

THE IMPACT OF GOVERNMENT PROCUREMENT REFORM ACT TO INFRASTRUCTURE DEVELOPMENT

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Abstract: This research was a public administration assessment on the compliance of the Republic Act 9184, otherwise known as the Government Procurement Reform Act, through descriptive method of research for the seven engineering districts within the Province of Cebu. The research meant to disclose whether these identified National Government Agencies within the Province of Cebu are compliant to the provisions of the Act. It also intended to know the significant differences of the perception between the respondent groups including the challenges come upon, thus, leading to the development of a continual improvement plan. The study employed the use of a self-made survey questionnaire designed for the engineering districts within the Province of Cebu. In terms of providing the accuracy of the data, the study was limited in the manner of the perception of the respondents. The research population of the study involved the One Hundred (100) respondents classified into two groups directly involved in the procurement process- the agency's BAC and the contractors. The Weighted Mean was utilized in the data analysis and presentation of findings for the research. The statistical data were further analyzed using t-Test: Two Sample Assuming Equal Variances. Based on the results of the research, the management needed improvement in the manner in which it implements the requirements of the procurement act on the conduct of the Pre-Bid Conference, the Bid Evaluation and Ranking as well as the posting of its performance bonds and the presence of the observers as set forth in the Act. The continual improvement plan was then developed for better compliance on the specific provisions and safeguards the best interest of the general public which will facilitate towards the aim of infrastructure development.

Keywords: Public Administration Government Procurement Reform Act Descriptive Method of Research Cebu Philippines.

1. INTRODUCTION

Rationale:

Republic Act No. 9184 is an act that provides for the modernization, standardization and regulation of the procurement activities of the government and for other purposes. It is a declared government policy of the Philippines to promote the ideals of good governance in all its branches, departments, agencies, subdivisions, and instrumentalities, including government-owned and / or controlled corporations, and local government units, shall in all cases, be administered by the principle of transparency in the procurement process and in the implementation of procurement contracts.

Competitiveness, as part also of the governing principles, emphasizes the importance to extend equivalent opportunity to enable private contracting parties who are eligible and qualified to participate in public bidding. A uniformly applied streamlined procurement process to all government procurement will permit the process to be simple and made adaptable to advances in modern technology in order to ensure an effective and efficient method. This, also, aims to allow a system of accountability where both the public officials directly or indirectly involved in the procurement process as well as in the implementation of procurement contracts and the private parties that deal with government are, when warranted by circumstances, investigated and held liable for their actions relative thereto. With the end in view of warranting that these contracts are awarded pursuant to the provisions of the Act and its implementing rules and regulations and that all these contracts are performed strictly according to specifications in line with the governing principle of public monitoring of the procurement process and the implementation of awarded contracts. (Section 2 and 3 of RA 9184)

The phases of the entire Philippine Budget Cycle include the Budget Preparation and Legislation where the definitive output is the General Appropriations Act. The actual procurement activities are then being instigated through the Budget Execution and Accountability in line with the aforementioned jurisprudence. This Budget Execution becomes the critical phase of the cycle such that it is when the actual money collected through taxes is being spent. This execution phase is immersed into the emphasis of the government expenditures according to the object which are categorized as to Personnel Services (PS), Maintenance and Other Operating Expenditures (MOOE), Financial Expenses (FE) and Capital Outlay (CO). (Government Accounting Manual, Volume 1).

The magnitude of the operations of the Government makes it indisputably the prevalent buyer of infrastructure projects, goods and services in the country. The billions of pesos annually spent to buy the goods and services needed in its day-to-day activities represent a significant percentage of government expenditures.

Undeniably though, much progress has been made in procurement reforms in terms of rules and regulations but implementation and enforcement were still noted to be fragile, and the objectives of the reform have been observed to be not fully attained. This scenario is consistent with perceptions of a high level of corruption in the procurement processes by international bodies and with the Social Weather Station (SWS) survey findings that only 13 percent of the public is aware of the new procurement law and its intended benefits. (Introduction and Basic Elements, Guide to the Audit of Procurement, COA-TSO, 2014)

More to say that administration of the President Rodrigo R. Duterte is targeting to increase government spending on infrastructure from 5 percent of the Gross Domestic Product (GDP) in 2017 to 7 percent of the GDP by 2022, amounting to a total of the 8 to 9 trillion pesos or 160 to 180 billion dollars. During his State of the Nation Address for 2017, where theme is emphasized on “a comfortable life for all”, it is clear that the platform for the years to come within his command would basically fall part in the Capital Outlay. In the next few years, it is aimed that the Philippines will be in its “Golden Age of Infrastructure” to enhance the mobility and connectivity, and hence, catalysed the development growth equitable in the country. By far, as the president says, the government is going to Build, Build and Build.

With the approval of the General Appropriations Act for FY 2017 under the Republic Act 10924 signed by the President Duterte, the national government agencies are now simultaneously implementing the various projects as predetermined in the National Expenditure Program (NEP) in the line with aforesaid platform. Nonetheless, as a Filipino, we aim that the taxes that we pay will go to the Right Project, Right Cost, Right Quality, Right on Time and Right People.

The national government agencies’ implementers of infrastructure programs therefore receives a bigger cut on the year’s general appropriations under the capital outlay expenditures which then entails the more rigid and complex execution of the budget. The implementation of the law is still said to be in its infancy stage, requiring information about the law with the general public and the latter’s participation in the quest for a more transparent public procurement system. (Silliman University, 2008)

Since, the thrust of the government goes mostly to capital outlay allocation for the various construction and maintenance projects, programs and activities for the road networks, flood controls and other infrastructure assets, it thus, create an annotation that the rules and regulations that relate to the execution and implementation of these major final output must be adhered with high regards.

It was then, the intent of this research to identify the key areas of the procurement process with emphasis to the infrastructure asset procurement where the challenges arise that have contributed to the continued malpractices within the National Government Agencies specifically in the seven engineering districts within the province of Cebu.

Being decentralized in nature, the National Government Agencies’ functions are distributed amongst regions to its operating units just as the decentralized district engineering offices. These offices function as an agency that is able to make management decisions through their designated heads. The planning, construction, quality control, accounting and budgeting, maintenance and administration are all present in every engineering office just as its central office. In cognizant to these enumerated functions, these agencies conduct competitive bidding for the goods and services it requires on the discharge of its mandate. It observes to the same Government Procurement Reform Act adhered by all instrumentalities of the Philippines Government. It was, therefore, necessary that an assessment be made for the level of compliance of these agencies that are the foremost implementers of infrastructure projects under the capital outlay. Thus, also identifying whether the governing principles were adhered to consistent with Section 3 of the Republic Act 9184.

Having spent at least four (4) years in the Government Accounting and Auditing with Department of Public Works and Highways, and as an auditor of some agencies in the National Government Sector under the Public Works, Transport and Energy within the jurisdiction of the Commission on Audit Region VII, Cebu, the researcher grasped that the Procurement Act must be put into high emphasis as the large portion of the annual budget which is being appropriated for infrastructure related activities. The compliance was therefore essential so as to identify the challenges come across in each stage of the procurement leading to the development of a continual improvement plan in the implementation of the Republic Act 9184.

As cited, it was in her interest on assessing the level of compliance of the Republic Act 9184, the Government Procurement Reform Act, specifically on the procurement of infrastructure projects of the identified national government agencies within the Province of Cebu, towards determining its impact to the infrastructure development as intended by the current administration is very eminent. Noted, however, that it is the role and responsibility of the management or audited entity to ensure that there is good control system in place to prevent fraud and corruption. The roles and responsibilities of the auditor are to detect these practices. Therefore, the state auditing institution is expected to demonstrate that the audit addresses these concerns. In the course of audit, auditors should perform their work with due care, professional skepticism and with sufficient knowledge and skills in dealing with fraud and corruption. Auditors should be aware of the possible existence of fraud and corruption in procurement process and they are able to detect and address these matters. (Section 5.4, ASEAN Guidelines on Public Procurement)

Also, this research was an in-depth evaluation in line also of the contract, technical and payment review regularly conducted by the audit team. The matters that were brought out in course of the conduct of the research served as a gauge that will assist the national government agencies within the Province of Cebu to the development of a continual improvement plan in the implementation of the Republic Act 9184 towards infrastructure development in the exigency of public service and for the best interest of the government.

