



PROCESS MANUAL

BUREAU OF LOCAL GOVERNMENT FINANCE

BLGF-PM-04-05

Revision Code: 00

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Section: **SUPPORT**

Effectivity Date:

Subject: **PROCUREMENT OF GOODS AND SERVICES WITHOUT BIDDING**

1. PURPOSE

To ensure that approved purchase requisitions 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 receipt of approved PR and preparation of PO, canvassing or posting in PhilGEPS, evaluation of quotations, selection of supplier, preparation and approval of POs, delivery, inspection, and acceptance of delivered goods and services as per PO.

This procedure does NOT cover bidding or procurement of goods and services amounting to Php 1 Million and above. (Refer to Procedure: Procurement by Bidding).

3. DEFINITION OF TERMS:

- a. **PPMP** – Project Procurement Management Plan
- b. **APP** – Annual Procurement Plan
- c. **BAC** – Bids and Awards Committee
- d. **HOPE** – Head of Procuring Entity
- e. **DBM** – Department of Budget Management
- f. **PR** – Purchase Requisition
- g. **PO** - Purchase Order
- h. **COA** – Commission On Audit
- i. **PhilGEPS** – Philippine Government Electronic Procurement System

4. RECORDS:

TITLE/CODE	LOCATION	RETENTION CRITERIA	RETENTION PERIOD	DISPOSAL METHOD
1. Purchase Requisition (PRO-001)	Property Office Files	NAP R.A. 9470	5 years	As per NAP Rules
2. Purchase Order (PRO-002)	Property Office Files	NAP R.A. 9470	5 years	As per NAP Office
3. Inventory Custodian Slip (PRO-003)	Property Office Files	NAP R.A. 9470	5 years	As per NAP Office
4. Property Acknowledgement Receipt (PRO-004)	Property Office Files	NAP R.A. 9470	5 years	As per NAP Office
5. Inspection Report (PRO-005)	Property Office Files	NAP R.A. 9470	5 years	As per NAP Office
6. Acceptance Report (PRO-006)	Property Office Files	NAP R.A. 9470	5 years	As per NAP Office

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5. REFERENCES:

5.1 ISO Clause Reference

- a. Clause 7 – Resources except clause 7.1.5.2
- b. Clause 8.4 - Control of externally provided products and services
- 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 Bidding Procedure

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ACTIVITY FLOW	RESPONSIBLE	DETAILS
<p>START</p> <p>↓</p> <p>RECEIVE APPROVED PURCHASE REQUISITION (PR)</p> <p>↓</p>	Supply Officer II Property Officer	<p>Receives approved Purchase Requisition (PR) duly signed by Admin Director.</p> <p>To prevent the risk of delayed, incomplete or inaccurate information, the PR is reviewed for completeness and accuracy of information.</p>
<p>↓</p> <p>EVALUATE APPROVED PR</p> <p>↓</p>	Supply Officer II/ Property Officer	<p>Evaluates (PR) based on R.A. No. 9184 Guidelines.</p> <p>a. For Php50k and Below – Refer to Procurement Work Instruction: Canvassing</p> <p>b. Above Php50k – Refer to Procurement Work Instruction : Posting in PhilGEPS.</p> <p>c. For Php1 million and above – Refer to Procurement of Goods and Services with Bidding Procedure.</p>
<p>↓</p> <p>PREPARE PURCHASE ORDER (PO)</p> <p>↓</p>	Supply Officer II / Property Officer	
<p>↓</p> <p>APPROVE PURCHASE ORDER (PO)</p> <p>↓</p> <p>A</p>	Division Head (Admin) Division Head (Finance) Accountant Service Director, Deputy Executive Director, Executive Director	<p>Executive Director signs the PO for final approval.</p> <p>The approved and signed PO is forwarded to Procurement.</p>

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ACTIVITY FLOW	RESPONSIBLE	DETAILS
<p>A</p> <p>↓</p> <p>PROVIDE COPY OF SIGNED/ APPROVED PO</p> <p>↓</p>	<p>Supply Officer II Property Officer</p>	<p>Informs and coordinates with the supplier regarding the approved PO for signature on the "Conforme" and schedule of delivery.</p> <p>Issues Original PO to Supplier. Retains photocopy of PO and supporting documents for file and reference in Procurement Section.</p> <p>Duplicate PO and supporting documents (abstract and canvass) are issued to COA.</p>
<p>↓</p> <p>RECEIVE AND INSPECT GOODS OR SERVICES</p> <p>↓</p> <p>B</p>	<p>Property Officer COA Representative</p>	<p>Inspection of goods is done as per specifications, terms in the contract, and in good condition indicated in the Purchase Order.</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; B[B] --> D{PASSED & ACCEPTED?}; D -- NO --> C[COORDINATE WITH SUPPLIER TO COMPLY]; C --> F[F]; D -- YES --> E[ACCEPT THE DELIVERY OF GOODS AND SERVICES]; E --> G[G];</pre>		
	Supply Officer	<p>When the goods are not in order, the Supplier is asked to make another delivery to comply with the specifications in the approved PO.</p> <p>For services, any non-compliance with the contract will be addressed and necessary actions will be taken.</p>
	Supply Officer II Property Officer	<p>Accepts the deliveries when the delivered goods and services meet the specification in the procurement contract.</p> <p>Prepares Final Acceptance and Goods Acceptance Report.</p> <p>For Services, the Terminal Report 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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<p style="text-align: center;">↓</p> <p style="text-align: center;">G</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">DELIVER GOODS TO END USER (WITH PROPERTY NUMBER)</p> <p style="text-align: center;">↓</p>	<p style="text-align: center;">Supply Officer II Property Appraiser I</p>	<p>Assign Property Number and deliver procured goods to end user:</p> <ul style="list-style-type: none">a. For Semi-expendable goods (value is PhP 15k or below)<ul style="list-style-type: none">- issue Inventory Custodian Slip (ICS)b. For Non semi-expendable goods (value is higher than P15k)<ul style="list-style-type: none">- issue Property Acknowledgment Receipt (PAR) <p>Both documents are signed by the end-user and Supply Officer upon receipt of the goods.</p>
<p style="text-align: center;">↓</p> <p style="text-align: center;">FORWARD PO AND SUPPORTING DOCUMENTS TO ACCOUNTING</p> <p style="text-align: center;">↓</p>	<p style="text-align: center;">Supply Officer II Property Officer</p>	<p>Forwards PO with supporting documents to Accounting for payment.</p> <p>Note: When supplier issued a Delivery Receipt and Sales Invoice, forwards Inspection Report, Acceptance Report, and Delivery Receipt to Accounting.</p> <p>Refer to Procedure on Disbursement.</p>
<p style="text-align: center;">↓</p> <p style="text-align: center;">RETAIN ICS AND PAR FOR FILE AND REFERENCE</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">H</p>	<p style="text-align: center;">Supply Officer II Property Officer</p>	<p>Retains ICS and PAR for file and reference.</p>

