



**PROCESS MANUAL**  
**BUREAU OF LOCAL GOVERNMENT**  
**FINANCE**

**BLGF-PM-04-04**

Revision Code: 00

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Section: **SUPPORT**

Effectivity Date: 01-19-2018

Subject: **PROCUREMENT: PROCUREMENT OF GOODS AND SERVICES WITH BIDDING**

**1. PURPOSE:**

To ensure that approved purchase requisitions (valued PhP1 Million and above) are documented, served according to specifications, delivered on time, and complies with the rules in R.A. No. 9184 (Government Procurement Reform Act).

**2. SCOPE:**

This procedure covers activities from receipt of bidding documents, evaluation of bids, awarding to the winning bidder, delivery, inspection, and acceptance of delivered goods and services as per PO.

This procedure does NOT cover canvassing or posting through PhilGEPS for procurement of goods and services. (Refer to Procedure: Procurement by Canvassing/ Bidding in PhilGEPS.

**3. DEFINITION OF TERMS:**

- a. **BAC** – Bids and Awards Committee
- b. **PPMP** - Project Procurement Management Plan
- c. **APP** – Annual Procurement Plan
- d. **PR** – Purchase Requisition
- e. **PO** – Purchase Order

**4. RECORDS:**

TITLE/CODE	LOCATION	RETENTION CRITERIA	RETENTION PERIOD	DISPOSAL METHOD
1. Bidding Documents	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules
2. Resolution to Award	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules
3. Notice to Proceed	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules
4. Performance Security	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules
5. Contract	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules
6. Purchase Order (PRO-002)	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules
7. Purchase Request (PRO-001)	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules
8. Inspection Report (PRO-005)	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules
9. Delivery Receipt	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules

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10. Inspection Report (PRO-005)	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules
11. Acceptance Report (PRO-006)	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules
12. Supplier Evaluation Report (PRO-007)	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules
13. Abstract of Canvass	Central Records	NAP R.A. 9470	5 Years	As per NAP Rules

**5. REFERENCES:**

5.1 ISO Clause Reference:

- a. Clause 7 – Resources
- b. Clause 8.4 - Control of externally provided products and services
- c. Clause 9.1 – Performance Evaluation
- c. Clause 10 – Improvement

5.2 A document which supports the implementation of the procedure:

R.A. 9184 Government Procurement Reform Act  
IRR of R.A. 9184

5.3 Related documents linked to the procedure:

- a. Corrective Action Procedure
- b. Procurement of Goods and Services Without Bidding

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**6. PROCEDURE:**

ACTIVITY FLOW	RESPONSIBLE	DETAILS
<pre> graph TD     START([START]) --&gt; PREPARE[PREPARE BIDDING DOCUMENTS]     PREPARE --&gt; CONDUCT[CONDUCT INVITATION TO BID]     CONDUCT --&gt; A{{A}}           </pre>	<p align="center"><b>Bids And Awards Committee (BAC) Secretariat</b></p>	<p>Provides a concise specification or description of the item and the quantity</p> <p>Note:</p> <ul style="list-style-type: none"> <li>Bidding documents shall be available to prospective bidders in a given time specified by the purchaser correlated to their bidding schedule</li> <li>Bidding documents shall be issued by the BAC Secretariat or the Property Officer</li> </ul> <p>The Bidding document shall consist of the following:</p> <ul style="list-style-type: none"> <li>- Approved Budget for the Contract</li> <li>- Instructions to Bidders</li> <li>- Terms of Reference</li> <li>- Eligible Requirements</li> <li>- Plans and Technical Specifications</li> <li>- Form of Bid, Price Form, and List of Goods or Bill of Quantities</li> <li>- Delivery Time or Completion Schedule</li> <li>- Form and Amount of Bid Security</li> <li>- Form and Amount of Performance Security and Warranty</li> <li>- Form of Contract and General and Special Conditions of Contract</li> </ul>
<pre> graph TD     CONDUCT[CONDUCT INVITATION TO BID] --&gt; A{{A}}           </pre>	<p align="center"><b>Bids and Awards Committee BAC Secretariat</b></p>	<p>Conducts Invitation to Bid through the following:</p> <p>Advertising of the Invitation to Bid</p> <ul style="list-style-type: none"> <li>- Newspaper</li> <li>- PhilGEPS Posting</li> <li>- BLGF Website</li> </ul>

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ACTIVITY FLOW	RESPONSIBLE	DETAILS
	<p><b>BAC Committee</b></p>	<p>A pre-bid conference shall be held on any given time as specified by the purchaser to discuss, among other things, technical and financial components of the bid and eligibility requirements</p> <p>Any statement made at the pre-bid conference shall modify the bidding documents, unless such statement is specifically identified in writing as an amendment thereto and is issued supplemental or bid bulletin.</p>
	<p><b>BAC Secretariat COA Representative</b></p>	<p>Receives the bid documents from bidders and record the time, date, and details into the locked Bid Box.</p>
	<p><b>Bids and Awards Committee BAC Secretariat COA Representative Two (2) NGO Observers</b></p>	<p>The BAC shall open the bids in front of the bidder or any of their duly authorized representatives.</p> <p>All members of the BAC who are present during the opening shall initial every page of the original copies of all eligible document received and opened.</p> <p>Routes the bid documents to the BAC Secretariat who affixes signature/initial in the Logbook.</p>