Theoretical Background:

This research was anchored in the Republic Act 9184, otherwise known as the Government Procurement Reform Act, the recently issued Revised Implementing Rules and Regulation, 2016 and the pertinent guidelines and issuances of the Government Procurement Policy Board (GPPB) as well the standard Philippine Bidding Documents 5th Edition. The ten stages of the process for the procurement of infrastructure projects included the following:

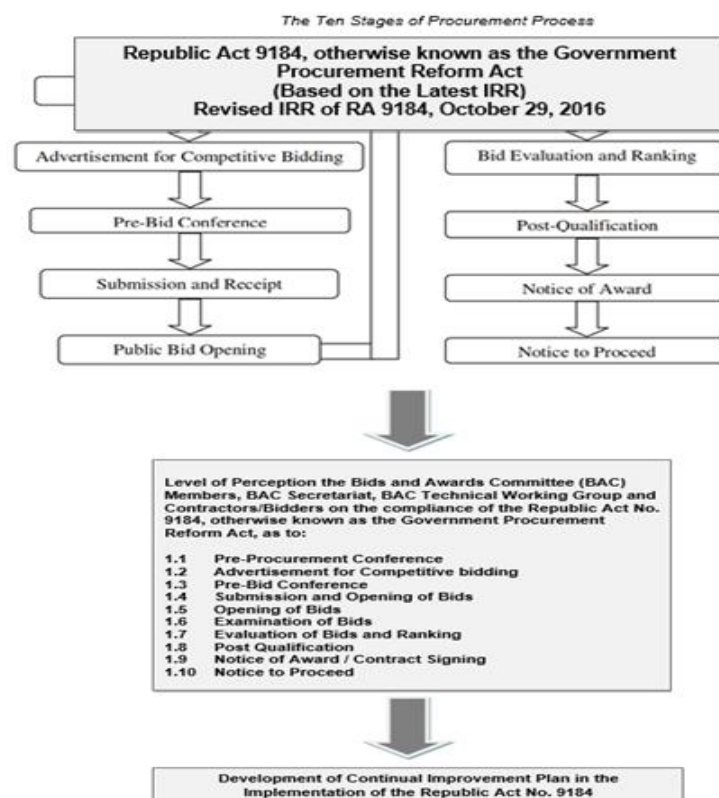


Figure 1
Schema of the Theoretical/Conceptual Framework

The aim of this research was to explore and analyze the level of perception by those primarily involved in the procurement of infrastructure projects through competitive bidding – Bids and Awards (BAC) Members, BAC Secretariat, BAC Technical Working Group (TWG) and the Contractors as to compliance in the Republic Act 9184, otherwise known as the Government Procurement Reform Act by the National Government Agencies within the Province of Cebu whose primordial mandate is on infrastructure development. The investigative approaches applied were focused on interpretive understanding to access the meanings of participant's experiences. (Higgs, 2001) According to Crotty (1998), the interpretive paradigm, meanings were interpreted by people in a very unique ways, depending on their personal frames and context of reference as they engage in whatever dimension they are interpreting. This was the notion of multiple constructed realities. In this kind of research, the emergence of findings came from the interaction between the researcher and the respondents as the research progresses. (Cresswell, 1998)

Moreover, the result of the research depended upon the nature of questions being asked, and the meanings/values being held by the researcher which give ways to the findings being generated and interpreted. Therefore, it was appropriate to investigate with utmost integrity and diligence to come up with a very reliable result.

Noted, that though the Republic Act 9184 encompassed all forms of procurement of the government, this research was dedicated predominantly on the procurement of infrastructure projects through competitive bidding.

Pre-Procurement Conference:

Prior to the advertisement or the issuance of the Invitation to Bid for each of the procurement undertaken through a public bidding, the BAC, through its Secretariat, called for a pre-procurement conference. The pre-procurement conference was attended by the BAC, the Secretariat, the unit or officials, including consultants hired by the Agency, who prepared the Bidding Documents and the draft Invitation to Bid for each of the procurement. During this conference, the participants, led by the BAC.

Pre-Bid Conference:

For contracts to be bid with ABC of One Million Pesos (P 1,000,000.00) or more, the BAC convened at least one (1) pre-bid conference to clarify and / or explain any of the requirements, terms, conditions, and specifications stipulated in the Bidding Documents. For contracts to be bid with an ABC of less than One Million Pesos (P 1,000,000), pre-bid conferences was conducted at the discretion of the BAC upon written request of any prospective bidder.

The pre-bid conference was held at least twelve (12) calendar days before the deadline for the submission of and receipt of bids, but not earlier than seven (7) calendars days from the posting of the Invitation to Bid or Bidding Documents. If the Agency determined that, by reason of the method, nature, or complexity of the contract to be bid, or when the international participation will be more advantageous to the GOP, a longer period for the preparation of bids is necessary, the pre-bid conference was held at least thirty (30) calendar days before the deadline for the submission and receipt of bids, as specified in the BDS.

Submission and Receipt:

Bidders submitted their bids through their duly authorized representative using the forms specified in the Bidding Documents in two (2) separate sealed bid envelopes, and which were submitted simultaneously. The first contained the technical component of the bid, including the eligibility requirements under Section 23.1 of the Revised IRR for 2016 on the procurement Infrastructure Projects, and the second contained the financial component of the bid.

Form of Bid Security

The bid security was valid for the period specified in the Bid Data Sheet (BDS). Any bid not accompanied by an acceptable bid security was rejected by the Agency as non-responsive.

No bid securities were returned to bidders after the opening of bids and before contract signing, except to those that failed or declared as post-disqualified, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest. Without prejudice on its forfeiture, Bid Securities were returned only after the bidder with the Lowest Calculated Responsive Bid has signed the contract and furnished the Performance Security, but in no case later than the expiration of the Bid Security validity period indicated in ITB

The second envelope contained the financial information / documents as specified in the Philippine Bidding Documents 5th Edition which included Financial Bid Form, with bid prices and the bill of quantities.

Bids were received by the BAC on the date, time, and place specified in the Invitation to Bid/Request for Expression of Interest. The following periods from the last day of posting of the Invitation to Bid/Request for Expression of Interest up to the submission and receipt of bids were observed:

Period for the Submission and Receipt of Bids

ABC (In Philippine Currency)	Period
Fifty (50) million and below	50 calendar days
Above fifty (50) million	65 calendar days

Bids, including the eligibility requirements under Section 23.1 of the Revised IRR, submitted after the deadline was not accepted by the BAC. The BAC recorded in the minutes of bid submission and opening, the bidder's name, its representative and the time the late bid was submitted.

To ensure transparency and accurate representation of the bid submission, the BAC Secretariat has notified in writing all bidders whose bids it has received through its PhilGEPS-registered physical address or official e-mail address. The notice was issued within seven (7) calendar days from the date of the bid opening. The original copy of the bid form was typed or written in ink and signed by the bidder or its duly authorized representative. Unsealed or unmarked bid envelopes were rejected. However, bid envelopes that were not properly sealed and marked, as required in the Bidding Documents, were accepted, provided that the bidder or its duly authorized representative acknowledged such condition of the bid as submitted. The BAC assumed no responsibility for the misplacement of the contents of the improperly sealed or marked bid, or for its premature opening.

Public Bid Opening:

The BAC opened the bids immediately after the deadline for the submission and receipt of bids. The time, date, and place of the opening of bids were specified in the Bidding Documents. In case the bids cannot be opened as scheduled due to justifiable reasons, the BAC took custody of the bids submitted and rescheduled the opening of bids on the next working day or at the soonest possible time through the issuance of a Notice of Postponement posted in the PhilGEPS website and the website of the Agency concerned.

The bidders or their duly authorized representatives attended the opening of bids. The BAC ensured the integrity, security, and confidentiality of all submitted bids. The abstract of bids as read and the minutes of the bid opening have been made available to the public upon written request and payment of a specified fee to recover cost of materials.

Preliminary Examination:

Bid Evaluation and Ranking:

The BAC evaluated the financial components of the bids. The bids that have passed the preliminary examination were ranked from the lowest to highest in terms of their corresponding calculated prices. The bid with lowest calculated price was referred to as the "Lowest Calculated Bid". Unless otherwise stated in the BDS, the financial component of the bid contained the following:

- (a) Financial Bid Form in accordance with the form prescribed in Section IX. Bidding Forms of the Philippine Bidding Documents 5th Edition; and
- (b) Any other document related to the financial component of the bid as stated in the BDS.

After all bids have been received, opened, examined, evaluated, and ranked, the BAC prepared the corresponding Abstract of Bids. All members of the BAC signed the Abstract of Bids and attached thereto all the bids with their corresponding bid securities and the minutes or proceedings of the bidding. The Abstract of Bids contained the following:

- a) Name of the contract and its location, if applicable;

- b) Time, date and place of bid opening; and
- c) Names of bidders and their corresponding calculated bid prices arranged from lowest to highest, the amount of bid security and the name of the issuing entity.

The entire evaluation process for the procurement of Infrastructure Projects was completed within seven (7) calendar days from the deadline for receipt of proposals.

Post-Qualification:

It was the stage where the bidder with the Lowest Calculated Bid undergoes verification and validation whether he has passed all the requirements and conditions as specified in the Bidding Documents.

Within five (5) calendar days from receipt by the bidder of the notice from the BAC that the bidder has the Lowest Calculated Bid, the bidder submitted to the BAC: its latest income and business tax returns, and other appropriate licenses and permits required by law and stated in the Bidding Documents. Failure to submit any of the requirements on time, or a finding against the veracity thereof, disqualified the bidder for award: Provided, That in the event that a finding against the veracity of any of the documents submitted was made, it shall cause the forfeiture of the Bid Security in accordance with Section 69 of the Revised IRR.

