



MEMORANDUM ORDER
NO. 01
SERIES OF 2021

TO : ALL HEADS OF OFFICES / PROCUREMENT COORDINATORS

SUBJECT : GUIDELINES ON MODIFICATIONS IN THE SCHEDULE OF IMPLEMENTATION OF CONTRACT FOR GOODS AND SERVICES

Pursuant to the 2016 Revised Implementing Rules and Regulations (RIRR) of RA 9184, this Memorandum serves as guidance to all end-users with regard to requests for modifications in the schedule of implementation of contracts for Goods.

I. APPLICABILITY

A. As to stage:

This Order is applicable when there is a perfected contract between the parties.

B. As to subject of procurement:

This Order shall apply to procurement of GOODS only. Pursuant to RA 9184, the term "goods" refers to all items, supplies, materials, general support services and other services essential to the operation of the Procuring Entity, EXCEPT Consulting Services and Infrastructure Projects.

C. As to nature of action being requested:

- Extension of delivery deadline;
- Change of event schedule;
- Suspension of work/delivery schedule;
- Contract extension for general support services; and
- Contract renewal for Telecommunications and Internet Service Providers.

II. PROCEDURES

A. EXTENSION OF DELIVERY DEADLINE
(Pursuant to GPPB NPM 009-2010 and the Generic Procurement Manual)

***IMPORTANT NOTES:**

1. The request for extension of delivery must be submitted before the deadline of original delivery. Requests submitted on or after the deadline of original delivery will be *ipso facto* DENIED by the Head of the Procuring Entity (HoPE).
2. The request for extension shall be based on meritorious grounds and should NOT exceed the length of the original delivery period for each extension.
3. The extension pertains only to the adjustment of the delivery deadline. There should be no substantial changes whatsoever.

4. The extension may be initiated by the end-user or the supplier.

➤ **Request for Extension Initiated by the End-User**

1. Starting from the date of perfection of contract, the end-user shall have close coordination with the supplier to monitor the implementation of contract.
2. At least five (5) working days prior the original deadline of delivery, the end-user shall submit a Memorandum to the Office of the HoPE, stating the reason thereof, which shall be based on meritorious grounds, and specifying the length of extension being requested. The said Memorandum shall have the following attachment:
 - Draft letter to supplier, informing the same of the specific period of extension, to be approved by the HoPE and to be conformed by the supplier.
3. Upon the HoPE's approval, the end-user shall undertake to secure the *conforme* of the supplier to the extended delivery deadline.

➤ **Request for Extension Initiated by the Supplier**

1. At least five (5) working days prior the original deadline of delivery, the supplier shall submit a written request to the Office of the HoPE, stating the reason thereof, which shall be based on meritorious grounds, and specifying the length of extension being requested.
2. The request will be immediately forwarded to the end-user for its comments and recommendation.
3. The end-user shall submit a Memorandum to the Office of the HoPE, stating its recommendation and the basis thereof. Said Memorandum shall have the following attachment:
 - Draft letter to supplier, informing the same of the specific period of extension, to be approved by the HoPE and to be conformed by the supplier.
4. Upon the HoPE's approval, the end-user will undertake to secure the *conforme* of the supplier to the extended delivery deadline.

B. CHANGE OF EVENT SCHEDULE
(Pursuant to GPPB NPM 009-2010)

1. At least five (5) working days prior the original date of event, the end-user shall submit a Memorandum to the office of the HoPE, clearly specifying the new schedule being requested. The said Memorandum shall have the following attachments:
 - Justification on why the event schedule has to be adjusted; and

- Draft letter to the supplier specifying the changes in the event schedule, to be approved by the HoPE and to be *conformed* by the supplier.
2. In case the supplier refuses to conform on the requested change of event schedule, the end-user shall submit a Memorandum to the HoPE requesting for the termination of contract.

C. SUSPENSION OF WORK (Pursuant to Annex D of the 2016 RIRR of RA 9184)

1. The request for suspension may be initiated either by the end-user or the supplier on account of a *force majeure* or any fortuitous event. In both cases, the end-user must submit a Memorandum to the HoPE stating its recommendation, with the following attachments:
 - Justification stating the circumstances which led to the request for suspension of work, with an explanation on why the request should be granted; and
 - Draft letter to the supplier specifying the period covered for the suspension, to be approved by the HoPE and to be *conformed* by the supplier.

