

# **GUIDELINES ON THE USE OF THE VIRTUAL STORE FOR THE PROCUREMENT OF COMMON-USE SUPPLIES AND EQUIPMENT**

## **1. Policy Statement**

- 1.1. It has been the policy of the government to promote transparency and efficiency, and use of information and communications technology in the conduct of procurement. Accordingly, Section 8 of Republic Act (RA) No. 9184 and Section 8.1.1 of the 2016 revised Implementing Rules and Regulations (IRR), the Philippine Government Electronic Procurement System (PhilGEPS) shall serve as the primary and definitive source of information on government procurement.
- 1.2. Section 8.1.2 of the revised IRR further provides that in order to take advantage of the significant built-in efficiencies of the PhilGEPS and the volume discounts inherent in bulk purchasing, all Procuring Entities shall utilize the PhilGEPS for the procurement of Common-Use Supplies and Equipment (CSE). Moreover, Section 8.2.4.1 thereof authorizes the ordering of common-use and non-common use items online through a virtual store feature of the PhilGEPS.
- 1.3. In furtherance of these objectives, the PhilGEPS was upgraded to adapt to the developments in modern technology and to improve its responsiveness to the needs of all procurement stakeholders through the introduction of the Modernized PhilGEPS (mPhilGEPS) project.

## **2. Scope**

- 2.1 This Guidelines shall apply to the procurement of CSEs from the Virtual Store by all departments, bureaus, offices, and instrumentalities of all branches in the government, including state universities and colleges (SUCs), government-owned or controlled corporations (GOCCs), government financial institutions (GFIs), and local government units (LGUs) in the procurement of CSEs included in the Electronic Catalogue.
- 2.2 The GPPB shall promulgate separate guidelines for the procurement of Non-Common Use Supplies and Equipment from the Virtual Store once the mPhilGEPS functionality for this purpose has been developed.

### 3. Definition of Terms

For purposes of this Guidelines, the following terms words and phrases shall mean or be understood as follows:

- 3.1. *Agency* – refers to departments, bureaus, offices, and instrumentalities of all branches in the government, including SUCs, GOCCs, GFIs, and LGUs.
- 3.2. *Annual Procurement Plan-Common-Use Supplies and Equipment (APP-CSE)* – refers to the yearly requirements of an Agency for CSEs approved by the Head of the Procuring Entity (HOPE) or his/her duly authorized representative.
- 3.3. *Allowable Area* – within Metro Manila and provinces within a 35 kilometer radius from the Procurement Service (PS) – Main Office.
- 3.4. *Agency Buyer/s* – refers to the person/s authorized by the Agency to be responsible for procuring CSEs from the Virtual Store.
- 3.5. *APP-CSE Approver* – refers to the person authorized by the Agency to be responsible for approving the APP-CSE uploaded in the Virtual Store.
- 3.6. *APP-CSE Uploader* – refers to the person authorized by the Agency to be responsible for uploading the APP-CSE and editing the details of the APP-CSE in the mPhilGEPS.
- 3.7. *Common-Use Supplies and Equipment* – refers to goods, materials, and equipment that are used in the day-to-day operations of Agencies in the performance of their functions and included in the Electronic Catalogue of the mPhilGEPS.
- 3.8. *Depot* – refers to the warehouse facilities of the PS that physically receives, stores, and distributes CSEs.
- 3.9. *Electronic Catalogue* – refers to the feature of the mPhilGEPS that shows an online list of CSE items available in the PS.
- 3.10. *Electronic Wallet (eWallet)* – refers to the online service that allows Agencies to pay for CSEs procured from the Virtual Store using a unique number created in the Virtual Store System and assigned to an Agency upon registration.
- 3.11. *eWallet Balance* – refers to the available cash remitted in advance by the Agency to PS for the procurement of CSEs.
- 3.12. *Non-common Use Supplies and Equipment* – refers to goods, materials, and equipment that are not CSEs, and may include goods, materials and equipment that are required by an Agency for

a specific project only.

- 3.13. *Notice of Cash Allocation (NCA)* – refers to the Cash authority issued by the DBM to central, regional and provincial offices and other operating units through the authorized government servicing banks of the Modified Disbursement Scheme, to cover the cash requirements of the Agencies.
- 3.14. *Virtual Store* – refers to the online service of the mPhilGEPS that allows Agencies to view, search, select, and procure CSEs.

#### **4. Mandatory Use of the Virtual Store**

All Agencies are mandated to fully use the mPhilGEPS for the procurement of CSEs through its Virtual Store feature in accordance with Section 8 of the revised IRR of RA No. 9184.

#### **5. Requirements Before Using the Virtual Store**

- 5.1. Agencies shall register with the Virtual Store by filling out the Virtual Store Buyer Registration Form to be provided by the PS, which shall be signed by the HOPE or his/her authorized representative.

The person designated as the APP-CSE Uploader may also be designated as an Agency Buyer. However, the person designated as the APP-CSE Approver shall not be designated as either the Agency Buyer or the APP-CSE Uploader.

- 5.2. Agencies shall upload their approved APP-CSE in the mPhilGEPS, which shall be the basis of procurement from the Virtual Store. Once uploaded, the APP-CSE shall be the basis of the PS in forecasting CSE demands for the applicable budget year.

