



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**CENTRAL OFFICE**  
Manila

097.13 DPWH  
07-31-2019

JUL 30 2019

DEPARTMENT ORDER )

NO. **86** )

Series of 2019 *07.31.19* )

**SUBJECT: Guidelines in the Procurement of Goods and Services in the Central Office**

In line with the goal of the Procurement Service in streamlining its processes in connection with Republic Act No. 11032, "Ease of Doing Business and Efficient Government Service Delivery Act of 2018" and effective implementation of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184, "Government Procurement Reform Act". The hereto attached guidelines are hereby prescribed to ensure the efficient and timely procurement of Goods and Services in the Central Office:

- I. Annex A: Designation of Permanent and Alternate Supply Officers
- II. Annex B: Preparation of Approved Budget of Contract
- III. Annex C: Preparation of Bidding Documents
- IV. Annex D: Preparation of Purchase Request by Specialized Offices
- V. Annex E: Preparation and Issuance of Purchase Order/Contract/Notice to Proceed

The presence of the Director of the Implementing Office during Pre-Procurement Conference is strictly required. Otherwise, deliberation of the Bids and Award Committee for Goods (BACG) on the subject procurement will be deferred. The Director shall also provide the name/s of his/her authorized representative/s as member/s of the BACG Technical Working Group who will attend all procurement activities including bid evaluation and post-qualification without any need for further notice.

This order shall take effect immediately.

  
**MARK A. VILLAR**  
Secretary

Department of Public Works and Highways  
Office of the Secretary



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### **DESIGNATION OF PERMANENT AND ALTERNATE SUPPLY OFFICERS**

All offices from the Central Office shall designate Permanent and Alternate Supply Officers. He/She will oversee and strictly ensure that all procurement activities included in the Annual Procurement Plan will be executed and consistent with the approved budget. Refer to DPWH-GPGS-01-F01-Rev. 01, Designation of Permanent and Alternate Supply Officers.

Permanent and Alternate Supply Officers are also expected to attend as representatives of their respective offices during DPWH Stakeholders Consultation on Procurement of Goods and Services and Seminar/Workshop related to the 2016 Revised IRR of RA 9184.

The designated Permanent and Alternate Supply Officers must hold regular positions and are required to perform the following functions:

1. Determine the actual needs of the office and schedule its procurement activities;
2. Prepare and submit Project Procurement Management Plan to the Procurement Service (PrS);
3. Prepare Purchase Request including the required supporting documents;
4. Conduct canvassing of quotations from at least three (3) suppliers and submit ABC;
5. Attend Opening of Bids for Shopping/Small Value Procurement and initial on the Abstract of Sealed/Open Canvass;
6. Prepare Obligation Request and Status, Disbursement Vouchers and Purchase Orders;
7. Coordinate regularly with the Goods and Services Division, PrS for procurement concerns; and
8. Coordinate with the Supply and Property Management Division regarding the delivery of goods and services



Republic of the Philippines  
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**CENTRAL OFFICE**  
Port Area, Manila

\_\_\_\_\_  
Date

**MEMORANDUM**

**TO : Concerned Personnel (Permanent Supply Officer)**  
This Office

**SUBJECT : Designation of Permanent and Alternate Supply Officers**

In the exigency of service, you are hereby designated as the Primary Supply Officer with the following duties and responsibilities:

Your responsibilities are as follows:

1. Determine the actual needs of the office and schedule its procurement activities;
2. Prepare and submit Project Procurement Management Plan to the Procurement Service (PrS);
3. Prepare Purchase Request including the required supporting documents;
4. Conduct canvassing of quotations from at least three (3) suppliers and submit ABC;
5. Attend Opening of Bids for Shopping/Small Value Procurement and initial on the Abstract of Sealed/Open Canvass;
6. Prepare Obligation Request and Status, Disbursement Vouchers and Purchase Orders;
7. Coordinate regularly with the Goods and Services Division, PrS for procurement concerns; and
8. Coordinate with the Supply and Property Management Division regarding the delivery of goods and services

Mr./ Ms. \_\_\_\_\_ shall be your alternate Supply Officer in case of your absence.

