



# LEYTE STATE UNIVERSITY

Visca, Baybay, Leyte 6521-A  
Philippines

*Office of the President*

26 June 2002

**MEMORANDUM CIRCULAR NO. 46**  
Series of 2002

**T O: All Concerned**

**R E: Revised Procurement Guidelines and Procedures**

The Administration in its pursuit of providing speedy, efficient and effective procurement of goods and services has to conduct a system evaluation and implement appropriate corrective measures on observed weaknesses and breakdowns in the system. While the responsibility of procuring supplies, materials, equipment and services rests with the procurement office, other officials and employees have major roles in completing the procurement process. Thus, we are attaching the narrative flow procedures pinpointing who is responsible for each operation/process (See Attachment A).

Based on the results of the evaluation of the procurement system of the university, the following procedural guidelines are hereby issued:

1. The Procurement Office shall receive and process only duly approved Purchase/Job Requests (P/JRs) with attached Supplies Availability Inquiry (SAI).
2. Job requests for research and general maintenance services (regularly contracted labor/services) need not be coursed through the Procurement Office. Only requests that need canvassing shall be forwarded to said office. Furthermore, the project cost estimate for this type of job requests prepared by PPO shall no longer be required. The activities or work to be done shall be reflected in the P/JR.
3. Schedule for submission of P/JRs and canvassing shall be set by the Procurement Office and circulated to all concerned.
4. The Internal Control Unit Head or her authorized representative shall be responsible in the opening of sealed canvass; thus, the Committee on Sealed Canvass is hereby dissolved. Evaluation of bids and award of winning offers shall be done by the following:

Procurement Office	-	P500,000.00 and below
Bids and Awards Committee	-	500,000.00 to 1,000,000.00

5. Approval of P/JRs and Requisition and Issue Slip - RIS (applicable also to TEVs) is hereby amended and delegated to the following officials:

Charged to allotment	P5,000.00 & below	Unit Heads
	5,001.00 & above	Deans (College Deans, OGS, OSA) Dir. for R & E Prog for R & E Units Dir. for Adm. for Administrative Units
Charged to other funds recommended by the Finance Committee	P50,000.00 & below	Dir. for Curriculum & Instructional Materials Dev. for academic units Dir. for R & E Prog. for R & E Units Dir. for Adm. for Administrative Units
	50,001.00 & above	Vice Presidents
Equipment, extraordinary and non-recurring expenses	Regardless of amount	President

Other recommendations relative to the processing of documents shall be observed:

1. Maximize the use of existing manpower. Assign back-up to expedite processing of documents in the event of leave of absence of the person assigned to the task.
2. Implement strictly schedules of follow-up. Unscheduled follow-ups shall not be entertained. Follow-up shall be timely for immediate retrieval of documents to rectify errors/deficiencies.
3. Encourage the use of routing slip.
4. Number all copies of forms requiring sequential control number with the use of the numbering machine.

For compliance.

  
**PACIENCIA P. MILAN**  
President



# LEYTE STATE UNIVERSITY

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## Procurement and Disbursement System under the New Government Accounting System