The authorized APP-CSE Uploader shall upload in the mPhilGEPS the approved APP-CSE for the succeeding budget year not later than 31 August of the current year in accordance with the format prescribed by the PS.

- 5.3. Any amendments to the uploaded APP-CSE may only be made by the APP-CSE Uploader and shall be consistent with the Agency's duly approved yearly budget. The approval of the APP-CSE Approver is needed before the Agency Buyer can procure based on the revised items and/or quantities.
- 5.4. The PS shall create an eWallet for the Agencies for the purpose of depositing funds, which shall be used to pay for the CSEs procured from the Virtual Store.

- 5.4.1. Agencies shall initially deposit cash funds equivalent to three (3) months of their APP-CSE, whether allocated for the Maintenance and Other Operating Expenses or the Capital Outlay, to a single fund in the PS against which payment for CSEs procured through the Virtual Store will be charged.

Cash funds may be deposited through the PS cashier or over the counter at PS accredited banks, until interbank transfer is mandated.

- 5.4.2. Agencies shall maintain an eWallet Balance with the PS amounting to at least eight percent (8%) of its allocated budget for CSEs for the budget year.

Agencies shall remit to PS, within five (5) working days from receipt of NCA, the amount equivalent to the eWallet Balance required herein.

- 5.4.3. The PS shall automatically return to the Agencies the unexpended amount of the eWallet Balance at the end of the fiscal year.

- 5.4.4. Agencies shall be responsible for ensuring that the use of funds for procurement through the Virtual Store are in accordance with existing budgeting, accounting, and auditing rules and regulations.

## **6. Procurement through the Virtual Store**

- 6.1. Agencies can only procure CSEs in accordance with the items and quantities indicated in their uploaded APP-CSE. Only the authorized Agency Buyer/s can procure CSEs from the Virtual Store.

Upon confirmation of the order, the Virtual Store shall send an electronic mail confirming the order to the Agency Buyer who placed the order.

- 6.2. CSEs that are not currently available from the assigned Depot will be listed in the Certificate of Non-availability of Stocks (CNAS) appearing in the Virtual Store of the assigned depot, and may then be procured from sources other than the Virtual Store within the period stated in the CNAS.

- 6.3. The PS shall have a user help desk which offers support through a hotline to solve problems Agencies may face during their online order operations. The PS shall likewise provide a kiosk for walk-in Agencies for the purpose of procuring from the Virtual Store.

## **7. Payment**

- 7.1. The Virtual Store will automatically draw down from the eWallet and update the eWallet Balance upon order confirmation.

In the event that the eWallet Balance is insufficient to cover the amount of the CSEs to be procured, the Virtual Store will automatically reject the order.

## **8. Delivery and Acceptance**

- 8.1. CSEs procured from the Virtual Store may be obtained within a specific number of days as determined by PS through any of the following modes:
  - 8.1.1. Pick-up from PS warehouse or Depots – the Agency arranges for its own transportation to pick-up the procured CSEs from the PS warehouse or Depot. Agencies identified by a Depot as located in a remote or geographically isolated area are allowed to specify a pick-up date longer than the period allowed by the PS.
  - 8.1.2. Delivery by the PS – The PS dispatches its own delivery vehicles to the Agency's registered delivery location, if within the allowable area.
  - 8.1.3. Delivery through the PS forwarders – The PS directs any of its forwarders to deliver to the Agency's registered delivery location, if within the allowable area.
  - 8.1.4. Direct delivery by Supplier – The PS instructs the supplier to directly deliver to the Agency's registered delivery location, if within the allowable area.
- 8.2. For all deliveries, the agency shall designate an official "Drop Point" located at the ground floor of the office building or storage area where ordered goods will be delivered and unloaded.
- 8.3. In case of pickup under Section 8.1.1, inspection shall be conducted by the Agency's authorized representative as to the correctness of the item ordered and quantity prior to release.
- 8.4. In the case of deliveries under Sections 8.1.2 to 8.1.4, inspection shall be conducted by the Agency's authorized representative as to the correctness of the item/s ordered and quantity upon delivery to the Agency's registered delivery location.
- 8.5. In all instances of delivery, the Agency's authorized representative shall sign a Delivery Receipt acknowledging that the item/s and quantity is

the same as that procured in the Virtual Store. In case of shortages, the agency shall notify PS the discrepancy in the Delivery Receipt. Upon notification, the PS shall then deliver to complete the order.

- 8.6. Return of CSEs procured, whether due to defects or error committed by the Agency in selecting the item or such other acceptable reason, shall comply with the PS return policies and procedure.

## **9. Issues for Resolution**

The interpretation of the provisions in this Guidelines, including cases not covered herein, shall be submitted to the PS for resolution of the GPPB or its Technical Support Office.

## **10. Separability Clause**

If, for any reason, any part or provision of this Guidelines is declared invalid or unconstitutional, any part or provision not affected thereby shall remain in full force and effect.

## **11. Repealing Clause**

All issuances that are inconsistent or contrary to the provisions of this Guidelines are hereby repealed or modified accordingly.

## **12. Effectivity**

This Guidelines shall take effect immediately upon publication in the Official Gazette or in a newspaper of general nationwide circulation.