



## Annex B

### PROCUREMENT

#### CVA RISK ASSESSMENT GUIDE

ACTIVITY	RESPONSIBLE UNIT/ PERSON	OBJECTIVE	DOCUMENTS REQUIRED	RISK FACTORS	LIKELIHOOD OF OCCURRENCE	SIGNIFICANCE OF RISK	CONTROL ACTIVITIES
Request Issuance of CAF	DL	To secure certificate of availability of fund for the items to be procured	Annual Procurement Plan; Letter for issuance of CAF	Procurement of equipment not listed in APP	High	High	Signed APP used as basis of CAF
Issues CAF	FMD	To sign CAF for items to be procured	Letter / Certificate of Availability of Fund	Realignment of budget; manipulate distribution of budget	High	High	Notice of Cash Allocation; Advice of Sub-Allotment
Notifies BAC of Items to Bid	SMD	To inform BAC Sec. Of the items to bid	List of items to be Bid (APP)	Advance information to certain suppliers	High	High	Duly signed by the authorized personnel
Pre-procurement Meeting	BAC	To identify specs & other requirement pertaining to the items to be procured	List of items to be Bid and its specs (APP)	Specs may be tailor fitted to favor certain suppliers	Medium	Medium	Specs submitted by end user according to their needs
Publish/ Post Invitation to Bid	BAC	To post/ inform suppliers on the needed items of the agency	Announcement of Items for bidding (Letter/Memo or Ads in newspaper)	Information limited to certain suppliers	Medium	Medium - very low chance of getting quality products	Postings/ publications of Notice to Bid, RA 9184
Pre- bid Conference	BAC	To discuss requirements/ specs of items to be procured with potential bidders	List of items to be Bid and its specs (APP)	Specs may be tailor fitted to favor certain suppliers	Low	Low	Minutes of Meeting
Post Supplemental Bulletin	BAC	To inform all potential suppliers on the changes in specs	List of items to Bid and/or revised specs	Favoritism (tailor fitted specs); Receiving an unlawful gratuity, favor or illegal commission (advance info to supplier )	Medium	Medium	BAC/end-user decision on changes on specs



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Acceptance of Bid documents	BAC Secretariat	To collect submitted bid documents	Bid docs	Receiving gratuity, favor or commission, antedating submission of docs	Medium	High	Notice of Bid
Open Legal and Technical Documents	BAC	To verify the legal and technical qualifications of suppliers	Bid docs	Collusion with suppliers	Low	High	Presence of Observers
Open Financial Bid	BAC	To know the proposed bid	Bid docs	Collusion with suppliers	Low	High	Presence of Observers
Seal Envelop of Bidder	BAC	To ensure that no alteration or insertion of additional documents inside the envelopes	Bid docs / and list of requirement to be produce by bidder	None			
Return Documents to Bidders	BAC	To return all pertaining documents to non-compliant bidders	Bid docs	None			
BAC Resolution Re: 1st Failure of Bidding	BAC	To declare that there is no winning bidder	BAC Resolution	Collusion with suppliers	High	High	Publication of Notice of Bid
Approval BAC Resolution Re: 1st Failure of Bidding	FC	To confirm that there is no winning bidder	Letter /Memo and BAC Resolution	None			
BAC Resolution Re: 2nd Failure of Bidding	BAC	To declare that there is no winning bidder (for 2nd time)	BAC Resolution	Collusion with suppliers	High	High	Publication of Notice of Bid
Approval BAC Resolution Re: 2nd Failure of Bidding	FC	To confirm that there is no winning bidder (for the 2nd time)	Letter /Memo and BAC Resolution	None			



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Invite at least 3 BFP Accredited Dealers	BAC	To identify at least 3 BFP accredited dealers that can deliver the items needed by the agency	List of Items to be procured and its specs; list of accredited dealers	Risk of favoring certain dealers	High	High	List of accredited dealers; accreditation process
Receive Price Quotations	BAC	To collect submitted price quotations of BFP accredited dealers	Price Quotation of accredited dealers	Giving info to favored supplier re price quotations received	High	High	Submitted quotations
Evaluate Price Quotations	BAC	To identify dealer with the lowest price quotation	Price Quotation of accredited dealers	Favoring one supplier regardless of quotations received for personal gain	High	High	Decision of BAC on the lowest price quotation
BAC Resolution Re: Successful Bid	BAC	To formally declare winning bidder /dealer	BAC Resolution	None			
Approval of BAC Resolution	FC	To put on record who is the winning dealer	Letter /Memo and BAC Resolution	Reverse decision of BAC	Low	Low	Justification for reversing decision
Notify winning bidder	BAC	To inform the winning dealer	Letter /Memo and BAC Resolution	Delay or non-notification of winning bidder	Low	Medium	BAC Resolution
Forwards BAC Resolution & pertinent documents to DL	BAC	To inform DL who is the winning dealer and the specs of the items to be procured	Letter /Memo and BAC Resolution on winning dealer	Delay or non-notification of DL	Low	Medium	BAC Resolution
<b>DELIVERY</b>							
Physical Count of Items delivered	SAPD	To validate the number of items delivered against PO	PO and Delivery Receipt	Ghost delivery; under or non-delivery of items	Medium	High	Current inventory vs number of items delivered and expected