The post-qualification has verified, validated, and ascertained all statements made and documents submitted by the bidder with the Lowest Calculated Bid, using non-discretionary criteria, as stated in the Bidding Documents. These criteria have considered, but were not be limited to, the following:

- A. Legal Requirements.
- B. Technical Requirements.
- C. Financial Requirements

Notice of Award:

The BAC recommended to the HoPE the award of contract to the bidder with the LCRB after the post-qualification process was completed. To facilitate the approval of the award, the BAC submitted the following supporting documents to the HoPE:

- a) Resolution of the BAC recommending award;
- b) Abstract of Bids;
- c) Duly approved program of work or delivery schedule, and Cost Estimates;
- d) Document issued by appropriate entity authorizing the Agency to incur obligations for a specified amount; and
- e) Other pertinent documents required by existing laws, rules, and/or the Agency concerned.

Within three (3) calendar days from the issuance of the resolution recommending award of the contract, the BAC has notified all other bidders, in writing, of its recommendation.

Period of Action on Procurement Activities for Infrastructure Projects

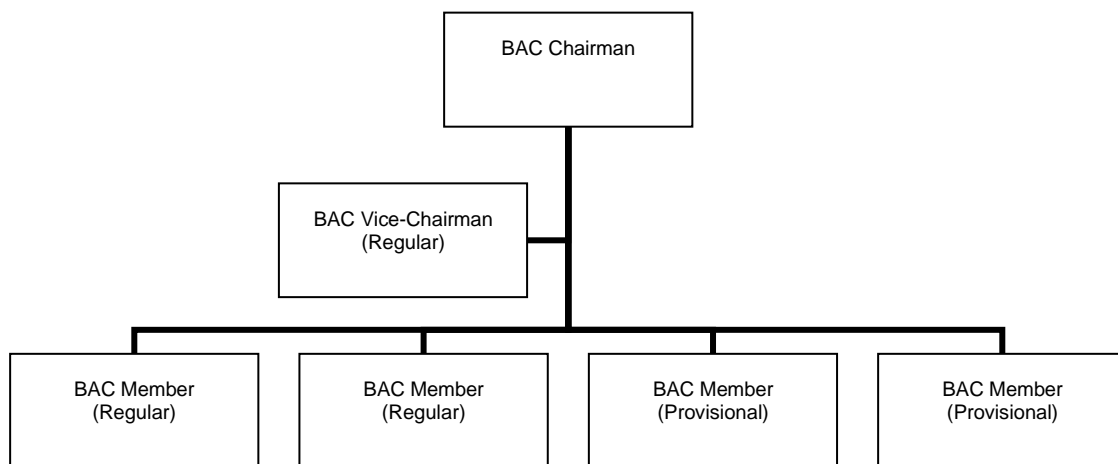
Recommended Earliest Possible Time and Maximum Period Allowed for the Procurement of Infrastructure Projects (Annex C, Revised IRR of the RA 9184)						
Section	Procurement Activity	Minimum Calendar Days Recommended for Activity	Operational Timeline (Recommended Earliest Possible Time)	Maximum Calendar Days Allowed for Activity	Operational Timeline (Maximum Period Allowed)	Conditions / Remarks
20	Pre-Procurement Conference	1 CD	Day 0	Whenever Necessary	0	Optional for ABC of 5,000,000 and below
21.2.1	Advertisement / Posting of Invitation to Bid	7 CD	Day 1 to 7	7 CD	Day 1 to 7	Start of Availability of Bidding Documents

Recommended Earliest Possible Time and Maximum Period Allowed for the Procurement of Infrastructure Projects (Annex C, Revised IRR of the RA 9184)						
22.2	Pre-Bid Conference	1 CD	Day 8	Whenever Necessary	Day 8 to 45 ----- Day 8 to 60	Optional for ABC below 1,000,000 Not earlier than 7 CDs from Advertisement / Posting 12 CD before Deadline of Submission and Receipt of Bids
25.5	Deadline of Submission and Receipt of Bids / Bid Opening	1 CD	Day 20	50 CD 30 ----- 65 CD 31	Day 57 ----- Day 72	Last day of Availability of Bidding Documents
32.4	Bid Evaluation	1 CD	Day 21	7 CD	Day 58 to 64 ----- Day 73 to 79	
34.8	Post-Qualification	2 CD 32	Day 22 to 23	45 CD	Day 65 to 109 ----- Day 80 to 124	The Bidder must submit all Post-Qualification Requirements within 5 CDs from receipt of notice as bidder with LCB in accordance with Sec. 34.2
37.1.2	Approval of Resolution / Issuance of Notice of Award	1 CD	Day 24	15 CD	Day 110 to 124 ----- Day 125 to 139	
37.2.1	Contract Preparation and Signing	1 CD	Day 25	10 CD	Day 125 to 134 ----- Day 140 to 149	
37.3	Approval Contract by Higher Authority	1 CD		20 or 30 CD		If necessary
37.4.1	Issuance of Notice to Proceed	1 CD	Day 26	7 CD	Day 135 to 141 ----- Day 150 to 156	
Total Time			26 CD		141 CD or 156 CD	Excluding Approval of Higher Authority, if applicable

This research focused on the assessing the level of compliance on the Republic Act 9184, the Government Procurement Reform Act, as perceived by both Bids and Awards Committee (BAC) and its Contractors of National Government Agencies within the Province of Cebu so that the issues and concerns pertaining to it may be addressed through recommending the development of a continual improvement plan that can be formulated in the implementation Republic Act 9184. The said legislation encompassed all forms of procurement: goods/supply, infrastructure projects and consulting services. As cited, this research had put emphasis only on the procurement of infrastructure projects through competitive bidding where the researcher believed requires the greater consideration with relevance to the portion of appropriations put up for it from the aggregated funds of the Philippine Government through the General Appropriations Act.

It was strongly believed that the identified national government agencies within the Province of Cebu may be able to appreciate the modernized, standardized and regulated procurement activities allowing better transparency, accountability, equity, efficiency and economy in its procurement process.

In line to ensuring that the Agency abided by the standards set forth by the Republic Act 9184 and the relevant Implementing Rules and Regulations, and that a procurement monitoring report was prepared in the form prescribed by the GPPB, the Bids and Awards Committee (BAC) was hence created. The BAC had at least five (5) members but not more than seven (7) members. It was chaired by at least a third ranking permanent official of the agency. Unless sooner removed for a cause, the members of the BAC have a fixed term of one (1) year reckoned from the date of their appointment, renewable at the discretion of Head of the Agency. In case of resignation, retirement, separation, transfer, reassignment, removal, the replacement shall serve only for the unexpired term. Provided, that in case of leave of suspension the replacement shall serve only for the duration of the leave or suspension. For justifiable causes, a member shall be suspended or removed by the Head of the Agency. In accordance of the Section 12 of Republic Act 9184.



To assist the BAC in the conduct of its functions, the Head of the Agency created a Secretariat, pursuant to Section 14 of RA 9184 served as the main support unit of the BAC. The Secretariat had the following functions and responsibilities:

- a) Provide administrative support to the BAC and the TWG;
- b) Organize and make all necessary arrangements for BAC and the TWG meetings and conferences;
- c) Prepare minutes of meetings and resolutions of the BAC;
- d) Take custody of procurement documents and other records and ensure that all procurements undertaken by the Agency are properly documented;
- e) Manage the sale and distribution of Bidding Documents to interested bidders;
- f) Advertise and/or post bidding opportunities, including Bidding Documents, and notices of awards;
- g) Assist in managing the procurement processes;
- h) Monitor procurement activities and milestones for proper reporting to relevant agencies when required;
- i) Consolidate PPMPs from various units of the Agency to make them available for review as indicated in Section 7 of the IRR and prepare the APP; and
- j) Act as the central channel of communications for the BAC with end-user or implementing units, Project Management Office (PMO), other units of the line agency, other government agencies, providers of infrastructure projects, observers, and the general public.

To expedite the procurement process, the HoPE ensured that the members of the BAC, its Secretariat and TWG, had given utmost priority to BAC assignments over all other duties and responsibilities, until the requirements for the said assignments at hand were completed.

Statement of the Problem:

This research assessed the level of perception on the compliance of the Republic Act 9184 otherwise known as the Government Procurement Reform Act of the seven engineering district within the province of Cebu during the calendar year 2016 as basis for continual improvement plan.

Specifically, this answered the following:

1. What is the level of perception of the respondent groups on the compliance of the Republic Act 9184, otherwise known as the Government Procurement Reform Act, as to:
 - 1.1. pre-procurement conference
 - 1.2. advertisement for competitive bidding
 - 1.3. pre-bid conference

- 1.4. submission and receipt
 - 1.5. public bid opening
 - 1.6. preliminary examination
 - 1.7. bid evaluation and ranking
 - 1.8. post-qualification
 - 1.9. notice of award / contract signing
 - 1.10. notice to proceed
2. Is there any significant difference between the perceptions of the respondent groups on the compliance of the aforementioned Republic Act 9184 activities?
 3. What are the challenges related to the aforementioned procurement stages?
 4. Based on the findings, what continual improvement plan can be developed?

