



Republic of the Philippines
Department of Social Welfare and Development
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Quezon City
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MEMORANDUM CIRCULAR

NO. 11
Series of 2006

**SUBJECT: Guidelines on the Creation and Function of the
Technical Working Group (TWG) for Procurement**

RATIONALE:

Republic Act 9184 (RA 9184), otherwise known as the Government Procurement Reform Act (GPRA) and its Implementing Rules and Regulation Part A (IRR-A), specifically Section 12.1, provides that one of the functions of the Bids and Awards Committee (BAC) is to create a Technical Working Group (TWG) to assist the BAC in the different stages of the procurement process.

With the implementation of the new procurement law, there is a need to have a guideline on the creation of a TWG as well as their function in assisting the BAC in the fulfillment of the latter's mandate.

OBJECTIVE:

This Circular aims to provide guidance on the creation of the technical working group for procurement as well as to establish common understanding on their function vis-à-vis the Bids and Awards Committee.

COVERAGE:

All offices, bureaus, services, units (OBSUs) of the Department in the Central and Field Offices are covered by this Circular.

GENERAL GUIDELINES:

The BAC has the authority to create a TWG on a per procurement transaction basis to assist the former in the different stages of the procurement process to achieve effectiveness, efficiency and economy on this concern.

The law, however, reveals that the creation of a TWG is not mandatory. The TWG only becomes necessary when the expertise needed in the eligibility screening, bid evaluation and post-qualification is outside the expertise of the BAC or if such undertakings may affect the regular functions of the members of the BAC.

A. Members of the TWG

The members of the TWG shall come from a pool of technical, financial and/or legal experts from within the Department. As such, regular employees of the DSWD whose expertise are required for the procurement at hand are qualified to be members of the TWG. The BAC may also consider technical experts from outside the Department if there is a need to beef up the members of the TWG.

The BAC shall designate the chairperson and members of the TWG, including the specific date they have to convene, through issuance of a Resolution to be approved by the Head of the Procuring Entity or by the Duly Authorized Signatory. The TWG shall consist of a minimum of three (3) and a maximum of five (5) members.

B. Function of the TWG

The main function of the TWG is to assist the BAC in the following stages of procurement process:

1. Eligibility Screening

The determination of eligibility of the bidder based on the submitted prescribed eligibility documents to the BAC utilizing the forms prepared and duly signed by the BAC and using the criteria stated in Section 23.11 (Eligibility Criteria) of the IRR-A for goods and infrastructure projects, and Section 24 (Eligibility Requirements and Short Listing for Consulting Services) of the same IRR-A for consulting services.

2. Evaluation of Bid

The purpose is to determine the **Lowest Calculated Bid** (LCB) for the procurement of goods and infrastructure projects and the **Highest Rated Bid** (HRB) for the procurement of consulting services, through detailed evaluation of bids within 15 and 21 calendar days, respectively.

3. Post-Qualification

The purpose is to determine the compliance and responsiveness of the LCB/HRB to all the requirements and conditions for eligibility, the bidding of the contract, as specified in the bidding documents to be considered and declared as the **"Lowest Calculated Responsive Bid"** (LCRB) for the procurement of goods and infrastructure projects, or the **"Highest Rated Responsive Bid"** (HRRB) for the procurement of consulting services, within seven (7) calendar days.

The post qualification process shall verify, validate and ascertain all statements made and documents submitted by the bidders with the LCB/HRB. The criteria to be considered, but not limited to, are the following:

- a) Legal Requirements. To verify, validate and ascertain licenses and agreements submitted by the bidder and the fact that he/she is not included in any Government "blacklist."
- b) Technical Requirements. To determine compliance of the goods, infrastructure projects or consulting services offered with the requirements of the contract and bidding documents.
- c) Financial Requirements. To verify, validate and ascertain the bid price proposal of the bidder and, whenever applicable, the required bank commitment to provide a credit line to the bidder in the amount specified and over the period stipulated in the bidding documents to ensure that the bidder can sustain the operating cash flow of the transaction.

C. Reportorial Requirements

The TWG has to accomplish the following standard reportorial forms relative to the above procurement process, to wit:

1. **Bid Evaluation Report** (Annex "A") containing the details of the evaluation conducted which shall be prepared and submitted to the BAC Chairman within the prescribed period for bid evaluation;
2. **Post-Qualification Evaluation Report** (Annex "B") containing the activities undertaken with regard the post-qualification process, including feedback from inquiries conducted, which is individually prepared by the TWG members; and
3. **Post-Qualification Evaluation Summary Report** (Annex "C") containing the consolidation of the individual TWG Post-Qualification Evaluation Report which shall be prepared and submitted to the BAC Chairman within the prescribed period for post-evaluation.

The members of the TWG shall be on a "jury duty" type of assignment in order to give utmost priority to the assignments given until all the requirements at hand are completed. They are likewise prohibited from making or accepting any kind of communication with any bidder during the procurement process, but may course the information or the data needed through the BAC Secretariat.

In every aspect of the procurement process, the TWG must observe quorum. In the event that quorum could not be mustered with the absence of some members, the BAC should be properly informed for issuance of appropriate designations to facilitate the procurement process. In all instances, the TWG Chairperson must be present.

Throughout the procurement process, the BAC Secretariat shall provide administrative support to the BAC and the TWG.

This Circular shall take effect immediately.

Issued in Quezon City this 25th day of August, 2006.



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Secretary