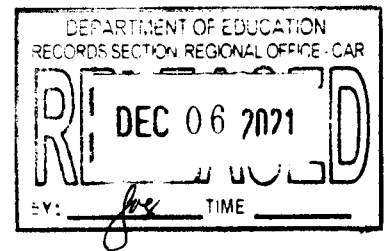




Republic of the Philippines
Department of Education
CORDILLERA ADMINISTRATIVE REGION
WANGAL, LA TRINIDAD, BENGUET



December 1, 2021

REGIONAL MEMORANDUM

No. 588-2021

**CONDUCT OF EARLY PROCUREMENT ACTIVITIES (EPA) AT THE
SCHOOLS DIVISION OFFICES OF DEPED CORDILLERA
ADMINISTRATIVE REGION**

TO: OIC-Assistant Regional Director
Schools Division Superintendents
All Others Concerned

1. Pursuant to Joint Memorandum DM-OUCI-2021-539 and Joint Memorandum DM-OUCI-2021-565, the Department of Education-Cordillera Administrative Region informs the Schools Division Offices (SDOs) that with the approval of the FY 2022 National Expenditure Program (NEP), the SDOs may undertake early procurement activities (EPA) for the development, production, and delivery of Self-Learning Modules for FY 2022.
2. The conduct of EPA is anchored to Republic Act No. 9184, otherwise known as the Government Procurement Reform Act which provides the legal reference for the conduct of early procurement activities.
3. The funds to be downloaded to the SDOs shall be used for the development, production and delivery of self-learning modules. In view of the upcoming opening of Quarters 3 and 4 of SY 2021-2022, the required SLMs for the said quarters should be prioritized (list is provided in Annex A). However, SDOs that have already sufficient quantities of SLMs for Quarters 3 and 4 may also produce other SLMs other than the identified grade levels and subject areas. Depending on the SDO's respective circumstances, the SDOs may determine the most appropriate SLMs to be produced.
4. SDOs may initiate early procurement activities short of award to ensure timely availability of SLMs for FY 2022. However, it must be noted that contracts shall not be perfected until the GAA is passed.



Address: Wangal, La Trinidad, Benguet, 2601
Telephone No.: (074) 422-1318 | Fax: (074) 422-4074
Website: www.depedcar.ph | Email: car@deped.gov.ph



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Department of Education
CORDILLERA ADMINISTRATIVE REGION
WANGAL, LA TRINIDAD, BENGUET

5. Below is the suggestive technical specifications of the SLMs:

Properties	Technical Specifications (For Procured/Supplier)
Paper Size	8:25" x 10.74" (A4) Paper size used on layout (A3 - to be folded)
Paper Thickness (Cover)	Foldcote No. 12 (FC #12) 1 color, glossy A3
Paper (Inside)	70-80 gsm 1color/4color
Binding	Saddle Stitch

6. The guidelines on the conduct of EPA (DepEd Order No. 051, s. 2021) is also attached in this memo (Annex C).

7. For more information and assistance, please contact the Regional Office thru 422-1318 or CLMD OIC Rosita Agnasi at rosita.agnasi@deped.gov.ph.

8. Immediate and widest dissemination of and compliance with this Memorandum is directed.

ESTELA L. CARIÑO EdD, CESO III
Director IV/Regional Director



Republic of the Philippines
Department of Education
CORDILLERA ADMINISTRATIVE REGION
Wangal, la Trinidad, Benguet

Annex A. LIST OF 24 SUBJECTS FOR QUARTER 3 AND 9 SUBJECTS FOR QUARTER 4

Quarter 3

No.	Subject
1	Math 4
2	EsP4
3	Arts 4
4	Filipino 5
5	EsP 5
6	PE 5
7	Science 6
8	Math 6
9	AP 6
10	EsP 6
11	PE 6
12	Filipino 7
13	AP 7
14	EsP 7
15	Music 7
16	PE 7
17	Math 8
18	Filipino 8
19	AP 8
20	Filipino 9
21	Music 9
22	Arts 9
23	Math 10
24	Filipino 10

Quarter 4

No.	Subject
1	EsP 4
2	Music 4
3	Arts 4
4	PE 5
5	PE 6
6	Arts 7
7	PE 7
8	AP 8
9	PE 8



Republic of the Philippines
Department of Education

Annex C.