\_\_\_\_\_  
(Director of Bureau/Service/UPMO)

Cc: Goods and Services Division  
Procurement Service

### PREPARATION OF APPROVED BUDGET FOR THE CONTRACT (ABC)

As set forth under the 2016 R-IRR of RA 9184, ABC refers to the proposed budget for the project approved by the Head of the Procuring Entity (HoPE) and as provided for in the General Appropriations Act (GAA), continuing and automatic appropriations, in the case of National Government Agencies (NGAs).

Preparation of the ABC is as follows:

Doer	Activity
Implementing Office (IO)/ Specialized Office	<ol style="list-style-type: none"> <li>1. Conduct market survey (minimum of three (3) suppliers) as to the technical specifications and cost of the goods. Use DPWH-GPGS-01-F02-Rev. 01, Certification on Market Survey</li> <li>2. Ensure that the required technical specifications are not favoring a single supplier or brand</li> <li>3. Derive the ABC by averaging the costs obtained from the suppliers.</li> <li>4. Accomplish DPWH-GPGS-01-F03-Rev. 01, Approved Budget of the Contract.</li> <li>5. Submit to HoPE or Undersecretaries of concerned offices</li> </ol>
<p>HoPE or his duly authorized representative</p> <p>Foreign government/foreign or international financing institution as specified in the Treaty or International or Executive Agreement pursuant to Section 5.b) of the 2016 IRR of RA 9184</p>	<ol style="list-style-type: none"> <li>6. Approve ABC <ol style="list-style-type: none"> <li>a. For Locally-funded procurement</li> <li>b. For Foreign-funded procurement</li> </ol> </li> </ol>

The IO must also consider the following different cost components (as enumerated in the GPPB Manual for the Procurement of Goods), namely:

1. The cost or market price of the product or service itself;
2. Incidental expenses like freight, insurance, taxes, installation costs, training costs, if necessary, and cost of inspection;
3. The cost of money, to account for government agencies usually buying on credit terms;
4. Inflationary factor, since the planning phase is usually done one (1) year ahead of the actual procurement date;
5. Quantities, considering that buying in bulk usually means lower unit prices;

6. The supply of spare parts and/or maintenance services, if these are part of the contract package; and
7. Life cycle cost

If the goods particularly equipment or software has a foreign component or will come from abroad, it is best to include a currency valuation adjustment factor, to address foreign exchange rate fluctuations between the planning phase and the actual procurement date. IO may refer to the BSP forecasts to determine the factor to be used, if available.

The List of Goods (Goods Price Monitoring Database) found in the DPWH intranet website can also be utilized in preparing the ABC. The technical specifications of the needed goods requirements may be referred to Department Order No. 100, series 2018.



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Department Order No. 86  
Series of 2019

DPWH-GPGS-01-F02-Rev. 01

**CERTIFICATION ON MARKET SURVEY**

Item No.	Quantity and Unit	DPWH Specifications (Previous, if applicable)	DPWH Specifications (Present)	Market Survey		
				Supplier 1	Supplier 2	Supplier 3
1.						
2.						
3.						
4.						
5.				Php	Php	Php
<b>Average Cost</b> = Php ( $\Sigma$ Supplier 1, Supplier 2, Supplier 3) / 3 (No. of Suppliers)						
<b>Actual Market Price of Product</b> = Php (Average Cost + 10% markup)						

This document also serves as certification that the above technical specifications on \_\_\_\_ (project title) \_\_\_\_ are compliant with the 2016 Revised IRR of RA 9184 and do not refer to or favor any single brand, model, supplier or country of origin.

