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CIRCULAR 07-2019

17 July 2019

TO : Heads of Local Government Units, including the Sangguniang Kabataan (SK)

SUBJECT : SK BAC Composition and Conduct of Procurement

1.0 Purpose

This Circular is issued to provide guidance on how the SK, like any procuring entity, shall conduct its procurement activities pursuant to Republic Act (RA) No. 9184 and its Implementing Rules and Regulations (IRR), as provided in Sections 8(l) and 20(a) of the IRR of RA No. 10742¹ or the SK Reform Act.

2.0 Scope

The rules to be followed in the conduct of the procurement activities of the SK, particularly with respect to the creation of the Bids and Awards Committee (BAC).

3.0 The SK as a Procuring Entity

By virtue of Section 20(b) of RA No. 10742, the SK shall have financial independence in its operations, disbursements, and encashment of their fund, income and expenditures. Accordingly, it has the capacity to act as a procuring entity as defined under Sections 5(o) 4 of RA No. 9184 and 5(bb) of its 2016 revised IRR.

4.0 The HoPE

4.1 The SK Chairperson shall be the Head of the Procuring Entity (HoPE). In no case shall the HoPE and/or the approving authority of procurement contracts be the Chairperson or a member of the BAC.

4.2 The HoPE shall undertake the following:

4.2.1 establish a BAC with at least five (5) but not more than seven (7) members;

4.2.2 designate the Chairperson, Vice Chairperson and the BAC members, who are SK members except the SK Treasurer;

4.2.3 create a BAC Secretariat;

¹ Entitled "An Act Establishing Reforms in the Sangguniang Kabataan Creating Enabling Mechanisms for Meaningful Youth Participation in Nation Building, and for Other Purposes" and signed into law on 15 January 2016.

- 4.2.4 ensure that the BAC, its Secretariat and Technical Working Group (TWG), including other relevant procurement personnel are sent to attend Government Procurement Policy Board (GPPB) Recognized Training Activities and Capacity Development Programs pursuant to Section 16 of the 2016 revised IRR of RA No. 9184 and GPPB Resolution No. 12-2018.² The HoPE shall also attend similar procurement trainings and capacity development programs.
- 4.2.5 approve the Annual Procurement Plan (APP);
- 4.2.6 approve or disapprove the recommendations of the BAC;
- 4.2.7 resolve protests in accordance with Section 56 of RA No. 9184 and its 2016 revised IRR;
- 4.2.8 issue the Blacklisting Order in accordance with the Revised Guidelines for Blacklisting of Manufacturers, Suppliers, Distributors, Contractors and Consultants;³
- 4.2.9 approve and submit the Procurement Monitoring Report to the GPPB in printed and electronic format within fourteen (14) calendar days after the end of each semester;
- 4.2.10 approve the Agency Procurement Compliance and Performance Indicators results; and
- 4.2.11 and such other functions as may hereinafter be required to be undertaken by the HoPE.

4.3 **The BAC**

The SK BAC shall perform the functions enumerated in Section 12 of the 2016 revised IRR of RA No. 9184.

4.4 **The BAC Secretariat**

The Secretariat shall have the responsibilities listed in Section 14.1 of the 2016 revised IRR of RA No. 9184.

4.5 **The TWG**

The BAC, when necessary, may create a TWG from a pool of technical, financial, and/or legal experts or from the remaining SK members, if any, or a member of the Katipunan ng mga Kabataan with technical, legal or financial expertise to assist in the procurement process.⁴

The SK may also engage the assistance of government personnel and officials, and consultants from the private sector and academe with proven expertise on the sourcing of the goods, works or consulting services to be procured⁵ to

² Entitled "Approving the Issuance of a Circular for the Recognition of Capacity Development Activities and Existing Pool of Procurement Trainers Pursuant to Section 16 of RA NO. 9184 and its 2016 revised IRR," issued on 4 September 2018.

³ GPPB Resolution No. 40-2017, dated 21 December 2017.

⁴ Section 12.1(m) of the 2016 revised IRR of RA No. 9184.

⁵ Section 3.2 of GPPB Circular No. 2-2012, dated 3 August 2012.

handle the different aspects of the procurement at hand, namely, the technical, financial, legal and, in certain cases, the project management aspects. Such engagement of consultants must be compliant with RA No. 9184 and its IRR.