### Narrative Flow Procedures

Narrative Procedure	Sequence Flow No.	Responsibility	Number of Days
<ul style="list-style-type: none"> <li>Prepares <i>Supplies Availability Inquiry (SAI)</i>, forwards to Accounting Office and prepares the following:                             <ul style="list-style-type: none"> <li>a. <i>Requisition and Issue Slip (RIS)</i> - if stocks are available</li> <li>b. <i>Purchase Request (P/JR)</i> - if stocks are not available</li> </ul> </li> </ul>	1	Requisitioning Unit	2 days
<ul style="list-style-type: none"> <li>Forwards to approving office (<b>Note 1</b>)</li> </ul>	2		w/in 1 day
<ul style="list-style-type: none"> <li>Forwards to the following offices for earmarking of funds                             <ul style="list-style-type: none"> <li>a. Budget Office - General Funds, Special Trust Funds and IGP Funds</li> <li>b. Accounting Office - Trust Funds</li> </ul> </li> </ul>	3		1 day
<ul style="list-style-type: none"> <li>Forwards the approved P/JR to Procurement Office for canvassing and acquisition of supplies/materials/equipment (S/M/E)</li> </ul>	4		1/2 day
<ul style="list-style-type: none"> <li>Receives approved P/JRs and assigns PR number</li> </ul>	5	Procurement Office	1/2 day
<ul style="list-style-type: none"> <li>Prepares canvass papers/sheets (CS) and serves locally and/or in Cebu through the LSU Cebu Office (LCO)</li> </ul>	6		1 day - Local 3 das - Cebu*
<ul style="list-style-type: none"> <li>Receives sealed CS from local suppliers/LCO and forwards to Internal Control Unit (ICU) for the opening of sealed canvass and returns same to Procurement Office</li> </ul>	7		w/in 1 day 1 day (ICU)
<ul style="list-style-type: none"> <li>Prepares Abstract of Quotations (AQs) and forwards to end-user for the selection of advantageous offers</li> </ul>	8		1 day
<ul style="list-style-type: none"> <li>Receives AQs from end-users</li> </ul>	9		After 2 days depend- ing on the end-user
<ul style="list-style-type: none"> <li>Evaluates and awards winning offers                             <ul style="list-style-type: none"> <li>a. P500,000.00 and below - Procurement Office</li> <li>b. P500,001.00 to 1,000,000.00 - Bids and Awards Committee</li> </ul> </li> </ul>	10		1 day 2 days



Narrative Procedure	Sequence Flow No.	Responsibility	Number of Days
➤ Prepares <i>Purchase Order (PO)</i> and <i>Allotment &amp; Obligation Slip (ALOBS)</i> and forwards together with the PR(s) and SDs to the approving office ( <b>Note 2</b> )	11		1 day
➤ Approves PO & forwards to Budget Office and/or Accounting Office	12	Approving Office	w/in 1 day
➤ Signs ALOBS and approved POs/JOs and forwards to Procurement Office	13	Budget/Accounting Office	1 - 2 days
➤ Serves PO to supplier to local or Cebu City suppliers and awaits delivery of items	14	Procurement Office	5 day - Local** 10 das - Cebu**
➤ Submits a copy of the PO with the supporting documents to COA within five (5) days after issuance	15		2 days
➤ Upon delivery of the items, turns over the S/M/E together with the invoice and other supporting documents to Property Office	16		w/in 1 day
➤ Receives the S/M/E with the documents from Procurement Office	17	Property Office	
➤ Checks the deliveries and facilitates the inspection of the items	18		1/2 day
➤ Prepares <i>Inspection and Acceptance Report (IAR)</i> and submits delivery receipt/invoice and other supporting documents to Accounting Division.	19		1/2 day
➤ Furnish COA a copy of the acceptance report within 24 hours from acceptance of the items delivered	20		1 hour
➤ Releases items based on the approved RIS to the end-users.	21		1/2 day
➤ Receives from Property Office all the documents and other supporting paper for the preparation of payment.	22	Accounting Office	w/in 3 days
➤ Pre-audits claims and forwards to the approving officials	23		
➤ Receives & approves the transactions and forwards the documents to the Cash Office for check preparation	24		
➤ Prepares and releases the checks	25	Cash Office	MDS - 3 days Other funds - 2 days



**Note 1 - Approving Officials for P/JRs, RIS:**

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Charge to allotment	- P 5,000.00 & below 5,001.00 & above	Unit Heads Deans (College Deans, OGS, OSA) Dir for Adm for Administrative Units Dir for R & E Prog for R & E Units
Other funds recommended by the Finance Committee	50,000.00 & below  50,001.00 & above	Dir for Curriculum & Instructional Materials Dev for Academic Units Dir for Adm for Administrative Units Dir for R & E Prog for R & E Units
Equipment, extraordinary & non-recurring expenses	Regardless of amount	Vice Presidents President

**Note 2 - Approving Officials for POs/JOs, payrolls and vouchers:**

P 50,000.00 and below	Director for Finance
50,001.00 - 150,000.00	Director for Administration
150,001.00 - 250,000.00	Vice President for Administration and Finance
250,001.00 and over	President