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Signs DR	SAPD	To acknowledge complete delivery	PO and Delivery Receipt	Ghost delivery	Medium	High	Current inventory vs number of items delivered and expected
Notify TIC, COA, IAC	SAPD	To inform TIC, COA, IAC & other concerned units about delivery (if needing technical inspection)	Letter / Memo of notification	Delay in notification	Medium	Low	Letter / Memo of notification
Inspection TIC	TIC/ IAC	To find out if the delivered product meet the specified specs in PO	Inspection Report	Delay in inspection	Low	Low	Inspection Report
TIC Notifies SAPD Compliance as to Specs	TIC/ IAC	To inform SAPD that the product passed the technical inspection	Letter / Memo of notification on compliance to specs	Delay in notification	Low	Low	Inspection Report
TIC Communicate with Supplier	TIC/ IAC	To inform the supplier that the product failed the technical inspection	Letter	Altering inspection report, inaccurate assessment	Medium	Low	Inspection Report
Notify COA, IAC, End- user	SAPD	To inform COA, IAC & end- user about delivery	Letter / Memo of notification	Delay in notification	Medium	Low	Letter / Memo of notification
Notifies IAC to Proceed with Inspection	SAPD	To inform IAC that the product delivered is ready for inspection	Letter / Memo of notification to proceed with inspection	Delay in notification	Medium	Low	Letter / Memo of notification
Inspection by IAC	IAC	To check the delivered product based on the PO	Inspection Report	Signature for sale, delay in inspection	Low	Low	Inspection Report



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Logistics communicates with supplier	DL	To inform suppliers that the product did not meet the required specs	Letter to supplier	Fixing to guarantee purchase	Low	Low	Inspection report
Prepare IAR	IAC	To acknowledge complete delivery (regular supplies)	IAR	Signature for sale	Low	Low	Actual count of delivered products
<b>Payment of Delivered products</b>							
Prepare DV	Logistics Div	To process payment of the supplier	DV	Delay or 'facilitate' processing or payment	Medium	Medium	Delivery receipt
Compute Penalty	FMD	To know the amount of penalty to be imposed to the supplier	DV, PO, DR	Impose or waive penalty for a fee	Medium	Medium	Compare date of expected delivery vs actual delivery
Prepare Check and ACIC	FMD	To process check & ACIC for payment of the supplier	DV, ACIC, PO, DR	Delay or 'facilitate' check preparation	Low	Low	DV, PO, DR
Signs Check and ACIC	FMD	To approve payment	DV, ACIC, PO, DR	Delay or 'facilitate' check preparation	Low	Low	DV, PO, DR
Approves Check and ACIC	FC	To approve payment	DV, ACIC, PO, DR	Delay or 'facilitate' check preparation	Low	Low	DV, PO, DR
Delivers ACIC to Landbank	FMD	To inform the bank that a check was issued to the name of the supplier	ACIC	Advance information to supplier re release of check	Low	Low	DV, ACIC, PO, DR
Records disbursement in Index of Payments	FMD	To reflect payment made on procured item	DV, ACIC, PO, DR	Misdeclaration of payment	Low	Low	DV, ACIC, PO, DR



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Release Check to Supplier/ Dealer	FMD	To render payment to the supplier	CV	Withholding check	Medium	Medium	CV
<b>DISTRIBUTION</b>							
Reflect to Inventory	SAPD	To record the product procured to the inventory list/database	PO, DR	Misdeclaration of items purchased	Medium	High	DR, Inspection Report
Prepare ARE	SAPD	To document accountable officer of item/ equipment	ARE	Misdeclaration of items for MR	Medium	High	ARE vs. DR
Release items to Accountable Officer	SAPD	To turn-over the item to the accountable officer	ARE	Ghost delivery	Medium	High	ARE vs Inventory
Awaits RIS for release of supplies	SAPD	To issue supplies requested by end users	RIS, Letter/Memo	Withholding/reallocation of supplies	Medium	Medium	RIS



## Procurement