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ACTIVITY FLOW	RESPONSIBLE	DETAILS
	<p><b>Technical Working Group</b>  <b>BAC Secretariat</b>  <b>Head of Agency</b>  <b>Bids and Awards Committee</b>    <b>Bidder</b></p>	<p>Award the project to the best quotation that meets the bid requirements.            Prepare the following documents:</p> <ul style="list-style-type: none"> <li>• Preparation of <b>Resolution to Award</b> and <b>Notice to Award</b></li> <li>• Approval of Resolution to Award and Notice to Award</li> <li>• <b>Issuance of Notice to Award</b></li> <li>• Posting of <b>Performance Security</b></li> </ul>
	<p><b>Bids and Awards Committee</b>  <b>Winning Bidder</b></p>	<p>Implementation of Contract involves the following:</p> <ul style="list-style-type: none"> <li>• Contract Signing</li> <li>• Issuance of <b>Notice to Proceed</b></li> </ul> <p>To prevent the risk of budget misappropriation, implement regular monitoring and assessment of deliverables.</p>
	<p><b>Winning Bidder</b>  <b>BLGF Property Inspector,</b>  <b>COA Representative</b></p>	<p>Winning bidder delivers the goods / services per contract.</p> <p>Inspection of goods is done as per specifications, terms in the contract, and in good condition indicated in the Bid Documents Checklist,.</p> <p>As for assessment of services, regular monitoring and assessment is done on deliverables and upon signed off and end of contract.</p>

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ACTIVITY FLOW	RESPONSIBLE	DETAILS
<pre> graph TD     E{{E}} --&gt; D{PASSED &amp; ACCEPTED?}     D -- NO --&gt; B[INFORMS SUPPLIER TO COMPLY]     B --&gt; F{{F}}     D -- YES --&gt; C[ACCEPT THE DELIVERY OF GOODS AND SERVICES]     C --&gt; G{{G}}           </pre>	<p align="center"><b>BAC Secretariat</b></p>	<p>When the delivery fails to meet the specifications as per contract, the BAC prepares an Evaluation Report of non-compliance and informs the supplier to take action to replace the said delivered goods and/or comply with the specifications.</p>
<pre> graph TD     C[ACCEPT THE DELIVERY OF GOODS AND SERVICES] --&gt; G{{G}}           </pre>	<p align="center"><b>Property Section</b>  <b>COA Representative</b></p>	<p>Accepts the deliveries when the delivered goods and services meet the specification in the procurement contract.</p> <p>Prepares <b>Final Acceptance and Goods Acceptance Report</b>.</p> <p>For Services, the <b>Terminal Report</b> submitted by the service provider will be reviewed and approved by Technical Working Group of BAC and the end-user.</p> <p>BAC will issue a resolution for acceptance and final payment to the Executive Director for payment.</p>

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ACTIVITY FLOW	RESPONSIBLE	DETAILS
<p align="center"> </p>	<p align="center"><b>Supply Officer II</b> <b>Property Appraiser I</b></p>	<p>Assign Property Number and deliver procured goods to end user:</p> <ul style="list-style-type: none"> <li>a. For Semi-expendable goods (value is PhP 15k or below)               <ul style="list-style-type: none"> <li>- issue <b>Inventory Custodian Slip (ICS)</b></li> </ul> </li> <li>b. For Non semi-expendable goods (value is higher than P15k)               <ul style="list-style-type: none"> <li>- issue <b>Property Acknowledgment Receipt (PAR)</b></li> </ul> </li> </ul> <p>Both documents are signed by the end-user and Supply Officer upon receipt of the goods.</p>
<p align="center"> </p>	<p align="center"><b>Property Section</b></p>	<p>Upon acceptance, forwards all documents to Accounting for payment.</p>
<p align="center"> </p>	<p align="center"><b>Division Chief</b></p>	<p>Reviews the activities and applies quality improvements in the process.</p>

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ACTIVITY FLOW	RESPONSIBLE	DETAILS
<pre> graph TD     H{{H}} --&gt; CAP1[CORRECTIVE ACTION PROCEDURE]     CAP1 --&gt; DA{TARGETS ACHIEVED?}     DA -- NO --&gt; CAP2[CORRECTIVE ACTION PROCEDURE]     CAP2 --&gt; DA     DA -- YES --&gt; PMR[PREPARE MONTHLY REPORT]     C{{C}} --&gt; PMR     PMR --&gt; END([END])           </pre>	<p align="center">Division Chief</p>	<p>Determines if performance targets were achieved.</p> <p>For unmet targets:  <b>Refer to Corrective Action Procedure.</b></p> <p>Submits complete monthly accomplishment report and performance report to immediate superior every first week of the month.</p>

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