**Prepared by:**

\_\_\_\_\_  
(Designated Supply Officer/  
Authorized Representative of Implementing Office/Specialized Office

**Noted by:**

\_\_\_\_\_  
(Director of Bureau/Service/UPMO/  
Specialized Office Concerned)

*\* Conduct market survey on the technical specifications from at least three (3) suppliers. Please attach the received specifications from suppliers.*

*All forms submitted to PrS will be used in creating a goods and services catalogue for the Department. This catalogue will be used as reference by the Central Office, Regional Offices and District Engineering Offices.*



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**APPROVED BUDGET FOR THE CONTRACT (ABC)**  
Summary of Costs

Fill out all the spaces provided. Write (N/A) if not applicable.

No.	Item	Cost
1.	Actual Market Price of Product	Php
2.	Incidental Expenses	
	• Taxes/Customs/Duties/	
	• Licenses/Registration	
	• Insurance	
	• Storage/Freight/Hauling	
	• Installation/Removal	
	• Training Costs	
	• Cost of Inspection	
	• Others: (Specify)	
3.	Cost of Money/Adjustment for Inflation	
4.	Discounts <i>(for Bulk Buying)</i>	
5.	Spare Parts/ Maintenance Costs/ Warranty	
6.	Adjustment for currency valuation <i>(if procured from a foreign country/abroad)</i>	
7.	Life cycle cost	
	<b>Grand Total</b>	Php

**Prepared by:**

\_\_\_\_\_  
(Director of Bureau/Service/UPMO/  
Specialized Office Concerned)

**Approved by:**

\_\_\_\_\_  
HoPE or his duly authorized representative

### PREPARATION OF BIDDING DOCUMENTS

Pursuant to Section 5.e) of the 2016 Revised IRR of RA 9184, Bidding Documents refer to the documents issued by the Procuring Entity as the basis for bids, furnishing all information necessary for a prospective bidder to prepare a bid for Goods and Services required by the Procuring Entity.

Preparation of the Bidding Documents is as follows:

Doer	Activity
Implementing Office/ Specialized Office	<ol style="list-style-type: none"><li>1. Accomplish DPWH-GPGS-01-F04-Rev. 01, Request for Pre-Procurement Conference (PPC) for Goods and Services</li><li>2. Prepare and transmit the Bidding Documents and accomplished forms DPWH-GPGS-01-F02-Rev. 01, Certification on Market Survey and DPWH-GPGS-01-F03-Rev. 01 to PrS, Approved Budget for Contract, including an e-copy of PowerPoint presentation for new procurements</li></ol>
Procurement Service/ BACG-Technical Working Group	<ol style="list-style-type: none"><li>3. Review Bidding Documents and other materials required for PPC</li></ol> <p>If Bidding Documents are complete and in order, include project in the Notice of Meeting for BAC deliberation and approval</p> <p>If there are revisions in the Bidding Documents, return to Implementing Office/ Specialized Office for appropriate action</p>



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DPWH-GPGS-01-F04-Rev. 01

## REQUEST FOR PRE-PROCUREMENT CONFERENCE (PPC) OF GOODS AND SERVICES

**PART A ( To be filled in by Implementing Office)**

Submitted herewith are the documents required for the Pre-Procurement Conference (PPC) for the following:

Name of Project :

Approved Budget for the Contract : Php\_\_\_\_\_

Contract ID No. : \_\_\_\_\_ Implementing Office : \_\_\_\_\_

Authorized Contact Person : \_\_\_\_\_ Contact/Phone No. : \_\_\_\_\_

Bureau/Project Director:

Printed Name \_\_\_\_\_

Signature

Date \_\_\_\_\_

## PART B : REQUIRED DOCUMENTS

(Attachments should have tabs numbered according to the left column below)