**D. CONTRACT EXTENSION FOR GENERAL SUPPORT SERVICES
(Pursuant to Appendix 24 of the 2016 RIRR of RA 9184)**

This covers general support services which are essential, indispensable, or necessary to support the operations of any of the procuring entities or for the enhancement of the welfare of its personnel to include, but shall not be limited to, non-personal or contractual services such as maintenance of equipment and furniture, janitorial and security services.

➤ **General Conditions for Extension**

Procuring entities may extend the duration or effectivity of an ongoing contract about to expire, under the following conditions:

1. No contract extension shall exceed one (1) year.
2. The original contract subject of the extension was awarded in accordance with the provisions of Republic Act 9184 (R.A. 9184) and its Implementing Rules and Regulations (IRR).
3. The procuring entity concerned has substantially undertaken the procurement activities required prior to award of the new contract under R.A. 9184 and its IRR.
4. The aforesaid contract extension is undertaken due to circumstances beyond its control and the procuring entity concerned cannot award a new contract within a month after the expiration of the term of the original contract.

5. The contemplated extension is merely an emergency measure to maintain status quo in the operations of the Procuring Entity and to avoid interruption of service.
6. The current service provider has not violated any of the provisions of the original contract.
7. The terms and conditions of the original contract shall not be changed or modified, except when changes or modifications will redound to the advantage of the government at no additional cost to the Procuring Entity.

➤ **Procedures**

1. The end-user shall submit the request for extension to the Procurement Division at least five (5) working days prior to the expiration of the contract.
2. Upon receipt of such request, the Procurement Division shall draft the following documents:
 - BAC Resolution Recommending the Extension of the Contract, to be signed by the BAC Members and to be approved by the HoPE;
 - Draft letter to the supplier informing the same of the contract extension, to be approved by the HoPE and to be *conformed* by the supplier.
3. If the proposed contract extension exceeds six (6) months, the HoPE or his/her duly authorized representative shall immediately report to the Government Procurement Policy Board (GPPB) in writing of its intent to extend beyond six months.

E. RENEWAL OF CONTRACT FOR TELECOMMUNICATIONS AND INTERNET SERVICE (Pursuant to Appendix 21 of the 2016 RIRR of RA 9184)

➤ **Procedures for Renewal of Telecommunications Contract**

1. Thirty (30) days before the end of each year, the end-user must conduct a cost-benefit analysis to assess the quality of service provided by the telecommunication service provider. For instance, it must compare the cost charged by its existing telephone or cellular phone service provider and the range of services it offers as against other providers in the area.
2. If results of said assessment or cost-benefit analysis continue to favor the existing provider, the end-user shall submit the following to the Procurement Division:
 - Memorandum requesting the renewal of the contract
 - Cost-benefit analysis

*If the results of the assessment DO NOT favor the existing provider, the end-user shall submit a request to the Procurement Division for the conduct of the appropriate procurement activities.
3. The Procurement Division will draft a BAC Resolution Recommending the Renewal of Contract, to be approved by the HoPE. Said Resolution shall have the following attachment:

- Draft letter to the supplier informing the same of the contract renewal, for approval of the HoPE and for *conforme* of the supplier.

➤ **Procedures for Renewal of Internet Service Contract**

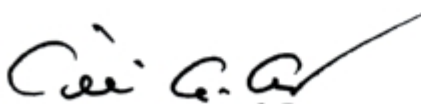
1. Thirty (30) days before the end of each year, the end-user must assess the quality of service provided by the internet service provider (ISP). For instance, it must compare the cost charged by said ISP and the range of services it offers as against other service providers in the area. It may also consider new technologies that may prove less costly.
2. In assessing the quality of service, the end-user is encouraged to consult the National Telecommunications Commission or other relevant government agencies regarding any new policy or directive in the implementation or use of new technology.
3. If results of said assessment or cost-benefit analysis continue to favor the existing provider, the end-user shall submit the following to the Procurement Division:
 - Memorandum requesting the renewal of the contract
 - Cost-benefit analysis

*If the results of the assessment DO NOT favor the existing provider, the end-user shall submit a request to the Procurement Division for the conduct of the appropriate procurement activities.
4. The Procurement Division will draft a BAC Resolution Recommending the Renewal of Contract, to be approved by the HoPE. Said Resolution shall have the following attachment:
 - Draft letter to the supplier informing the same of the contract renewal, for approval of the HoPE and for *conforme* of the supplier.

III. EFFECTIVITY

This Order shall take effect immediately upon publication in the official website of DA.

Done this 5th of January, 2021.


WILLIAM D. DAR, Ph.D.
 Secretary

DEPARTMENT OF AGRICULTURE
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