



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
MALACAÑANG, MANILA

CIRCULAR LETTER

No. 2013- 14

November 29 , 2013

TO : Heads of Departments, Bureaus, offices and Agencies of the National Government, including State Universities and Colleges (SUCs); Government-Owned or Controlled Corporations (GOCCs), Government Financial Institutions (GFIs), Local Government Units (LGUs) and All Others Concerned

SUBJECT: Reiterating the Submission of Annual Procurement Plan for Common Use Supplies and Equipment (APP-CSE)

1.0 Rationale

In support of the government's policy for transparency in government transactions and efficiency in procurement processes, all government agencies are directed to continue to:

- Procure their common-use supplies and equipment from the DBM Procurement Service (DBM-PS) without need for public bidding; and
- Use the Philippine Government Electronic Procurement System (PhilGEPS) in all procurement activities pursuant to Section 53.5 of the IRR of R.A. No. 9184.

Said policy is provided under Administrative Order No. 17 (series of 2011) and reiterated annually as one of the General Provisions of the General Appropriations Act (GAA).

Moreover, Section 445 of the Government Accounting and Auditing Manual (GAAM), Volume 1 and Section 4b of Executive Order (EO) No. 359, dated June 2, 1989, provide that agencies shall remit in advance to the PS the funds needed to service their requirements for supplies, materials and equipment as reflected in the Work and Financial Plan.

2.0 Purpose

- 2.1 To reiterate the procedure and guidelines provided under DBM Circular Letter (CL) Nos. 2011-6/2011-6A on the submission to DBM, of an **Annual Procurement Plan for Common-Use Supplies and Equipment (APP-CSE)** by all National Government Agencies (NGAs) and other procuring government entities.

- 2.2 To modify the APP-CSE format by integrating the agency's financial plan, i.e., quarterly cash requirements corresponding to the procurement work plan, and to expand the use of the APP-CSE as the **Agency Procurement Request** for the purpose of ordering said items.
- 2.3 To reiterate the posting of the **Annual Procurement Plan (APP)**, which includes the APP-CSE, in the Transparency Seal, as required for the grant of the annual Performance Based Bonus (PBB).

3.0 Coverage

This Circular Letter covers all National Government Agencies (NGAs) including State Universities and Colleges (SUCs) and Military/Police Units; Government-Owned and Controlled Corporations (GOCCs); Government Financial Institutions (GFIs); and Local Government Units (LGUs).

4.0 General Guidelines

- 4.1 As a general rule, all procurements shall be undertaken within the approved budget of the procuring agency. Given the one-year validity period of appropriations, agencies should be ready with their **budget execution plans and targets** before the start of the year to ensure timely implementation of procurement activities.
- 4.2 All government instrumentalities covered by this Circular shall submit their APP-CSE to DBM-PS, prescribed in DBM Circular Letter Nos. 2011-6/2011-6A, using the modified format prescribed herein, shown as **Annex A**.
 - 4.2.1 For procurements covered by the FY 2014 GAA (as indicated in the FY 2014 NEP), the APP-CSE shall be submitted on or before **December 15, 2013** in view of the modification of the APP-CSE format.
 - 4.2.2 For the subsequent years, the submission deadline shall be **November 30**, instead of November 15 as prescribed in the DBM CL Nos. 2011-6/2011-6A.
- 4.3 A separate APP-CSE shall be prepared for procurements chargeable against prior year's appropriation, using the same format.
- 4.4 Consistent with the policy provided under COA-GAAM (Volume 1, Sec. 445b) and E.O. No. 359, the following shall be observed:
 - 4.4.1 The APP-CSE shall serve as both the work and financial plan, to be used by DBM as basis in the release of funds.
 - 4.4.2 The **quarterly cash requirements** for common supplies, materials and equipment as reflected in the APP-CSE, shall serve as guide of the agency in the deposit of cash to DBM-PS on quarterly basis, for payment of purchases made. Separate guidelines will be issued by DBM relative to the electronic procurement of such items thru the PhilGEPs Virtual Store and as well as electronic payment for the purpose.