25 NOV 2021

DepEd ORDER
No. **051**, s. 2021

**GUIDELINES ON THE CONDUCT OF EARLY PROCUREMENT ACTIVITIES (EPA)
AT THE DEPARTMENT OF EDUCATION**

To: Undersecretaries
Assistant Secretaries
Bureau and Service Directors
Regional Directors
Schools Division Superintendents
Public Elementary and Secondary School Heads
All Others Concerned

1. The Department of Education (DepEd) issues the enclosed **Guidelines on the Conduct of Early Procurement Activities (EPA) at the Department of Education**, consistent with Section 7.6 of the revised Implementing Rules and Regulations (IRR) of Republic Act No. 9184, other related issuances pertaining to its implementation; and directives under the Department of Budget and Management (DBM) Circular Letter 2018-8 dated July 30, 2018. The EPA allows facilitation of the immediate implementation of procurement of Goods, Infrastructure Projects or Consulting Services, even pending approval of the General Appropriations Act (GAA).
2. This DepEd Order is anchored on the rationale embodied in said issuances— those programs, activities, and projects are fully implemented within the validity period of the national budget.
3. The conduct of EPA, as a strategy to fast-track procurement, is a condition for the grant of the Performance-Based Bonus (PBB) as embodied under Memorandum Circular 2020-1. While this is no longer required in determining the overall PBB eligibility of agencies in 2021, compliance with the Guidelines shall be used as the basis in determining the eligibility of responsible units and individuals.
4. This shall take effect immediately and shall remain to be in force unless otherwise repealed/amended.
5. For more information and assistance, please contact the **Procurement Management Service**, 5th Floor, Mabini Building, Department of Education Central Office, DepEd Complex, Meralco Avenue, Pasig City through email at procms.pmd@deped.gov.ph.
6. Immediate dissemination of and strict compliance with this Order is directed.



To authenticate this document,
please scan the QR code.



DEPED-OBEC-481185


LEONOR MAGTOLIS BRIONES
Secretary

Encl.:

As stated

Reference:

N o n e

To be indicated in the Perpetual Index
under the following subjects:

OFFICIALS
POLICY
PROCUREMENT
RULES AND REGULATIONS

WN:BO, SMMA, APY, MEX, DO Conduct of EPA with ASCM
03/01/2021 November 11, 2021



GUIDELINES ON THE CONDUCT OF EARLY PROCUREMENT ACTIVITIES (EPA) AT THE DEPARTMENT OF EDUCATION

I. RATIONALE

One of the major reforms of the Department of Budget and Management (DBM) to support its thrust to increase economic growth rate to 8% in 2022, and the massive investment on public infrastructure program to realize this goal, was the proposed Budget Reform Program (BRP) which aims to transform the budgeting system from obligation-based to annual cash-based appropriations (ACBA) in FY 2019. It envisioned to make every peso of the national budget count and lead to actual delivery of programs and projects.

The ACBA puts a leash on budget implementation to just one year; hence, annual budgets should only contain the projected budget requirements of programs, activities and projects that can be implemented and paid for within the period from January to December of the fiscal year.

Section 7.6 of the 2016 revised Implementing Rules and Regulations of Republic Act (RA) No. 9184, otherwise known as the Government Procurement Reform Act, provides the legal reference for the conduct of early procurement activities (EPA). Specifically, the provision states:

- 7.6 *“To facilitate the immediate implementation of procurement of Goods, Infrastructure Projects or Consulting Services, even pending approval of the GAA, corporate budget, appropriations ordinance or loan agreements in the case of (FAPs), as the case may be, and notwithstanding Section 7.2 hereof, the Procuring Entity may undertake EPA.*

Procuring Entities are encouraged to undertake EPA to ensure the timely delivery of goods, implementation of infrastructure projects and rendition of consultancy services. The conduct of EPA for nationally funded procurement projects may commence as early as the submission of the (NEP) to Congress, usually in July. No EPA may be conducted without an indicative APP duly approved by the Head of the Procuring Entity (HoPE) and the Multi Year Contracting Authority (MYCA) issued by the DBM, in the case of multi-year projects. This will facilitate the awarding of procurement contracts upon approval and effectivity of their respective funding sources or the reenactment of the previous year’s budget which constitutes the current year’s authorized budget, when authorized by the Constitution, law or rules.”

Early procurement is one of the measures in the transition from the obligation-based budget to ACBA to deliver a 12-month contract within the fiscal year. Agencies, therefore, were enjoined to undertake early procurement under DBM Circular Letter 2018-8 prescribing the Guidelines on the Conduct of Early Procurement for the Fiscal Year (FY) 2019 National Expenditure Program (NEP). The Government Procurement Policy Board (GPPB) issued GPPB Circular No. 05-2018 dated May 18, 2018, and, consequently, GPPB issued Circular 06-2019 dated July 17, 2019 to prescribe the Guidelines on the Implementation of Early Procurement Activities (EPA).