Following the steps in the hypothesis testing for the significance of the Pearson r , the set-up for the null and alternative hypothesis was made below:

Null Hypothesis: There is significant difference between the perceptions of the BAC and the Contractors

Alternative Hypothesis: There is no significant difference between the perceptions of the BAC and Contractors

Significance of the Study:

The research placed high regards on determining the economy, efficiency and effectiveness of the publicly funded projects, activities and programs which is an integral part of the execution phase of the budget cycle. This research was also be of great significance to the following: Commission on Audit (COA), Local Government Units (LGU). National Government Units/Agencies, GOCCs and other instrumentalities of the Philippine Government and Other researchers.

2. RESEARCH METHODOLOGY

Research Design:

The research used the descriptive method which involved a self-made questionnaire designed for the Bids and Awards Committee (BAC) Members, BAC Secretariat, BAC Technical Working Group (TWG) and Contractors of the national government agencies within the Province of Cebu under the infrastructure arm of the government procuring infrastructure projects through competitive bidding in line with its mandate towards infrastructure development. The descriptive method was deemed appropriate in the research because the main purpose was to establish the perception of the respondents on the level of compliance to the Republic Act 9184, otherwise known as the Government Procurement Reform Act. It was likewise descriptive since the one hundred (100) respondents for the said questionnaire were utilized to reveal a reflection of the general performance of the totality of the population. Descriptive method was used when a researcher wished to describe the present conditions based on the impressions or reaction of the target respondents.

In terms of providing the accuracy of the data, the research was limited in the manner of the perception of the respondents. Taken into consideration was the honesty of the respondents, their moods at the time of answering the questionnaire and their interest to partake in the research. However, the researcher ensured at the highest level that the reliability and validity of answers were well established in order that in whatever answer of the respondents, this provided the significant effect to the result of the research.

Flow of the Study:

The inputs were the data gathered from the questionnaire. These encompassed the level of perception of the respondent groups – BAC and contractors, on the compliance of the Republic Act 9184, otherwise known as the Government Procurement Reform Act in the execution of the ten stages of procurement activities set forth in the act. The data collected from the self-made questionnaires were then processed scientifically. These were analyzed and interpreted using appropriate statistical tools of the Weighted Mean which was further treated through the T-Test: Two Sample Assuming

Equal Variances in order to deliver recommendations related to development of the continual improvement plan in the implementation of Republic Act 9184, Government Procurement Reform Act on the Procurement of Infrastructure Projects through Competitive Bidding for seven engineering districts within the Province of Cebu towards Infrastructure Development.

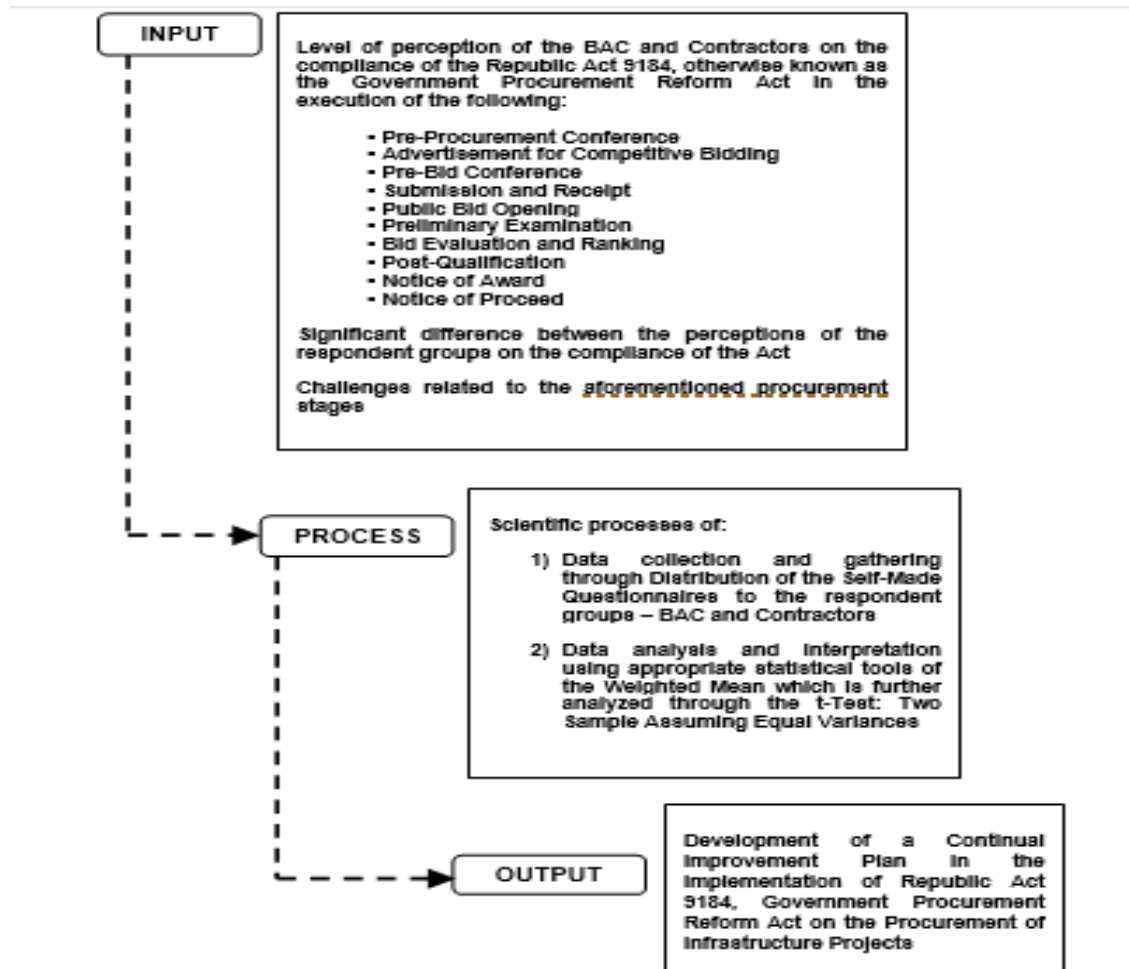


Figure 2: Flow of the Study

Environment:

This research was conducted for the identified National Government Agencies within the Province of Cebu where the prime mandate is implementation of the infrastructure projects, programs and activities towards infrastructure development through the Right Project, Right on Time, Right Quality, Right People and Right Cost

Cebu, known as the “Queen City of the South”, is the gateway to around two-thirds of the Philippine archipelago and located 365 miles south of Manila, the capital of Philippines. It is located to the east of Negros, to the west of Leyte and Bohol Islands. The province belongs to the country’s Central Visayas Region. Cebu Province has a total population of more than 3.85 million making the most populous province in Visayas. It has a land area is 4,944 square kilometres (1,909 sq. mi) or when the independent cities are included for geographical purposes, the total area is 5, 342 square kilometres (2,063 sq. mi). The island’s area is 4,468 square kilometres (1,725 sq. mi) making it the 9th largest island in the Philippines. See map in the succeeding page and the exact location in the Philippine map as seen in Appendix H.

It is classified as first class as to its income. Within the Province of Cebu are three of the highly urbanized independent cities in the country – Cebu City, Lapu-Lapu City and Mandaue City. The province also has 6 component cities and 44 municipalities divided into 6 legislative districts. Separately, Cebu City has two legislative districts, while Lapu-Lapu City has one.

The province of Cebu specifically encompasses these divisions, to include:

Independent Cities (3):

Cebu City, Lapu-Lapu City and Mandaue City

Component Cities (6):

Bogo, Carcar, Danao, Naga, Talisay and Toledo

Municipalities, in alphabetical order (44):

Alcantara	Borbon	Madridejos	San Fernando
Alcoy	Carmen	Malabuyoc	San Francisco
Alegria	Catmon	Medellin	San Remigio
Aloguinsan	Compostela	Minglanilla	Santa Fe
Argao	Consolacion	Moalboal	Santander
Asturias	Cordova	Oslob	Sibonga
Badian	Daanbantayan	Pilar	Sogod
Balamban	Dalaguete	Pinamungajan	Tabogon
Bantayan	Dumanjug	Poro	Tabuelan
Barili	Ginatilan	Ronda	Tuburan
Boljoon	Liloan	Samboan	Tudela

Respondents:

Table 1: Distributions of Respondents N=100

Respondents	Number
1. BAC	
i. Regular Members	
ii. Secretariat	50
iii. Technical Working Group	
2. Contractors	50
Total	100

The environment of this research encompassed the 3 independent cities, 6 component cities and 6 legislative districts. These 15 constituencies were under the 7 engineering districts being the infrastructure arm that has implemented the procurement of the infrastructure projects, programs and activities including the Local Infrastructure Programs of the LGUs within the Province of Cebu. Pursuant to the Section 11 of the 2016 Revised IRR, the BAC was composed of at least 5 but not more than 7 members of unquestionable integrity and procurement proficiency with at least one personnel for each of the BAC Secretariat and BAC TWG of which the maximum personnel were not indicated in the IRR. Say, in the whole province, at least 7 personnel composed the entire Bids and Awards Committee for each of the 7 engineering offices.

