

Republic of the Philippines

Department of Education

10 SEP 2018

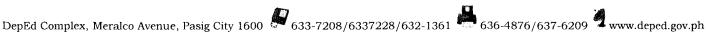
DepEd ORDER No.**036**, s. 2018

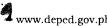
PROCUREMENT GUIDELINES ON THE IMPLEMENTATION OF CASH-BASED BUDGETING FOR FISCAL YEAR 2019

To: Undersecretaries **Assistant Secretaries** Bureau and Service Directors Regional Directors Schools Division Superintendents All Others Concerned

- The Department of Education (DepEd) issues the **Procurement Guidelines on** the Implementation of Cash-Based Budgeting for Fiscal Year (FY) 2019. This is in line with the shift from annual obligation-based appropriations, and to ensure the smooth transition to the major component of budget reforms.
- 2. The guidelines are as follows:
 - a. Starting FY 2019, regardless of allotment class, the validity of appropriations is limited to one year. Only accomplishments, goods delivered, and services rendered for the period January 1 to December 27, 2019 shall be paid in FY 2019, unless the obligation was incurred in December, to which payment can be settled during the Extended Payment Period (EPP) until March 31 of the succeeding year. The illustrative procurement timeline is provided in the enclosure.
 - b. The **contracts** to be issued to winning bidders shall explicitly stipulate the above condition, stating further that it is the responsibility of the supplier/contractor/consultant to expedite the submission of delivery documents to the Procuring Entity, in accordance with the Bidding Documents issued for the project, consistent with the updated Guidelines on Delivery, Inspection, Acceptance, and Recording of DepEd Procured Assets to be issued.
 - c. The end-user/implementing unit is responsible for the submission of the following payment documents to the Finance Service/Division:
 - i. Inspection and Acceptance Report (IAR),
 - ii. Delivery Reports (DR), and
 - iii. Sales Invoice together with the Obligation Request and Status (ORS).
 - d. The Property Transfer Report (PTR) shall be forwarded to the Asset Management Division (AMD).
 - e. The Finance Division shall be responsible in the booking-up to be eligible for payment under the EPP.







- 3. All procuring entities are enjoined to conduct early procurement activities as soon as the National Expenditure Program (NEP) is submitted to the Congress.
- 4. To support early procurement, the Indicative FY 2019 Annual Procurement Plan (APP) non-Common Supplies and Expenditure (non-CSE) consistent with the FY 2019 NEP should be prepared and posted on the agency transparency seal **not later than August 31, 2018**. Memorandum Circular 2018-1 requires the posting of the APP non-CSE on or before the said date, and that all agencies undertake early procurement of at least 50% of the value of the budget submitted to Congress, consistent with the NEP.
- 5. For more information, contact:
 - Ma. Teresa S. Fulgar Chief Administrative Officer
 - Belinda T. Argonza

Supervising Administrative Officer Procurement Management Service (ProcS) Procurement Planning and Management Division (PPMD) Telephone Nos.: (02) 638-4392; (02) 636-6543

· Ruth P. Romano

Supervising Administrative Officer ProcS-Contract Management Division (CMD) Telephone No.: (02) 635-3762

6. Immediate dissemination of and strict compliance with this Order is directed.

LEONOR MAGTOLIS BRIONES
Secretary

Encl.:

As stated

Reference:

None

To be indicated in the <u>Perpetual Index</u> under the following subjects:

ALLOTMENT
APPROPRIATIONS
BUDGET
CONTRACTS
PAYMENT
PROCUREMENT
PROJECTS

Illustrative Timeline

Activity			Quar	Quarter 1 – CY 2019											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget preparation &															
submission			NATE OF THE PROPERTY OF THE PR			×									
a. Preparation of proposed budget															
b. Preparation of PPMPs and Technical Specifications/SOW/TOR															
Consolidation of PPMPs															
Approval & submission of Indicative APP (on or before Aug. 31)															
Submission of PR														1	
Procurement activities ¹ (short of award)															
a. Pre-procurement															
b. Advertisement/posting															
 c. Pre-bid, Bid submission & opening 									\$ 2						
 d. Evaluation and post- qualification 															
e. Declaration of LCRB/RTA															
Issuance of NOA/Contract/NTP (upon approval of GAA)															*

Activity		BUDGET YEAR-CY 2019													EPP* CY 2020		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar		
★Contract Implementation																	
Consolidation & submission of																	
Delivery and payment	1					1											
documents																	
Payment												s.Evress					
*Extended Payment Period															1		

¹Refer to Annex C of the IRR of RA 9184 for the prescribed period of action on procurement activities ²Provided that the obligation was incurred in December and obligated before December 27