This was emphasized in DBM-DoF-NEDA Joint Circular (JC) No. 2017-1 dated June 30, 2017, Annex A.3, which provides that as early as August of the current year, agencies may already start the conduct of early procurement procedures for projects and activities in NEP for the budget year.

Despite the above-mentioned issuances on the conduct of EPA, which is anchored on Section 7.6 of the revised IRR of RA 9184, it has been observed and monitored that EPA has not yet been fully implemented in the Department. It is therefore imperative to set these guidelines for information, wide dissemination, and compliance.

II. SCOPE OF THE POLICY

1. These Guidelines shall apply to all Offices, Bureaus, Divisions, and Units of the Central Office (CO), and all Regional Offices (RO), Schools Division Offices (SDOs) and Implementing Units (IU) of the Department.
2. These Guidelines shall cover all types of procurement of goods, infrastructure projects and consulting services funded out of or by the GAA, or loan agreement in case of Foreign-Assisted Projects (FAPs).
3. EPA is applicable for Procurement Projects undertaken through Competitive Bidding and Alternative Methods of Procurement, except the following:
 - a. Repeat Order (Sec. 51);
 - b. Shopping (Sec. 52);
 - c. Negotiated Procurement - Emergency Cases (Sec. 53.2);
 - d. Negotiated Procurement - Take-Over of Contracts (Section 53.3); and
 - e. Negotiated Procurement - Small Value Procurement (Sec. 53.9).
4. Procurement Projects to be funded from lump-sum funds in the NEP wherein the recipients and the corresponding amounts have not been identified or approved, such as contingent funds, are excluded from the conduct of EPA.

III. DEFINITION OF TERMS

1. **Early Procurement Activities (EPA)** – refers to the conduct of procurement activities, from posting of the procurement opportunity, if required, until recommendation of the Bids and Awards Committee (BAC) to the HoPE as to the award of the contract for goods to be delivered, infrastructure projects to be implemented and consulting services to be rendered in the following fiscal year, pending approval of their respective funding sources.
2. **Head of the Procuring Entity (HoPE)** – refers to the head of the agency, and the head of each decentralized unit shall be considered as the HoPE. Thus, the HoPE in the CO shall be the Secretary, the Regional Director in the ROs, the Schools Division Superintendent in the SDOs, and the Principals in the IUs.
3. **Procurement Project** – refers to a specific or identified procurement covering goods, infrastructure project or consulting services. It shall be described, detailed, and scheduled in the Project Procurement Management Plan (PPMP) prepared by the agency which shall be consolidated in the PE's APP.

4. **Procuring Entity (PE)** – refers to any branch, constitutional commission or office, agency, department, bureau, office, or instrumentality of the Government of the Philippines (NGA), including Government Owned and Controlled Corporation (GOCC), Government Funding Institutions (GFI), State Universities and Colleges (SUC), and Local Government Units (LGU) procuring goods, infrastructure projects and consulting services.¹ For purposes of these Guidelines, the PEs shall be the CO, ROs, SDOs, and IUs of the Department.

IV. POLICY STATEMENT

This Order shall prescribe the guidelines on the conduct of EPA to hasten procurement of resources and ensure utilization of budget within the budget year.

V. GUIDELINES AND PROCEDURES

A. Preparatory Activities

1. The PEs shall complete all the appropriate preparatory activities prior to the approval of the indicative APP. These include, but are not limited to, cost-benefit analysis, feasibility studies, and market research for goods and services, and detailed engineering designs (DED), regulatory clearances, and right of way acquisitions for civil works projects. These are some of the tools used to assess the project's feasibility and viability, and to measure the advantages/benefits of the project while taking into consideration the costs associated with it. For civil works projects, no bidding and award of contract shall be made unless the detailed engineering investigations, surveys, and designs have been sufficiently carried out and duly approved in accordance with the provisions of the IRR (Section 17.6, revised IRR, RA 9184).
2. Upon issuance of the budget call, the End-user Units shall formulate their respective PPMPs for their different programs, activities, and projects. The PPMPs shall then be submitted to the respective Budget Division/Office for evaluation to ensure consistency with the DepEd's budget proposal and existing budgeting rules.
3. The PPMPs included in the budget proposal, as harmonized with the NEP, shall be forwarded to the Procurement Management Service, in case of the Central Office, or BAC Secretariat, in case of Field Offices, for consolidation into an indicative APP, and to the BAC for final recommendation of the appropriate procurement modality. The indicative APP and budget proposal shall be submitted to the Secretary/HoPE for approval, and to other oversight bodies, in this case, the DBM.
4. The indicative APP shall be posted on the DepEd Transparency Seal pursuant to DBM Circular Letter No. 2018-8 dated July 30, 2018, not later than August 31, or at a date as may be specified in future issuances, upon approval of the NEP.
5. The bidding documents issued for the procurement at hand as posted in the PhilGEPS should clearly state that the Procurement Project is undertaken through EPA. It must likewise ensure that the prospective bidders are properly informed, through the bidding documents and during the pre-bid conference, of