4.6 The End-User

4.6.1 The SK is itself the end-user unit.

4.6.2 The HoPE may designate a member of the SK, except the SK Treasurer, who shall be responsible for the preparation of the Project Procurement Management Plan and undertake preparatory activities such as, but not limited to, cost-benefit analysis, feasibility studies and market research.

4.6.3 Based on the specific needs, the designated end-user representative shall be responsible for the preparation of all documents necessary for the procurement activity, including but shall not be limited to, the technical specifications, scope of work, or terms of reference.

5.0 The SK, in its conduct of procurement activities, shall strictly adhere to the provisions of RA No. 9184, its IRR, and associated guidelines.

6.0 The APP shall be formulated and revised in accordance with Section 7.3 of the 2016 revised IRR of RA No. 9184, subject to the pertinent provisions of RA No. 10742 and its IRR, with respect to the approval of the annual budget of the SK.

7.0 SK with Sufficient Number of SK Members to Constitute a BAC

7.1 In the preparation of the indicative APP, the SK BAC Secretariat shall formulate the APP in compliance with Section 7.3.2 of the 2016 revised IRR of RA No. 9184. The SK Treasurer shall evaluate the indicative APP to ensure consistency with the proposed annual budget of the SK and existing budgeting rules. The SK Chairperson shall approve the indicative APP, upon recommendation by the SK BAC members in accordance with Section 7.3.4 of the 2016 revised IRR of RA No. 9184.

7.2 As soon as the SK budget becomes final and effective, the indicative APP shall be revised and adjusted accordingly. The SK Chairperson shall approve the finalized APP, upon recommendation by the SK BAC members in accordance with Sections 7.2 and 7.3.5 of the 2016 revised IRR of RA No. 9184. The APP shall be submitted to the GPPB on or before the end of January of the budget year, and shall be posted in accordance with E.O. 662, series of 2007, as amended.

7.3 The SK shall conduct its procurement activities through Competitive Bidding or any of the Alternative Methods of Procurement in accordance with RA No. 9184 and its 2016 revised IRR.

7.4 Should the SK resort to Shopping or Negotiated Procurement (Small Value) under Sections 52 and 53.9 of the 2016 revised IRR of RA No. 9184, the amount shall not exceed the thresholds prescribed for the barangays, which is Fifty Thousand Pesos (PhP50,000.00).

7.5 The SK shall procure Common-Use Supplies and Equipment from the Procurement Service, pursuant to Letters of Instruction No. 755, s. 1978 and Executive Order No. 359, s. 1989.

8.0 SK without Sufficient Number of SK Members to Constitute a BAC

8.1 In the preparation of the indicative APP, the SK Secretary shall formulate the APP in compliance with Section 7.3.2 of the 2016 revised IRR of RA No. 9184. The SK Treasurer shall evaluate the indicative APP to ensure consistency with the proposed annual budget of the SK and existing budgeting rules. The SK Chairperson shall approve the indicative APP, upon recommendation by other SK members, if any, in accordance with Section 7.3.4 of the 2016 revised IRR of RA No. 9184.

8.2 As soon as the SK budget becomes final and effective, the indicative APP shall be revised and adjusted accordingly. The SK Chairperson shall approve the finalized APP, upon recommendation by other SK members, if any, in accordance with Sections 7.2 and 7.3.5 of the 2016 revised IRR of RA No. 9184. The APP shall be submitted to the GPPB on or before the end of January of the budget year, and shall be posted in accordance with E.O. 662, series of 2007, as amended.

8.3 If the SK does not have the sufficient number of members to constitute a BAC, it may outsource its procurement tasks in accordance with Section 7.3.3 of the 2016 revised IRR of RA No. 9184.

8.4 The SK Chairperson may request the barangay BAC where it belongs to undertake the procurement tasks of the SK, through the execution of a Memorandum of Agreement containing specific arrangements, stipulations and covenants, in accordance with existing government budgeting, accounting and auditing rules and regulations. If the barangay is unable to grant said request, the SK may ask the BAC of other procuring entities to undertake its procurement tasks.

8.5 When the SK, outsources its procurement functions to another procuring entity as a procurement agent, a representative from the SK shall be designated as a provisional member of the BAC of the procurement agent.

9.0 For guidance and compliance.

10.0 This Circular shall take effect immediately.

SGD
LAURA B. PASCUA
GPPB Chairperson Alternate