

General Policy Statements

- All disbursements should be withdrawn from an **approved budget** and shall be subject to an approval prior to any spending.
 - Any **unbudgeted disbursements, beyond template or any deviation from policy** shall go through the unbudgeted approval process before any spending takes place.
- Disbursements shall be executed as follows:

Procurement	Amount
Acquisition through accredited suppliers (no bidding)	10,000 and below Non-Capex items and services (e.g. nails, miscellaneous items)
Acquisition with three (3) quotations	> 10,000 to < 500,000
Open Bidding	500,000 to < 5 Million
Sealed Bidding	5 Million and above

*Values are based on annual estimated transactions.

- Recurring or repeat orders within three (3) months for the same project that accumulate up to Php500,000 shall be subject to assessment for bidding.
 - Monthly report on repeat orders shall be monitored and assessed by Finance Officer.



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- Open Bidding
 - Open bidding shall be allowed for transactions amounting to >P500,000 to <P5,000,000.
 - Commercial terms and technical/ functional terms are in the same document and should be sent to a centralized email managed by the Procurement Division.
 - Open bids shall be assessed and approved by the following:

Recommending Approvers	Final Approvers
Project Proponent (PP) Department Head	Procurement Head
Subject Matter Experts (e.g. Quantity Surveyor, IT, Eng'g, Legal) – as needed	Division Head of PP
Procurement buyer	Finance Operations Head



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- **Sealed Bidding**

- Disbursements that will undergo sealed bidding are as follows:
 - Projects/Services/Goods which amounts to Php 5,000,000 and above
 - Non exclusively manufactured/ distributed brands
 - Construction/renovation projects

Awarding of winning bidders shall be covered by a contract.

- Commercial terms and technical/ functional terms should be sent by the bidder to Procurement separately and assess by the following:

Bid Documents	Assessed By:
Commercial Term	Bidding Committee
Functional / Technical Term	Project Proponent

- Approvers of sealed bidding shall be as follows:

Recommending Approvers	Final Approvers
Project Proponent Division Head	Logistics Division Head
Subject Matter Experts (e.g. Quantity Surveyor, IT, Eng'g, Legal) – as needed	LOB/ISG Head
Procurement Head	Company CFO for 1 entity, plus Group CFO and President for multiple entities

- Opening of bids shall be **witnessed by Internal Audit and representatives of Bid Committee members.**



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- Grounds for Bids Disqualifications:
 - A bid is disqualified on any of the following circumstances:
 - Major non-compliance to specs as recommended by technical reviewer or SME.
 - Amount of non-compliance constitutes 15% above or below budget or estimate
 - » Pricing error as notified by Project Proponent or SMEs
 - Non-compliance to instructions
 - Omission in statement of work as recommended by Project Proponent and SMEs
 - Late bid submission
 - A bid is deemed failed when any one of the following conditions is met:
 - Leakage or bid integrity is compromised
 - All bids are non-responsive bids or with major non-conformance/s
 - All bids are 15% above or below budget
 - Only 1 bid response
 - A rebid should take place if there is a 15% change in design at the time of bid.
 - Failed or disqualified bids may be endorsed to Bid Committee for further assessment.



General Policy Statements

- The following shall go directly through [contract processing](#):*
 - Exclusively distributed products/services including spare parts/repairs/location
 - Supported by certification/clear statement of the unique performance factors of the product or supplier specified. Unique factors shall be verified by the following:
 - Quantity Surveyor (QS) - for Construction
 - Procurement – for Technical/ Non-Technical Items/Services
 - Change order for the same vendor with the same scope/SOW
 - Provided that the original contract is already awarded to that vendor and project is already on-going

(Refer to Approval Process policy on contracts)

**will not undergo bidding process*