¹ Rule 1, Section 5, Revised Implementing Rules and Regulations of RA 9184

all the implications of a Procurement Project undertaken through EPA. This shall include, but is not limited to, the:

- a. rules and procedure of EPA;
 - b. fixed price rule in procurement;
 - c. extension of the bid validity and security;
 - d. validity of the eligibility requirements prior to the award of contract;
 - e. conditions of award; and
 - f. date of earliest delivery.
6. The Certificate of Availability of Funds shall not be required prior to the commencement of EPA.²

B. Commencement of Bidding Activities, Short of Award

1. All PEs shall undertake EPA from October to December of the current year, upon submission of the NEP for the fiscal year to Congress. Pursuant to DBM Circular Letter No. 8-2018, at least 50% of the value or volume of the planned procurement for the budget year should undergo early procurement, after PEs have identified those activities and projects that are needed to be implemented in the first semester and those procurement activities that are deemed difficult or risky.³ No EPA may be conducted without an indicative APP duly approved by the HoPE, and the Multi-Year Contracting Authority (MYCA) issued by the DBM, in the case of multi-year projects.
2. Procurement activities, from posting of the procurement opportunity, if required, until recommendation of the BAC to the HoPE as to the award of the contract, for goods to be delivered, infrastructure projects to be implemented and consulting services to be rendered in the following fiscal year, shall be conducted pending approval of their respective funding sources, to wit:
 - a. For Procurement Projects that are included in the DepEd budget (source agency) but shall be released directly to another agency (recipient agency), such as the DPWH in the case of School Buildings, pursuant to a special provision in the NEP, the special provision shall be the basis of the recipient agency to conduct EPA.

Such projects shall be included in the indicative APP of the recipient agency.

- b. For Procurement Projects funded in the DepEd budget (source agency) but to be implemented by another agency (recipient agency), if any, a Memorandum of Understanding (MOU) between them shall be the basis of the recipient agency for the conduct of EPA. The MOU shall state that the source agency:
 - (i) has proposed funds in the NEP for a Procurement Project.
 - (ii) identifies the recipient agency as the implementing unit for the said Procurement Project; and
 - (iii) authorizes the recipient agency to undertake EPA for the said Procurement Project.

² GPPB Resolution No. 05-2018, 18 May 2018, Issuance of Certificate of Availability of Funds (CAF) for Early Procurement Activities
³ DBM Circular Letter No. 8-2018

Such Procurement Projects shall be included in the indicative APP of the recipient agency.

- c. For Procurement Projects funded by forthcoming sub-allotments from the Central Office (CO) or Centrally Managed Items, the written approval, in whatever form, from the CO identifying the implementing unit therefor with the corresponding amount and authorizing the conduct of EPA shall be the basis for the conduct of said activity.
 - d. In any instance, DepEd, as well as recipient agencies/ROs/SDOs shall facilitate preparation and processing of documentary requirements to ensure that the release of funds or sub-allotments shall be timely prepared to enable the implementing agency or unit to award the contract within the prescribed period.
3. The conduct of EPA from posting to recommendation of the BAC to the HoPE as to the award of the contract shall observe the procedures and mandatory timelines set forth in the 2016 revised IRR of RA 9184, including the period for re-bidding which shall be within fifteen (15) days after each declaration of failure of bidding, which may be extended up to thirty (30) days upon approval of the HoPE.
 4. The issuance of the Notice of Award (NOA) may, however, be done only upon approval or enactment of the respective appropriations or budget authorization document and based on the amount authorized therein. If the PE cannot award the contract due to the delay in the approval of the funding source, the PE may request the bidders to extend the validity of their bid securities beyond one hundred twenty (120) calendar days, prior to their expiration.

A change in the form of the bid security is allowed if this is made prior to the expiration of the bid validity sought to be extended.

If the bidder refuses to extend the bid validity, the PE shall reject the bid submitted by said bidder.

