assessing whether:

- a) the risk or value of the proposed policy is sufficient to warrant the dedication of resources needed to implement and maintain compliance with the proposed policy; and,*
- b) the intended objective and goal will be accomplished more effectively and efficiently through this policy relative to other means.*

a) Proposed Title of Department Order (DO)					
GUIDELINES ON THE PROCUREMENT, TURN-OVER, DISPOSAL, AND INVENTORY OF INFORMATION TECHNOLOGY RESOURCES (Amendment to D.O. 49 s 2007)					
b) Rationale and Purpose of the proposed DO					
To stress the importance of property custodianship, responsibility, accountability, and liability of MIS personnel and their Regional and District counterparts such as the Network Administrators					
c) Nature of proposed DO	new		modification	x	elimination
d) If new: State the related laws or executive or administrative orders that trigger the formulation of this policy. N.A.					
e) If modification: State the existing policies and the specific section to be modified. Modifies D.O. 49 s 2007, Guidelines on the Acquisition and Inventory of IT Goods and Services					
f) If elimination: State the existing policies to be eliminated. N.A.					

Risk Assessment					
g) Is there a law that requires the formulation, modification and elimination of this DO?	yes		no	X	
h) Does this DO help us implement the law?	yes	X	no		
i) In the absence of the proposed policy:					
• What is the likelihood that unwanted behavior will occur?	high	X	medium	low	
• What is the severity of financial consequences?	high	X	medium	low	
• What is the severity of consequences vis-à-vis gender, environment, social)	high		medium	low	X
• What is the severity of health and safety consequences?	high		medium	low	X
• What is the severity of management and operational consequences?	high	X	medium	low	
• What is the overall risk if this policy did not exist?	high	X	medium	low	
j) If answered high or medium to any of the above questions, please provide explanation supported with analysis such as shadow pricing, Pareto, SWOT, etc. Not applicable for this type of policy.					
k) Other factors driving the need for this policy (cite recent incidents that prompted the request for this proposed policy)					
l) Does the proposed policy (indicate Yes or No)					
a. Comply with related DPWH policies?	yes	X	no		
b. Comply with related Executive Orders/Administrative Orders?	yes	X	no		
c. Impact existing policies?	yes		no	X	
d. Impact other relevant areas/sectors?	yes	X	no		
m) Keywords: Information Technology (IT), IT procurement					
n) Category: Information Technology					

Note: Please use additional sheet(s) if needed.