

Republic of the Philippines
Department of Public Highways
OFFICE OF THE SECRETARY
Manila

August 20, 1974

DEPARTMENT ORDER

No. 27

-X-X-X-X-X-X-X-

SUBJECT: New Guidelines in the Procurement
of Spare Parts, Supplies and
Materials

Note: 8/21

*Orig. taken by Div. of Equipment
for stenciling & mimeographing*

TO: The Director and
All Chiefs of Division
Bureau of Equipment
All Regional Directors and
All Regional Equipment Engineers
Region I-XI
This Department

Herewith are the new Guidelines in the procurement of spare parts, supplies and materials:

Requisitioning Regional Equipment Service Offices shall prepare a Supplies and Parts Procurement Program using the attached form for the approval, thru the Regional Director, of the Director of Equipment and the Secretary. Such programs shall be a detailed breakdown of supplies (item 07) in their approved budget and categorized as follows:

I - Preventive Maintenance (PM) Program

- a) Preventive Maintenance (PM) Parts (Filter elements, spark plugs, batteries, belts, etc.)
- b) Preventive Maintenance (PM) Supplies (Tires, fuel, lube-oil, etc.)
- c) Materials/shop supplies (Office supplies, gaskets, copper wires, lumber, acetylene, etc.)

II - Equipment Rehabilitation Program

- a) Parts
- b) Supplies
- c) Materials

III - Component Rehabilitation Program

- a) Parts
- b) Supplies
- c) Materials

The above program shall be made for the FY's operation and may be revised from time to time to meet actual equipment demand as recommended by the Regional Director concerned.

Requisitioning Procedures

- 1) RIVs for parts, materials and supplies shall be made only when covered by an approved Supplies and Parts Procurement Program.

- 2) RIVs shall be consecutively numbered at source, shall indicate the Work Order Number, Equipment DPH No. and category of repairs whether I-Preventive Maintenance, II-Equipment Rehabilitation, III-Component Repair; the usual fund availability, and shall include a certification by the Regional Equipment Engineer in the RIV that the acquisition and installation of the items requisitioned are necessary to restore the equipment in good operating condition.
- 3) There shall be no stocking of spare parts in the regional store except I-Preventive Maintenance (PM) items which should however be limited to cover its operational requirements for a period of 60 days. It is understood that any RIV for PM items shall still be coursed through the SPD for availability. Stocking shall only be made in the Spare Parts Division enough to cover the requirement of the entire Department for a period not to exceed three (3) months at a time. However, in the case of fuels, lube-oil, greases and other petroleum product which are not available in the SPD, same may be approved and procured from the local Petrophil representative in accordance with the Department Order No. 19, dated May 1, 1974, of the Department of General Services.
- 4) RIVs not exceeding P5,000.00 per requisition shall be approved by the Regional Director and forwarded to the SPD for availability. Those exceeding said amount shall likewise be reviewed and recommended by the Regional Director, and certified by him that the RIV is necessary and included in the approved Supplies and Parts Procurement Program of the Regional Equipment Service, and shall be forwarded to the Central Office for final approval and appropriate action by the Director of Equipment and the Secretary, provided, that under the II-Equipment Rehabilitation Program, all spare parts needed by each unit of equipment to restore the subject equipment in good operating condition shall be covered by only one (1) RIV and work order. In no case shall "SPLITTING" of RIV be allowed.
- 5) RIVs for spare parts, supplies and materials to be acquired under emergency purchase but not to exceed P5,000.00 per RIV, shall be processed in accordance with Executive Order No. 302-S-1940. (Signed copies of RIV to be forwarded within one month after purchase to the Central Office for post approval of the Director and the Secretary.)

Suppliers:

- 1) The Supplier shall be bonafide and a holder of a Valid Suppliers Identification Certificate (SIC) duly registered with the Bureau of Supply Coordination.
- 2) Spare Parts shall be procured from the manufacturer and/or its exclusive distributors only in compliance with Presidential Memorandum to all Cabinet Members dated April 12, 1971.
- 3) Prices of spare parts shall be confirmed by the Manager or duly responsible/authorized official of the supplier.

- 4) In localities where there are no suppliers that will satisfy the preceding requirements procurement of spare parts, supplies and ~~materials~~ may be made locally, provided that the suppliers ~~are~~ duly registered with the Bureau of Commerce and/or the Securities Exchange Commission (SEC) and duly licensed in the locality and a certification is made by the Regional Equipment Engineer to that effect.

All previous Department Memoranda, Circulars and Orders which are inconsistent herewith are hereby superceded.

Strict adherence and compliance is hereby enjoined. Any violation hereof shall be dealt with accordingly.

BALTAZAR A. QUINO
Secretary

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