Data Gathering Procedures:

Before the data were gathered a letter request was sent to the office of the Dean of the College of Graduate School, Cebu Technological University for the approval to conduct the research. Subsequently, another letter requests were given to the Heads of the Procuring Entities of the identified seven district engineering office within the Province of Cebu whose mandate was the implementation of infrastructure projects through competitive bidding for approval to conduct this data collection through distribution of the self-made questionnaire (). After approval, the researcher met the respondents regarding the purpose and procedures of the research. A short orientation regarding the purpose and procedure was conducted.

The researcher disseminated the personal self-made survey questionnaires. The data were expected to be collated in the span of at least of four weeks considering the distances of each of the responding agencies across the entire province of Cebu. Upon completion of the distribution and accomplishment of the said questionnaires, the researcher collated all the derived information and responses provided by each respondent with emphasis on their perception of the level of compliance of the identified seven engineering districts within the Province of Cebu to the Republic Act 9184, the Government Procurement Reform Act. Along this, the challenges were disclosed in each of the part of the procurement process and narratively revealed also in the remarks were also being noted.

Further, in order to better safeguard the interest of the Bids and Awards Committee and the Contractors, their identity were not disclosed on record or on any part of this research.

Ethical Considerations:

The research needed to protect the research respondents by developing trust and confidence with them, to promote integrity of the research, and safeguarding, as well, some misconduct and any mis-impropriety that might reflect on their organization or institution, and cope with new challenging problems, (Creswell, 2009). It was our obligation to respect the rights, needs, values, and desires of the respondents. Additionally, the reputation and situation of the informants were visible; especially that the findings of the research can be shared with other people and organizations. The following considerations were used to protect the respondent's rights:

- The respondents were advised in writing on the nature and extent of their participation. They were also advised, that anytime during the process, they could decline to answer any questions they did not want to with high regards in the filling up of the remarks portion where they are encouraged to further narratively disclose observations that they find vital to establish their compliance and/or non-compliance to the provisions of the Act. As well matters that required the attention in order to better achieve the governing principles of transparency; competitiveness; streamlined procurement process; system of accountability and public monitoring of the procurement process.
- The informants were advised also of the utmost confidentiality of their identities so as to exercised their right of being unknown. Such that the profile that was required to be filled by each respondents was limited only to their functions in the procurement process; Years in Government Service or in the Construction Business; Educational Attainment and Level of Training Attended in relation to Public Procurement, which the researcher has found to be highly relevant in the understanding the results of the research.

Statistical Treatment of the Data:

The data gathered were tallied, tabulated and statistically analyzed using the weighted mean. There was an integration of results and the researcher then narrated the description of the actual experience encountered by the respondents, from this, an essential structure of the research was formulated.

The weighted mean was utilized to determine the perception by the respondents groups on the level of compliance on the Republic Act 9184, otherwise known as Government Procurement Reform Act. This was used for all the sub-problems of this research.

The T-Test: Two Sample Assuming Equal Variances was further used to treat the statistical data derived from the use of the weighted mean. This measures was used to decide the strength of the significant difference between the X (Perception of the BAC) and Y (Perception of the Contractors).

For the data gathered from the collected accomplishment of the self-made survey questionnaire, testing of the indicated null hypothesis that there was no significant linear relationship between the two variables X (Perception of the BAC) and Y (Perception of the Contractors). In this research we used the $\alpha = 0.05$ level of significance.

3. LITERATURE REVIEW

Whereas, the identified National Government Agencies of the seven engineering districts within the Province of Cebu must manage the major final output set forth for the implementation infrastructure projects thrust towards infrastructure development. Section 5 (n) of the act defines that the infrastructure projects include construction, repair, restoration, rehabilitation, demolition, or maintenance of roads and bridges, railways, airports, seaports, communication facilities, civil works components of information technology projects, irrigation flood control and drainage, water supply,

sanitation, sewerage and solid waste management systems, shore protection, energy/power and electrification facilities, national buildings, school buildings and other the related construction projects of the government. The operations of these national government agencies also encompass the programs on the general administration and support, support to operations and projects that are either locally-funded or foreign assisted as provided for in 61 the General Appropriations Act, the Budget Document of the Philippine Government and its instrumentalities.

Likewise, it may also involve the implementation of the funds from the allotments for the school buildings and other structures that are the released through Special Allotment Release Order (SARO). Implementation of which can be either be done by administration or through competitive bidding allowing specific private contracting parties to administer implementation of the Government's projects, programs and activities. Such mode of procurement is the default procedure while the others are resorted only upon satisfaction of the provided requisite in the Act through the IRR.

Section 10 of RA 9184 and its IRR states that all procurement shall be done through competitive or public bidding, except as provided in Rule XVI. Competitive bidding or public bidding is defined in R.A. 9184 and the IRR as the method of procurement which is open to participation by any interested party and which consists of the following processes: advertisement, pre-bid conference, eligibility screening of prospective bidders, receipt and opening of bids, evaluation of bids, post-qualification, and award of contract. Such is in conjunction to require the legal framework of a national system to make open competitive tendering the default method of procurement. The procurement on this manner promotes well the competitiveness among the prospective bidders that may be eligible to take over the implementation of the Government's projects, programs and activities. This is also in line with the transparency in the procurement process. That, as per Section 3 (b) of the RA 9184 the Competitiveness by extending equal opportunity to enable private contracting parties who are eligible and qualified to participate in public bidding. Section 5 (e) of the same act defines competitive bidding as the method of procurement which is open to participation by any interested party and which consist of the following processes; advertisement, pre-bid conference, eligibility screening of bids, evaluations of bids, post-qualification, and award of contract, the specific requirements and mechanics of which shall be defined in the IRR to be promulgated under this Act. Similarly, among the various procurement undertakings of the national government agencies, the research shall be bounded within the procurement process for the infrastructure projects through competitive bidding where most of the reservations on the procurement process lies. Construction is a risky venture and it can be certainly be affected with factors such as an economic downturn, labor difficulties, material shortages, equipment problems, and a host of many other problems can cause a contractor's business to fail leaving projects at a standstill. No agency in the government can afford to gamble on the contractor whose responsibility is uncertain or who could end up bankrupt halfway through the job. And how can a public agency, which uses the low-bid system in awarding public works contracts, be sure the lowest bidder will be dependable? In its continuing efforts to promote good governance, the Government has enacted laws on procurement to mitigate the risks and reservations. Hence, it caused to the promulgations of the Republic Act No. 9184 otherwise known as the Government Procurement Reform Act. This Act provides for the "Modernization, Standardization and Regulation of the Procurement Activities of the Government and For Other Purposes" and took effect on January 26, 2003, while its Implementing Rules and Regulations Part A (IRR-A) took effect on 8 October 2003. The recent issuance of the revised IRR effective dated October 29, 2016 has been the current basis of the implementation of the Act. From the viewpoint of the public finance cycle, government procurement and contract implementation activities occur during the budget execution phase. It is at this point when the implementing agency prepares the specifications, technical requirements and bidding documents for the project and carries out all procurement. Concurrently, the budget execution covers "the various operational aspects of budgeting such as the establishment of obligational authority ceilings, the evaluation of work and financial plans for individual activities, the continuing review of government fiscal position, the regulation of funds release, the implementation of cash payment schedules and other related activities" (COA Handy Guide to the Audit of Procurement, December 2014) National Budget Circular No. 539 defines "Budget execution as a phase in the budget cycle where financial resources made available to an agency are utilized to implement programs and projects for which they were approved under the annual General Appropriations Act (GAA) which may start with the pre implementation activities prior to a current year."

Section 17 of the General Provisions of the General Appropriations Act, stipulates that Government Funds shall be utilized in accordance with the appropriations authorized for the purpose and comply with applicable laws, rules and regulations. Purchase of infrastructure projects shall be made in accordance with the provisions of the RA 9184, its IRR and GPPB guidelines issued thereon. Section 18 of the same Act reiterates the strict adherence to procurement laws, rules

and regulations. That all agencies of the government shall strictly adhere to the provisions of the RA 9184, its IRR and GPPB guidelines in the procurement of infrastructure projects. In line also of the promotion of transparency and achievement of efficiency in the procurement process, the Philippine Government Electronic Procurement Systems shall be the primary source and repository of the information on government procurement.

Early procurement activities as provided Section 19 of this year's GAA thereon authorized to undertake procurement activities from the pre-procurement conference until the post qualification of bids based on their proposed budget in the National Expenditure Program/General Appropriations Bill, Corporate Operating Budgets or Appropriations Ordinance, in accordance with the guidelines issued by the GPPB. Agencies may only proceed with the awarding of contract upon approval or enactment of their respective appropriations or budget authorizations documents, as the case may be, based on the amount authorized therein.