- 4.5 The following procedures shall be adopted in the submission of the CY 2014 **APP-CSE** by the covered government entities:
- 4.5.1 The accomplished APP-CSE shall be submitted in the following manner to the DBM offices concerned thru:
- 4.5.1.1 DBM-PS e-mail at app@procurementservice.org;
- 4.5.1.2 E-mail to PhilGEPS at app@philgeps.gov.ph the signed copy of APP-CSE in PDF format;
- 4.5.1.3 Liaison officers, one (1) printed or hardcopy to the:
- Budget and Management Bureau (BMB) of DBM-CO - for entities in the Central Office (CO); and
 - DBM Regional Office (RO) - for ROs and operating units (OUs) of DepEd, DOH, DPWH, CHED, TESDA and SUCs.
- 4.5.2 The modified APP-CSE format, which integrates the corresponding cash requirements of the annual plan, shall be adopted in 2014 and in the ensuing years.
- 4.5.2.1 This format shall be downloaded thru the DBM-PS website at <http://www.procurementservice.org>- Downloads tab and the PhilGEPS website at <http://www.philgeps.gov.ph>- About PhilGEPS tab – Useful Downloads.
- 4.5.2.2 APP-CSE accomplished/submitted not using the prescribed format under Item 4.5.2.1 of this Circular will be considered invalid due to incompatibility with IT system requirements, to wit:
- form used is **other than** the prescribed format downloaded at philgeps.gov.ph and;
 - correct format but fields were deleted and/or inserted in Portion A (Available at PS Stores) of the APP-CSE.
- 4.6 The 2014 appropriation for common supplies and equipment under the agency specific budgets shall be part of the **comprehensive release** using the 2014 General Appropriations Act (GAA) as release document, upon its effectivity.
- 4.7 **In line with the mandated public procurement from PS-DBM, the following policy/guidelines shall be observed in the incurrence and recording of obligations chargeable against the appropriations to be comprehensively released thru the GAA for common supplies and equipment:**

- 4.7.1 Agencies can initially obligate **25%** of their 2014 appropriation for common use supplies and equipment upon approval of the GAA.
- 4.7.2 Incurrence of obligations for the **remaining 75%** of their released 2014 appropriation for common use supplies and equipment shall be contingent on the submission of the required APP-CSE to DBM.
- 4.8 The DBM (BMBs and ROs) shall closely monitor compliance with the submission of APP-CSEs of the agencies under their respective coverages and prepare reminders/call-up letters, if necessary.
- 4.9 The COA Auditors are enjoined to include in their audit observations, the status of agency compliance with RA 9184, i.e., disallow procurements from other sources if not covered with PS Certificates of Non-Availability of Stocks.
- 4.10 DBM-PS shall:
- 4.10.1 Consolidate the APP-CSE submitted by procuring entities. These shall be the basis of the DBM-PS in:
- Projecting inventory requirements, scheduling of procurement activities, and overall management of the central procurement of common-use goods.
 - Expanding the Electronic Catalogue (now the Virtual Store) to include other products commonly purchased by government procuring entities.
- 4.10.2 Post at its website, a status report on agency compliance with the submission of APP-CSE, i.e., agencies with submission and those without submission.
- 4.10.3 Provide the Commission on Audit, copy of the status report, as guide in assessing/authorizing agency procurement of common supplies and equipment **outside of DBM-PS**.
- 4.10.4 Provide updates on the additional features and services of PhilGEPS in procurement activities such as the Virtual Store, Government of the Philippines-Official Merchant Registry, e-Payment and e-Bid Submission, for guidance and information to all procuring entities.
- 4.11 All government entities covered by this Circular shall immediately register with PhilGEPS, to use/access the electronic procurement system and enable the availment of the most competitive manner of procurement, advantageous and lowest possible prices for common supplies and equipment.
- 5.0 For guidance and compliance.


FLORENCIO B. ABAD
Secretary

**ANNUAL PROCUREMENT PLAN FOR FY 2014
For Common-Use Supplies and Equipment**

INSTRUCTIONS IN FILLING OUT THE ANNUAL PROCUREMENT PLAN (APP) FORM:

1. The agency's APP-CSE shall also serve as the Agency Procurement Request.
2. Select the appropriate worksheet depending on the nearest Regional/Provincial Depot in your area.
3. For Sub - Depots please refer to the following (Arranged/ Classified according to commonality of freight cost):
 - a. Bukidnon, Puerto Princesa Palawan, Biliran, Borongan, and Misamis Occidental (Oroquieta) - Region XIII
 - b. Misamis Oriental, Calbayog, and Bontoc - Regions VI, VII, VIII, X, & XI
 - c. Surigao Del Norte - Surigao Del Norte
 - d. Camiguin - Camiguin
4. Indicate the agency's monthly requirement per item in the APP form. The form will automatically compute for the Total Amount per item and the Grand Total.
5. Submitted APPs are considered invalid if: a) form used is other than the prescribed format downloaded at philgeps.gov.ph and; b) correct format but fields were deleted and inserted in Portion A of the APP. The agency will be informed by e-mail if the submission is incorrect.
6. For Other Items not available from the Procurement Service but regularly purchased from other sources, agency must specify/indicate the item name under each category and unit price based on their last purchase of the item/s. These items will be evaluated by the Procurement Service and may be considered Common Supplies or Equipment (CSE). Items will be added to the electronic catalogue / virtual store as as soon as it is procured and made available by the Procurement Service.
7. Submit the duly accomplished APP form in one (1) hard copy (duly signed by Agency officials) to the Agency's respective Budget Management Bureau in the DBM Central Office or to the DBM Regional Office AND email at app@procurementservice.org or at app.psd@m@yahoo.com.
8. Consistent with DBM Circular No. 2011-6, the APP for FY 2014 must be submitted on or before November 15, 2013.
9. Rename your APP file in the following format: APP2014- Name of Agency- Region (e.g. APP2014 -PS- Central Office).
10. For further assistance/clarification, agencies may call the Planning Division of the Procurement Service at telephone nos. (02)561-6116 or (02)689-7750 loc. 4021.