### PART C: REMARKS

*(To be filled in by PrS)*

Acceptable

For Revision

- |   |  |                          |                          |
|---|--|--------------------------|--------------------------|
| 1 | Project Procurement Management Plan (PPMP) or Bidding Activity Schedule, for approval of the BAC for Goods and Services Chairman | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 | Approved Annual Procurement Plan (APP)   | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 | Purchase Request or Consolidated Purchase Requests   | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 | Certificate of Availability of Allotment from the Budget Division  | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 | <b><u>Bidding Documents</u></b>  |                          |                          |
|   | Invitation to Bid  | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Instruction to Bidders   | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Bid Data Sheet   | <input type="checkbox"/> | <input type="checkbox"/> |
|   | General Condition of Contract  | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Special Condition of Contract  | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Schedule of Requirements   | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Technical Specifications   | <input type="checkbox"/> | <input type="checkbox"/> |
|   | <b><u>Bidding Forms:</u></b>   |                          |                          |
|   | Bid Form   | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Contract Agreement Form  | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Omnibus Sworn Statement  | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Bid Form A (Technical Proposal)  | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Bid Form B (Financial Proposal) Price Schedule for Goods Offered   | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Bank Guarantee Form for Advance Payment  | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Checklist of Eligibility and Technical Components for Bidders  | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Checklist of Financial Component for Bidders   | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Financial Documents for Eligibility Check  | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Bid Securing Declaration   | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Statement of all Ongoing Government & Private Contracts including contracts awarded but not yet started                          | <input type="checkbox"/> | <input type="checkbox"/> |
|   | Statement of all Government & Private Contracts completed which are similar in nature  | <input type="checkbox"/> | <input type="checkbox"/> |

☐

Printed Name \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

**PREPARATION OF PURCHASE REQUEST (PR) BY SPECIALIZED OFFICES**

Consistent with Department Order No. 100, series 2018, the preparation of PR will be as follows:

<b>Doer</b>	<b>Activity</b>
Specialized Office	1. Prepare one (1) PR as determined on PPMPs submitted by various offices in the Central Office  2. Attach supporting documents such as APP, PPMP, ABC and etc.
Goods and Services Division, Procurement Service	3. Review, process and assigns PR number  4. Forward documents to Specialized Office
Director/ Assistant Secretary/ Undersecretary of Specialized Office concerned	5. Approve and sign PR

\* For goods and services not covered by DO No. 100, s 2018, the preparation of PRs shall be done by the concerned Implementing Office and approved by its Director/Assistant Secretary/Undersecretary.

**PREPARATION AND ISSUANCE OF PURCHASE ORDER (PO)/CONTRACT/  
NOTICE TO PROCEED (NTP)**

After the issuance by Procurement Service (PrS) of the Notice of Award (NOA):

Doer	Activity
PrS	<ol style="list-style-type: none"> <li>1. Issue NOA to supplier</li> <li>2. Post duly received NOA at the DPWH and PhilGEPS websites and at a conspicuous place</li> <li>3. Indorse conformed NOA by supplier to Implementing Office/ Specialized Office</li> </ol>
Implementing Office/Specialized Office	<ol style="list-style-type: none"> <li>4. Prepare PO (for Shopping/Small Value Procurement/ Direct Contracting) or Contract and NTP (for Competitive Bidding)</li> <li>5. Prepare and sign Obligation Request and Status (ORS)</li> <li>6. Forward PO or Contract and NTP and ORS to FS</li> </ol>
Finance Service	<ol style="list-style-type: none"> <li>7. Prepare and sign Certification of Availability of Funds</li> <li>8. Sign ORS and PO or Contract and NTP</li> <li>9. Forward documents to Office of Director/ USec. concerned</li> </ol>
Director/ Assistant Secretary/ Undersecretary concerned	<ol style="list-style-type: none"> <li>10. Sign PO or Contract and NTP and forward documents to Implementing Office/ Specialized Office</li> </ol>
Implementing Office/Specialized Office	<ol style="list-style-type: none"> <li>11. Issue PO or Contract and NTP to Supplier</li> <li>12. Furnish the Commission on Audit, within five (5) working days, the approved PO/Contract and NTP with conforme of the winning supplier and its supporting documents</li> <li>13. Furnish the same to PrS, within fifteen (15) calendar days from its issuance, for posting purposes</li> <li>14. Coordinate with the SPMD regarding the delivery of goods and services</li> </ol>

*\* For the Consolidated Procurement/s or POs involving two or more Offices not covered by DO No. 100, s 2018, it shall be prepared by Supply and Property Management Division-HRAS.*