That in line also on the attainment of the transparency in infrastructure projects as one of the governing principles of the RA 9184. All agencies of the government shall post the following on their respective websites, within the period indicated:

- i. The project title, location and detailed estimates in arriving at the Approved Budget for the Contract; and winning contractor and the detailed estimates of the bid as awarded, within thirty (30) calendar days from entering into contract: and
- ii. The detailed actual cost of the project; variation orders issued, if any, within thirty (30) calendar days from the issuance of the certificate of completion.

Likewise, it is the policy of the State that " All resources of the government shall be managed, expended utilized in accordance with law and regulations, and safeguarded against loss or wastage through illegal or improper disposition, with a view to insuring efficiency, economy and effectiveness in the operations of government. The responsibility to take care that such policy is faithfully adhered rests directly with the chief or head of the government agency concerned.

(Section 2 of Presidential Decree (PD) No. 1445, Government Auditing Code of the Philippines)

National Government Agencies are decentralized in nature and mandated to undertake within its jurisdiction (a) the planning of infrastructure, such as national roads and bridges, flood control, water resources projects and other public works; and (b) the design, construction, and maintenance of national roads and bridges, and major flood control system.

The Review on Related Literature stipulates only of few theories and studies because this research is the first research conducted after the revision of the Implementing Rules and Regulations of the Republic Act 9184 (2016) effective October 29, 2016 was implemented.

Related Studies:

With reference to the research conducted by the Association of South East Asian Nations (ASEAN), it was defined that the Public Procurement is the process of acquisitions of items being conducted by ministries/institutions/local government units. All public procurement must be governed by the principles such as:

- i. Public Accountability, which emphasizes the need that public procurement, is carried out in a responsible manner in relation to the pertinent rules and regulations. Public officials directly and indirectly involved in the procurement process as well as in the implementation of procurement contracts, and the private entities with dealings with the government are, when warranted by circumstances, investigated and held liable for their actions relative thereto in order for accountability be established.
- ii. Transparency – The policies, rules and procurement processes that are implemented should be clear, known and understandable and must adhere to policies and regulations.
- iii. Value for Money – The acquisition of the government must give the best return for the money expended.
- iv. Open Competition – The procurement process will provide equal opportunity to all eligible and qualified parties to participate in the public bidding.

In the recent issuance of the ASEAN State Auditing Institutions, it was cited that the procurement is one of the area most inclined to the corruption and procurement shortcomings which are frequently highlighted in the audit reports, hence, it interposes the need to collaboratively address the issue to overcome the shortcomings and promote best practices in public procurement audit.

(ASEANSAI, Research Project Report on Public Procurement Audit)

4. RESULTS AND DISCUSSIONS

This part of the study, further, presented the results of the survey of the research, conducted during the data gathering process on the level of perception of the BAC Members, BAC Secretariat, BAC Technical Working Group and Contractors on the compliance with the Republic Act 9184 otherwise known as Government Procurement Reform Act for the Procurement of Infrastructure Assets through Competitive Bidding of the seven engineering districts within the province of

Cebu in its mandate towards infrastructure development.

When comparing for the two groups of this research which pertains to those composed of the Bids and Awards Committee and those of the Contractors, it was noted that in general degree both respondent groups considered that a well complied implementation in the conduct of the procurement of the infrastructure projects through competitive bidding was perceived for the seven engineering districts within the Province of Cebu, which thus entailed that all specific provisions, rules and regulation within the Act and its IRR are fully and effectively complied. Likewise, most of the provisions as elaborated in each variables for the survey conducted were at the well complied degree. However, in-depth scrutiny of the results of the data gathered have further disclosed variables where non-compliance has been apparent. Whereas, the study at hand's criteria was a currently effective legislation applicable to all the branches and instrumentalities in the Philippine Government, the full compliance of which in all variables is then required. Deviation to any provisions becomes a tangible ground to be subjected to the penal provisions of the same Act which is either by way of civil liability or administrative sanctions.

Accordingly, we fathomed further and drew a better understanding of the results of the study through analyzing the results in every variable of each stage in the procurement of infrastructure projects through competitive bidding.

Pre-Procurement Conference:

Data are presented in the Table 2. It was revealed that the agencies are well complied on the requirement set forth in the conduct of the pre-procurement process. It was noted that an average of 3.63 was perceived by the respondent population of the Bids and Awards Committee from the seven engineering districts in the Province of Cebu, hence, well complied on all the variables. As presented in the table, the contractor's portion was indicated as not applicable. In the primordial context, the group is not a participant to such activity. Desired outcome of the activity which includes the confirmation of the Approved Budget Cost, Contract Duration, Annual Procurement Plans and the Program of Works are the pertinent details and consideration of the Technical and Financial Documents which are relevant with the Contractors preparation of their own bids. Despite their absence during the conference, the readiness also of the bidding documents upon the intention to participate in the specific bidding of the procurement of infrastructure project is indicative enough of a well complied implementation of the pre-procurement conference. Since, no bidding shall pursue and no advertisement be allowed without the identified output from the pre-procurement stage.

In the conduct of the research, no annotation in the remarks portion for the discrepancies on the implementation of activity herein was made by both respondent groups which then enjoined the seven engineering districts within the Province of Cebu in the good practice of such implementation. This also manifests that upon conduct of the actual competitive bidding the necessary requirements to effectively implement the contract for infrastructure development has been in place.

Advertisement for Competitive Bidding:

In view of the measures set forth in this stage of procurement, the respondents also perceived that the seven engineering districts within the Province of Cebu were well complied in the implementation of the Act for the advertising requirement in the procurement for infrastructure projects through competitive bidding. The data are discussed in Table 3. The BAC and contractors rated it at 3.63 and 3.73, respectively.

This then exemplified that the bidding being conducted of the identified agencies has been able to promote transparency and efficiency, information and communications technology. In the governing principles of the promulgation of the Act under Section 2, agencies shall implement the bidding with competitiveness by extending equal opportunity to enable private contracting parties who are eligible and qualified to participate in the public bidding. Thus, with a greater participation of contractors to bid on the projects of the agencies, the quality in terms of cost, time, materials and personnel would be well-taken advantage by the government so that infrastructure development may be attained.

Pre-Bid Conference:

Subsequent to the advertising stage is the third stage of the procurement of infrastructure projects through competitive bidding, the conduct of the Pre-Bid Conference.

Noted, that the respondent groups had differing perceptions in the compliance of the conduct of the pre-bid conference. In the average, the BAC perceived it to be complied only where it indicates that some specific provisions, rules and regulation within the Act and its IRR are not fully complied with. While the Contractors perceived it to be well complied which indicates that all specific provisions, rules and regulation within the Act and its IRR were fully effectively complied.

The differing perception of both the BAC and the Contractors on the first variable of this stage of the procurement where the Act requires that pre-bid conference will be conducted to clarify/explain any requirements, terms conditions, and specifications stipulated in the Bidding Documents for contracts to be bid with ABC of One Million Pesos (P 1,000,000) or more. Annotation in the remarks portion of the questionnaire provides that though the Agency has conducted the activity for the threshold set forth in the Act. At times, the conduct of which was put into vain because the persons on which the clarification/explanation on the Bidding Documents where it was to be made were not present during the conference. Say, the contractors as prospective bidders failed to attend the conference where the technical and financial matters that needs to be clarified to them for the orderly execution of the bidding process and also to provide overview on the implementation of which were being discussed.

Section 22.3 of the IRR of the same act has allowed the conduct of the conference in expanded manner. Such may be conducted not only person-to person but also through videoconferencing, the webcasting and other similar.

technology. Provided, further, that despite a more expanded and considerate conduct of which, the attendance of the prospective bidder / contractors is not mandatory. This, thus, entailed the rationale behind the not fully complied perception of the BAC. The non-attendance of the contractors has arisen to the misunderstandings between the BAC and the contractors. It may also explicate the reason why some bidders were being disqualified during the bidding process because of the specific instructions that has not been clarified to the Contractors.

It can also be observed that both of the respondent groups perceived as partially complied the measures evaluated through the 5th variable pertaining with the requirement of the presence of observers at the 2.16 and 2.12, BAC and contractors level of perception respectively. It can be deduced that the seven engineering districts were conducting the pre-bid conference without the attendance of the required observers as required per Section 13 of the Republic Act 9184. However, in the IRR such requirement is not strictly required but a mere proof of them being invited in writing at least five (5) days from the date of the procurement activity will suffice. Their absence will not nullify the proceedings but it would detriment the principle of transparency being expressed in the promulgation of the Act. Still, their absence is a deviation to the typical conduct of the pre-bid conference, thus, the partially complied level of perception on both respondent groups.

Submission and Receipt:

As the revealed of the preceding stages the perception on the level of compliance for the Submission and Receipt of the Bids was also well complied. There was a noticeable flaw on the presence of observers in agreement with the previous observation during the pre-bid conference. As said, though, their presence cannot be imposed their absence still detracts the principle of transparency for the promulgation of this Act. The details of the data gathered in this stage are specifically disclosed in Table 5.