Department/Bureau/Office: _____

Region: _____

Address: _____

Contact Person: _____

Position: _____

E-mail: _____

Telephone/Mobile Nos: _____

Item & Specifications	Unit of Measure	Quantity Requirement																		in Pesos		
		Jan	Feb	March	Q1	April	May	June	Q2	July	Aug	Sept	Q3	Oct	Nov	Dec	Q4	Total	PS Price Catalogue as of (07.11.13) 2/	TOTAL AMOUNT		
A. AVAILABLE AT PROCUREMENT SERVICE STORES																						
COMMON ELECTRICAL SUPPLIES																						
1. BALLAST, 18 watts	piece																		0	66.77	-	
2. BALLAST, 36 watts	piece																		0	71.03	-	
.....																						
14. TAPE, electrical	roll																		0	19.24	-	
COMMON COMPUTER SUPPLIES/CONSUMABLES																						
1. COMPUTER CONTINUOUS FORMS, 1 ply, 11" x 9-1/2", 2000 sheets/box	box																		0	445.64	-	
2. COMPUTER CONTINUOUS FORMS, 1 ply, 11" x 14-7/8", 2000 sheets/box	box																		0	676.00	-	
.....																						
382. MOUSE, optical, USB connection type	piece																		0	144.04	-	
COMMON OFFICE SUPPLIES																						
1. ACETATE, gauge #3, 50m in length	roll																		0	561.60	-	
2. AIR FRESHENER, 280ml/can	can																		0	89.44	-	
.....																						
129. WRAPPING PAPER, kraft, 65gsm, approx. 40m	roll																		0	148.72	-	

Item & Specifications	Unit of Measure	Quantity Requirement																		in Pesos	
		Jan	Feb	March	Q1	April	May	June	Q2	July	Aug	Sept	Q3	Oct	Nov	Dec	Q4	Total	PS Price Catalogue as of (07.11.13) 2/	TOTAL AMOUNT	
B. OTHER ITEMS NOT AVAILABLE AT PS BUT REGULARLY PURCHASED FROM OTHER SOURCES (Note: Please indicate price of items)																					
Office Equipment and Accessories																				0	-
1																				0	-
2																				0	-
10																				0	-
Office Supplies																				0	-
1																				0	-
2																				0	-
20																				0	-
Audio and visual presentation and composing equipment																				0	-
1																				0	-
2																				0	-
10																				0	-
Photographic or filming or video equipment																				0	-
1																				0	-
2																				0	-
10																				0	-
Cleaning Equipment and Supplies																				0	-
1																				0	-
2																				0	-
10																				0	-
Paper Materials and Products																				0	-
1																				0	-
2																				0	-
10																				0	-
Lighting and fixtures and accessories																				0	-
1																				0	-
2																				0	-
10																				0	-
Electrical equipment and components and supplies																				0	-
1																				0	-
2																				0	-
10																				0	-
Computer Supplies																				0	-
1																				0	-
2																				0	-
10																				0	-
Computer Equipment and Accessories																				0	-
1																				0	-
2																				0	-
10																				0	-
Other Categories 1/																				0	-
1																				0	-
2																				0	-
10																				0	-
C. GRAND TOTAL (A + B) :																					
D. ADDITIONAL PROVISION FOR INFLATION (10% of GRAND TOTAL)																					
E. APPROVED BUDGET (C+D)																					
In Figures and Words:																					

Item & Specifications	Unit of Measure	Quantity Requirement																	in Pesos	
		Jan	Feb	March	Q1	April	May	June	Q2	July	Aug	Sept	Q3	Oct	Nov	Dec	Q4	Total	PS Price Catalogue as of (07.11.13) 2/	TOTAL AMOUNT
F. MONTHLY CASH REQUIREMENTS (In Pesos)																				
F.1 Available at Procurement Service Stores																		0		
F.2 Other Items not available at PS Stores but regularly purchased from other sources																		0		
TOTAL CASH REQUIREMENTS																				

1/ Other categories that are not indicated herein
2/ Prices are FOB Manila/Applicable for items under A.

We hereby warrant that the total amount reflected in this Annual Supplies/ Equipment Procurement Plan to procure the listed common-use supplies, materials and equipment has been included in or is within our approved budget for the year.

Prepared by:

Certified Funds Available /
Certified Appropriate Funds Available:

Approved by:

Property/Supply Officer

Accountant /
Local Budget Officer

Head of Office/Agency

Date Prepared: _____

Date: _____

Date: _____