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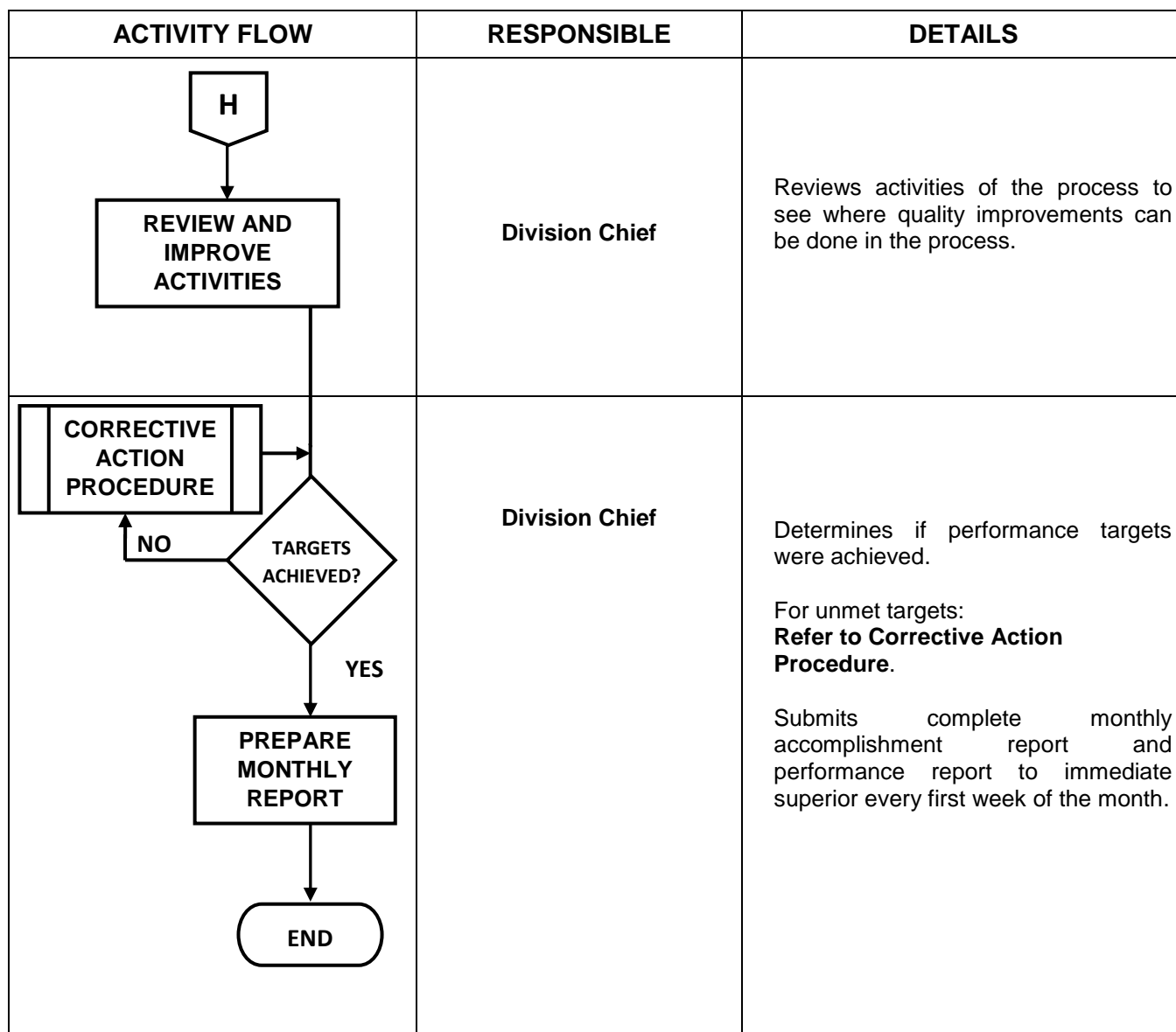
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