Public Bid Opening:

Done on the same day of the submission and receipt of the bid is the Public Bid Opening. As required in the Act, the bids are immediately opened by the BAC after the deadline for the submission and receipt of which as indicated in the Invitation to Bid for the procurement of the infrastructure projects. BAC takes custody of the bids submitted and reschedules the opening of bids on the next working day or at the soonest possible time through the issuance of a Notice of Postponement to be posted in the PHILGEPS website and the website of the Agency concerned in case the bids cannot be opened as rescheduled due to justifiable reasons. The Abstract of bid as read and the Minutes of the Bid Opening are made available to the public upon written request and payment of a specified fee to recover the cost of materials. The same forms part as relevant documents with the contract documents. Same with the previous two stages, the observers' presence is eminent in the conduct of the opening of the bid. As shown in the tabular presentation for the Public Bid Opening, the required variable under this stage has been generally perceived by the seven engineering districts as well complied to the provision of the Act. Further observed, that the requirement of the presence of the observers was still not fully complied.

Preliminary Examination:

Analysis of the specific details for each measure on this stage revealed that the non-discretionary pass / fails checking of the bid and the presence of the observers had differing perceptions by the BAC and the contractors. Details are disclosed in Table 7.

Noted differences on the second variable were attributed to the BACs manner of checking of the bid requirements. Despite being perceived as well complied by the contractors, the BAC, through annotations made during the survey conducted, has encountered difficulties on the manner of the checking.

Though, the mere submission of the required documents implicates why the contractors perceived this measure as well complied. The manner on which it was organized inside each envelope has made verification of existence hard and cumbersome. The documents were not uniformly organized with all prospective bidders. This has affected the completion of the process within the time period allotted for it. Whereas, the time consumed on tracing each document in the pile inside the envelopes may not only be consumed for the verification of mere existence but also comprehensive review of the substance and tenor of the documents submitted. There was also difference on the results under the fifth variable on the requirement for the presence of the observers during this stage of the procurement process which thus also pose the inadequacy of the transparency as a principle in the promulgation of this Act. Such was consistent to the lapses found on the preceding stages of procurement where the same was also required.

Bid Evaluation and Ranking:

To determine the Lowest Calculated Bid (LCB), a Bid Evaluation and Ranking was conducted by the BAC. The requirements herein was deemed to have been well complied as perceived by the respondents on the level of compliance of the Seven engineering districts within the Province of Cebu. It can be observed that the time period required for the conduct of this stage was perceived to be only complied by both respondent groups which implicates that some specific provisions, rules and regulation within the Act and its IRR were not fully complied with. The results were also in agreement with those of the stages where the presence of the observers was required.

Details of the data gathered are thus shown in Table 8

The time period compliance was in agreement also of the flaws found on the Preliminary Examination stage wherein it was being noted that glitches on the implementation were undergone by the BAC in the checking of the submitted documents attributed to the not uniform and disorganized arrangement of which in the envelopes upon the BAC's review. Complementing also to the previous stages, the observer's presence was still not observed compromising the transparency principle of the promulgation of the Act.

Post-Qualifications:

Results of this stage of the procurement process revealed that the post qualification stage was well complied in both the perception of the BAC and the Contractors which indicates that all specific provisions, rules and regulation within the Act and its IRR were fully effectively complied.

With a well complied perception on this requirement, despite the reservations and lapses noted on the preceding stages, it can be deduced that the agencies were able to verify, validate and ascertain all statements made and documents submitted by the bidder in the time period set forth also in the act where in all instances the agencies has ensured that the declared lowest calculated responsive bid replicates the most advantageous prevailing price for the Philippine Government.

Notice of Award / Contract Signing:

Upon the determination of the Lowest Calculated Responsive Bid (LCRB) after the post-qualification process has been completed, the issuance of the Notice of Award and Contract Signing is conducted.

In the over-all perception of the respondents, the specific rules and regulations for the award of the contract were well complied. Although, it can also be noted that few deficiencies were found on the posting requirements of the performance security. The contractor perceived this as well complied since the contract of agreement can only be signed with the corresponding posting of which. However, the BAC qualified this compliance. This was attributed to the reservations of the BAC on the posted bond to suffice this requirement. Though, the bond was posted on the time period required, the matter of its validity, authenticity and other relevant factors have led the BAC to perceive this requirement as not fully complied.

Just as the previous stages of the procurement process, this stage was still perceived by most of the respondents as well complied which then indicates that the all the specific rules and regulations of the Republic Act 9184 for the issuance of the Notice to Proceed have been complied with. This stage is considered the effectivity of the contract of agreement and thus, upon the issuance of the Notice to proceed documents and compliance of the other requirements of the Act, the actual implementation of the project is hence, commenced.

Understanding further this requirement, such bond was posted as a measure of guarantee for the faithful performance and compliance of the contractor's obligations under the contract of agreement in accordance with the Bidding Documents in the amount and such form specified in the Bidding Documents. It must be noted that the act allowed for various means in compliance with this requirement such as through issuance of the Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank; Cash or cashier's/manager's check issued by a Universal or Commercial Bank; and Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security. However, in the case of seven engineering districts within the Province of Cebu, as the object of this research, the only allowed manner of posting was through Surety Bond issued by the Insurance Company. With the timely submission of the mere form of surety bond, the requirement can be construed that such was already sufficed. This thus supported the well complied perception by the contractors. Notwithstanding the posting and submission, Agency must however depict more cautious exercise of their functions on the premise of whether the submitted bond was from a legit insurance company and the tenor of which will have bearing if the contract specifications will not be adhered conscientiously by the contractor. That, upon finding of the technical deficiencies of the implementation of the contractor, the bond will be able to facilitate remedy of the defects and will ensure that infrastructures projects are implemented in the design and specifications geared towards infrastructure development.

Notice to Proceed:

SIGNIFICANT DIFFERENCE BETWEEN THE PERCEPTIONS OF THE RESPONDENT GROUPS ON THE COMPLIANCE OF THE REPUBLIC ACT 9184 ACTIVITIES

Further analysis of the level of perception of the compliance of the Republic Act 9184 otherwise known as the Government Procurement Reform Act in the conduct of the procurement of nrastructure projects through competitive bidding of the seven engineering districts within the Province of Cebu which is the infrastructure arm of the government was hereby made through the use of the T-Test: Two Sample Assuming Equal Variances. This was to evaluate whether there is a significant difference of the perception for each stage of the procurement process.

We assume $\alpha = 0.05$. With this, any variable whose p value falls lesser the value of α ($T \leq t$) implicates there is significant difference between the perceptions of the BAC and the Contractors. Otherwise, if it falls above α value ($T > t$), the alternative hypothesis was then considered and that there is no significant difference between the perceptions of the respondent groups. Presented below were the results of the statistical analysis made to further identify whether there was a significant difference on the perception of the respondent groups:

Notice that the test statistics were in cognizant to the results presented on the Table 2 to 11 with their respective interpretations. As cited before, the preprocurement conference was not tested for the analysis on the significant differences of the respondent group's perception, since at such stage the contractors are not yet participating. With the compliant preparation of the bidding documents, this stage was deemed fully complied.

Further, it can be observed in the presented preceding table that the stages of Pre-Bid Conference; Bid Opening; Preliminary Examination; and the Notice of Award/Contract Signing were with values below the 0.05. Thus, the perceptions between the BAC and the Contractors are significantly different. Whereas, on the rest of the stages on Advertisement for Competitive Bidding; Submission and Receipt of Bids; Bid Evaluation and Ranking ; Post-Qualification; and Notice to Proceed, the values were at equal or higher than 0.05. Thus, the alternative hypothesis is deemed appropriate which implicates that there is no significant difference on the perception of the BAC and the Contractors.

The noted significant differences as disclosed in the statistical analysis of the research were attributable to the premise cited forth in the interpretation made in the establishment of the level of perception for each respondent group.

The differences were due to the following: the attendance of the prospective bidders during the pre-bid conference; the disorganized conduct of the BAC review of the Bid Requirements; the non-encouragement of the presence of the observers at the various stages of the procurement process; and the inadequate posting requirement of the Performance Security. Notwithstanding these variables, the requirements in the stages of the procurement process of the Republic Act 9184 otherwise known as the Government Procurement Reform Act were observed to be complied mostly by the seven engineering districts within the Province of Cebu in the procurement of infrastructure assets through competitive. But since, this is a law. Not full compliance on some guidelines would still detriment the entire implementation of the Act. Thus, the noted variances were addressed in this research.

5. SUMMARY FINDINGS AND CONCLUSIONS

This research was conducted to assess the level of perception of the respondent group which includes the Bids and Awards Committee (BAC) Members, BAC Secretariat, BAC Technical Working Group and the Contractors of the seven engineering districts within the Province of Cebu on the compliance of the Government Procurement Reform Act (GPRA) of the Republic Act 9184 to find the significant differences on the perception for each respondent groups in order to prepare an intervention plan in the implementation of the said pronouncement. This research focused on the basic considerations of assessing the compliance of these identified government agencies on the said Act. It is strongly believed that if the seven engineering districts within the province of Cebu were able to identify the reservations they have in the implementation of the Act, the recommendation related to best practices will be formulated so that the procurement of the infrastructure projects through competitive bidding will be well consistent to the Act which will have a better impact to infrastructure development.

