



# LEYTE STATE UNIVERSITY

Visca, Baybay, Leyte 6521-A

Philippines

Tel: +63 53 335 2600; Fax: +63 53 335 2601

e-mail: [opvisca@mozcom.com](mailto:opvisca@mozcom.com); website: [www.lsu-visca.edu.ph](http://www.lsu-visca.edu.ph)

*Office of the President*

13 February 2006

## MEMORANDUM CIRCULAR NO. 11

Series of 2006

**T O: All Concerned**

**R E: Procurement-Related Reminders**

Everyone is reminded to observe the following government rules and internal guidelines on procurement:

1. General guidelines:

- All government agencies shall be covered by the Procurement Service (PS), which is attached to the DBM in the matter of the requirement for common-use supplies, materials and equipment (S/M/E) and such other items as may be determined. In case of regional offices, purchase of such items shall be through the DBM-PS Regional Depot.
- Procurement of S/M/E shall be through competitive bidding. Alternative methods of procurement may be resorted to only when certain conditions have been met.

2. General procedures:

- Preparation of the Annual Procurement Program (APP) within the approved budget without which no government procurement shall be undertaken. For common-use S/M/E requirement, the agency shall prepare and submit an APP of in quarterly schedules to the PS that should be done before the start of the calendar year. The APP shall be based on the current PS price list plus an additional 10% to cover possible price increase.
- Agencies are, however, allowed to procure directly for emergency needs whenever there is a significant delay in the delivery of urgently needed supplies by the PS subject to accounting and auditing rules on shopping.



In view of the above, all units shall submit to the Supply and Property Management Office (SPMO) for consolidation APPs identified as to source of funds and classified according to its type. All common-use S/M/E shall be procured from the DBM-PS Regional Depot based on the APPs submitted.

3. Prohibition against advance payment - The government shall not be obliged to make an advance payment for services not yet rendered or for supplies and materials not yet delivered.
4. Internal Procedures
  - All requisitions for purchase of goods and services shall be coursed through the SPMO, which is the central procuring unit of the University. It is up to this office to determine the mode of procurement and where to canvass in case of shopping.
  - All travels for the purpose of canvassing and purchase of S/M/E shall no longer be allowed except for highly technical items. To minimize travel for the purpose requisitioners should provide SPMO the list of suppliers for said items.
  - To avoid delay, the correct specifications and description should be reflected in the requisitions. Complete specification is very important in any contract for the supply of goods or services since they describe the supplies to be delivered and services to be rendered.
  - To expedite the process, the SPMO shall send through fax to Cebu the canvass papers to be sent back immediately for evaluation and preparation of PO.
  - Reimbursement for procurement of supplies and materials shall be limited only to extremely emergency cases not exceeding P1,000.00 per purchase paid out of the petty cash fund of the department/office/center.
  - The SPMO shall be responsible that accounting and auditing rules and regulations governing procurement shall be complied with.

All existing memoranda issued by this office that are not in accordance with procurement rules and regulations are hereby modified or repealed accordingly.

For compliance.

  
**PACIENCIA P. MILAN**  
President