C. Award of Contract

1. Notwithstanding the mandatory procurement timelines provided in Section 37 of RA No. 9184, Procurement Projects undertaken through EPA may be awarded only upon approval and effectivity of the GAA or loan agreement. Apart from the approval and effectivity of the GAA, or loan agreement, PEs shall not award contracts for Procurement Projects requiring Special Allotment Release Order or Sub-Allotment Release Order until the same has been issued, secured or released.
2. Prior to award, and as soon as the funding source has been approved, the indicative APP shall be revised and approved in accordance with Section 7.2 of the revised IRR of RA 9184. The final approved APP shall be submitted to the GPPB on or before the end of January of the budget year, and shall be posted in the Transparency Seal, in accordance with Executive Order No. 662, as amended.
3. Accordingly, pending approval and effectivity of the GAA, or the loan agreement in the case of FAPs, the following periods shall be tolled or suspended:
 - a. the fifteen-day (15 day) period for the HoPE to approve the Resolution of the BAC and to issue the Notice of Award provided under Section 37; and

- b. the three-month (3-month) period within which to complete the procurement process, from the opening of bids up to the award of contract, under Section 38 of RA No. 9184.
4. The period for the award of contract and termination of the procurement process shall begin to run again upon the approval and effectivity of the GAA, or loan agreement.

It shall not commence anew but rather, grants the HoPE the balance of the remaining period to award the contract or terminate the procurement process.
 5. If the amount authorized for a Procurement Project has been reduced, the PE may still make an award if the contract price to be awarded is within the amount authorized in the GAA, or loan agreement regardless of the posted ABC.
 6. The HoPE shall not award any Procurement Project if the amount therefor has been withdrawn or in the event the amount authorized in the GAA or loan agreement is lower than the amount of contract to be awarded.
 7. In all instances, the HoPE has the authority to exercise the reservation clause under Section 41 of the revised IRR of RA 9184, which grants the HoPE the right not to award the contract if, for any justifiable and reasonable ground, the award of the contract will not redound to the benefit of the government.

VI. MONITORING AND EVALUATION

1. The respective APP of PEs shall reflect the Projects undertaken through EPA under a column separate from the regular procurement activities using the revised APP Form from the GPPB website.
2. It shall be reported in the Procurement Monitoring Report (PMR) of the PEs using the revised form for PMR which may be downloaded from the GPPB website.
3. Under Indicator 9 on Compliance with Procurement Timeframes under Pillar III of the Agency Procurement Compliance and Performance Indicators (APCPI), the PE's compliance shall be adjusted considering the tolling of the periods as allowed.
4. The foregoing reports shall be submitted to the oversight agencies in accordance with the provisions of the Revised IRR of RA 9184 and related issuances, i.e. GPPB Resolution No. 11-2020 dated 20 May 2020, and to the following:

Report	Oversight Agencies	DepEd ProcMS
APP	app@gppb.gov.ph	appmonitoring@deped.gov.ph
PMR	pmr@gppb.gov.ph	pmrmonitoring@deped.gov.ph
APCPI	apcpi@gppb.gov.ph	apcpi@deped.gov.ph

For purposes of monitoring, a separate issuance by the Office of the Assistant Secretary for Procurement (OASPA) or Procurement Management Service-Office of the Director (ProcMS-OD) shall be issued to inform DepEd PEs on other monitoring forms and tools to be submitted. This notwithstanding, the following offices are enjoined to monitor compliance of the respective PEs under their jurisdiction, i.e., Office of the Director - Procurement Management Service, for the Central Office; Office of the Regional Director, for ROs and SDOs.

VII. REFERENCES

1. Rule II, Section 7 of the CY 2016 Revised Implementing Rules and Regulations of RA 9184
2. DBM Circular Letter 2018-8 dated July 30, 2018, Guidelines on the Conduct of Early Procurement for the Fiscal Year (FY) 2019 National Expenditure Program (NEP)
3. GPPB Circular No. 05-2018 dated May 18, 2018, Issuance of Certificate of Availability of Funds (CAF) for Early Procurement Activities
4. GPPB Circular 06-2019, July 17, 2019 Guidelines on the Implementation of Early Procurement Activities
5. DBM-DoF-NEDA Joint Circular (JC) No. 2017-1 dated June 30, 2017, National Government Fiscal Calendar, Annex A.3
6. GPPB Resolution No. 11-2020 dated 20 May 2020, Approving the Electronic Submission of Annual Procurement Plans, Procurement Monitoring Reports and Agency Procurement Compliance and Performance Indicator Results, and Posting and Extension of Deadline for Submission of Annual Procurement Plans and Procurement Monitoring Reports

VIII. EFFECTIVITY

This Order shall take effect immediately upon issuance and shall be filed with the University of the Philippines – Office of the National Administrative Register (UP-ONAR).

It shall remain to be in force unless otherwise repealed/amended.