The research used the descriptive method of research which involved a self-made survey questionnaire designed for the respondent groups of the national government agencies within the Province of Cebu whose leading mandate is infrastructure development. The descriptive method was deemed appropriate in the research because the main purpose was to determine the perception on the level of compliance of the Government Procurement Reform Act, the Republic Act 9184 in order to identify the significant differences of the perception between the respondent groups that a continual improvement plan be developed for better implementation of the act. It was likewise descriptive since a sample of 100 respondents was utilized to reveal a reflection of the general performance of the totality of the population. Descriptive method was used when a researcher wishes to describe a whole population by researching its representative sample. The research tried to describe the present conditions based on the perceptions, impressions or reaction of the target respondents.

Within this reference, the researcher specifically utilized the random sampling process. The Bids and Awards Committee respondents were from those whose at least undergone the Procurement Manual Training at the District Level who were duly designated thru memorandum as being part of the committee. The Contractors were randomly selected through the debtor/creditor master list in the Electronic New Government Accounting System (eNGAS). Due to this, the researcher adopted and used the purposive sampling procedure to the BAC and Contractor respondents.

This research was conducted in order to identify the level of compliance on the said Act. Specifically, the research sought to address the challenges encountered on different stages of the procurement process which thus includes the Pre-Procurement Conference, Advertisement for Competitive Bidding, Pre Bid Conference, Submission and Receipt, Public Bid Opening, Preliminary Examination, Bid Evaluation and Ranking, Post-Qualification, Notice of Award / Contract Signing and Notice to Proceed. The significant differences between the perceptions of the BAC and the Contractors on the compliance of the aforementioned RA 9184 activities were also disclosed in the course of the research. Thus, affirming the development of the continual improvement for the attainment of better compliance in the implementation of the Act and the relevant implementing rules and regulations.

FINDINGS:

Based on the sub-problems stated and as also analyzed through the data gathered, the following were the salient findings of the research. The data gathered and analyzed for the research revealed that in the inclusive perspective, the respondent groups believed that the seven engineering districts within the Province of Cebu whose primordial mandate was towards infrastructure development were well complied in most of the variables as the set forth measures in the compliance of the Republic Act 9184, otherwise known as the Government Procurement Reform Act, in the conduct of the procurement of infrastructure projects through competitive bidding. Though, further scrutiny of the more specific provisions of the act as part of the variables of the research disclosed that the requirements in the conduct of the Pre-bid conference were not fully complied and the observer's presence during the following procurement activities were not conformed - Pre-Bid Conference; Submission and Receipt; Public Bid Opening; Preliminary Examination; and Bid Evaluation and Ranking. Further, compliance with the provisions for the conduct of the Preliminary Examination and the Bid Evaluation and Ranking were not fully conformed due to some lapses found on the manner of checking of the Contractor's submitted documents using the non-discretionary pass/fail criterion. Thus, this also affects the timely and efficient completion of the evaluation process. Also, under the Notice to Award stage of the procurement process, the requirement to post Performance Security prior to signing of the contract valid until the issuance by the Agency of final Certificate of Acceptance is perceived to have not been fully complied by the identified agencies within the province of Cebu. The stipulations of the act are of fair importance. Thus, failures to comply with some of the provisions are still a deviation to the Act and require a clear attention for improvement through the recommendation of the best practices that can be formulated. It must also be taken as a consideration that the criteria of this study was a currently effective legislation where revisions and alterations to it must be made through an issuance of a law. However, though revision of the law is beyond scope and aptitudes for this research, in order to facilitate the better implementation of the provisions of the Act in the conduct of the procurement of infrastructure projects through competitive bidding, the internal instructions and modifications of certain agency's practices must be made in line with the existing Act.

CONCLUSION:

The general perception arrived in the course of the research with the identified seven engineering districts within the Province of Cebu whose primordial mandate in its establishment is to aid infrastructure development, the procurement activities were perceived to be generally implemented in accordance with the pertinent provisions of the Government Procurement Reform

Act or the Republic Act 9184 with few stipulations to be enhanced through the said proposed recommendation of the best practices that can be formulated.

Infrastructure projects in the main context encompasses the construction, improvement, rehabilitation, demolition, repair, restoration or maintenance of roads and bridges, railways, airports, seaports, communication facilities, civil works components of information technology projects, irrigation, flood control and drainage, water supply, sanitation, sewerage and solid waste management systems, shore protection, energy/power and electrification facilities, national buildings, school buildings, hospital buildings, and other related construction projects of the government.

As the GPPB is tasked to oversee the implementation of the Act with the corresponding Implementing Rules and Regulations, it thus also ensure that the basic tent of competitive bidding for the procurement of infrastructure projects, regardless of the source of funds, must be uphold in all circumstances. Since, the promulgation of the act, anomalies from the different agencies have been revealed and we cannot eradicate the fact that such have been rampant that it resulted to

the ineffective, inefficient and uneconomical spending of the funds of government. Though, much to say that the problem of public procurement of infrastructure projects encompasses more than the bidding process, the well complied and implemented one will facilitate to ensure that it will lead to infrastructure development.

In mitigating the findings revealed in the study, ensuring the meant infrastructure development was heightened. Upon the conduct of the Pre-bid Conference, it was already stressed out in the results of the research that the Contractors were not required to attend as per instructions made to the bidders as provided for in the Bidding Documents. As the objective of infrastructure development is put with high regards, it is vital that the attendance of prospective bidders for the infrastructure projects must be encouraged by the Agency to ensure a better communication and sound conduct of the rest of the bidding process. Disqualification of prospective bidders which may have better proposal to the government may likewise be abridged to allow greater competition for the procurement at hand. Such disqualification was due to specific instructions which were not complied with. These were only made clear upon discussion and clarification with the BAC through the pre-bid conference that the contractors failed to participate since it was not required within the IRR of the Act. This pose the risk that a proposed bid that will facilitate the attainment of the right quality, right cost, right time, right people and right project in the thrust towards infrastructure development may be hampered because the prospective bidder was already shortlisted even before their bid was opened for competition.

This may also, pose a risk of overlooking specific important details of the bid that may affect the implementation of the contract which may also results to the irregular, unnecessary, excessive, extravagant and unconscionable spending that is a ground for disallowance in the audit. Better organizing and uniform manner of the submission of the documents will also help to facilitate the better conduct of the post-qualification process and thus also subsiding time for the entire bidding process. The posting of performance security, as one of those with findings, is promulgated within the act to guarantee on the faithful performance of the contractors. That the specifications as cited for in detail in the Contract of Agreement signed by the head of the agency and the contractor are well abided by both parties of the contract. Giving the premise that the planning stage of the implementation of the infrastructure projects which is duly confirmed during the Pre-procurement Conference and the source of funds appropriated to equally address and monitor how the priorities and terms of reference for the processes are actually set, the mandate on infrastructure development will be attained and thus, expediting the thrust to enhance the quality of life of every Filipino people.

It is also essential that the bidding be conducted in the timely and efficient manner so that the constituents of the seven engineering districts will be able to enjoy the benefits of the government projects in immediate time possible. Thus, with the least time but efficient means of the conduct of the stages of the procurement process, a faster way towards infrastructure development may be managed. As disclosed in the research, the BAC has noted that the conduct of the checking of submitted documents by the contractors through the non discretionary pass/fail criterion become cumbersome to them which have at times resulted to the delay of the bid evaluation and ranking. Disorganized submission of which have been noted and thus going through every document to ensure completeness, validity and authenticity becomes a tedious work for the BAC especially the Technical Working Group which thus, results to affecting the timeliness and efficiency of the conduct of the procurement process. Likewise, as we also address the issue on the need for the presence of the observers during the required stages of the procurement process, we would also discourse the need of the greater public participation that would allow the transparency in line with the pertinent governing principles of the Act. With these in consideration, it is eminent that the pursuit to enhance the systems of the Philippine Government through constant monitoring on the level of compliance is constantly apprehended. In the recent, State of the Nations Address of the President Rodrigo Duterte, he encourages the agencies to put an end to the practice of some practices of some parties of resorting technicalities in our laws, which prevents the government from the fulfilling the mandate. He further stressed that the laws should support and not impede national development in a speedy and sustainable manner. As the president, also aims to make the next few years the “Golden Age of Infrastructure” in the Philippines to enhance mobility and connectivity, and thereby spur the development growth equitable in the country, the mitigation of the revealed issues on the compliance of the RA 9184 through the continual improvement plan that can be developed for the National Government Agencies within the Province of Cebu is envisioned to lay down radical and sustainable reforms focused on provisions of quality public services to the Filipino people though infrastructure projects implemented in Right Project, Right Cost, Right Quality, Right on Time and Right People.

6. RECOMMENDATION

On the basis of the stated conclusions, the following recommendations, which were also the centre for the continual improvement plan; were hereby offered: Inclusion in the Instructions to Bidders within the Bidding Documents, provided to the prospective bidder upon payment of the appropriate bidding fees, of the requirement to attend the Pre-Bid Conference even with the just their duly authorized representative.

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