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SENATE  
Proposed Senate Resolution No. 120

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Introduced by Senator Aquilino “Koko” Pimentel III

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**A RESOLUTION  
DIRECTING THE SENATE COMMITTEE ON  
ACCOUNTABILITY OF PUBLIC OFFICERS AND  
INVESTIGATIONS (BLUE RIBBON), TO CONDUCT AN  
INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED  
OVERPRICED AND OUTDATED LAPTOPS PROCURED BY  
THE DEPARTMENT OF EDUCATION (DEPED) THROUGH  
THE DEPARTMENT OF BUDGET AND MANAGEMENT-  
PROCUREMENT SERVICE (DBM-PS)**

1       **WHEREAS**, Section 2 of Presidential Decree No. 1445 or the  
2       *“Government Auditing Code of the Philippines”* provides for the  
3       judicious and the prudent use of limited government resources, to wit:

4  
5       *It is the declared policy of the State that all resources*  
6       *of the government shall be managed, expended or*  
7       *utilized in accordance with law and regulations, and*  
8       *safeguarded against loss or wastage through illegal or*  
9       *improper disposition, with a view to ensuring*  
10       *efficiency, economy and effectiveness in the operations*  
11       *of government. The responsibility to take care that such*  
12       *policy is faithfully adhered to rests directly with the*  
13       *chief or head of the government agency concerned;*  
14

1           **WHEREAS**, Section 7 of Republic Act (RA) No. 9184 or the  
2   “*Government Procurement Reform Act*” and its Implementing Rules  
3   and Regulations (IRR) mandate that all government procurement  
4   should be meticulously and judiciously planned and that consistent  
5   with government fiscal discipline measures, only those considered  
6   crucial to the efficient discharge of government functions shall be  
7   included in the Annual Procurement Plan;

8  
9           **WHEREAS**, on 8 March 2020, Presidential Proclamation No.  
10  922 was issued declaring a state of public health emergency throughout  
11  the Philippines due to the Corona Virus Disease of 2019 (COVID-19).  
12  Since then, national and local governments have been imposing  
13  community quarantines as a measure to limit the spread of the virus.  
14  For this reason, face-to-face classes had to be suspended and the whole  
15  country had to transition to distance learning;

16  
17           **WHEREAS**, there was an urgent necessity for the DepEd to  
18  procure laptops for teachers to implement distance learning. As such,  
19  sourcing the fund from R.A. No. 11494 or the “*Bayanihan to Recover*  
20  *as One Act*”, DepEd procured laptops under the project name “Supply  
21  and Delivery of Laptop Computers for Public School Teachers,” with  
22  a budget of P2,400,000,000.00 (P2.4 billion) as shown in its revised  
23  2021 Annual Procurement Plan;

24  
25           **WHEREAS**, the Department of Education Consolidated Annual  
26  Audit Report 2021 by the Commission on Audit (“COA Report” for  
27  brevity) flagged these teachers’ laptops procured thru the DBM-PS as  
28  the procurement agent for being pricey for an entry-level laptop<sup>1</sup>;

29  
30           **WHEREAS**, the DepEd’s Agency Procurement Request (APR)  
31  provided the price of only P35,046.50 per unit of laptop with the  
32  following principal technical specifications:

- 33  
34           1. 1.9 GHz base speed, 2 MB processing cache;

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<sup>1</sup> Department of Education Consolidated Annual Audit Report 2021, Observations and Recommendations, p. 342.

- 1           2. 8 GB Double Data Rate Fourth Generation Synchronous
- 2           Dynamic Random-Access Memory (DDR4 RAM);
- 3           3. 14-inch, 1920x1080 Full High-Definition (Full HD), Anti-
- 4           Glare Non-Touch Screen Display; and
- 5           4. 1 Terabyte (TB) Serial Advanced Technology Attachment
- 6           (SATA) Hard Disk Drive (HDD)<sup>2</sup>;
- 7

8           **WHEREAS**, after conducting its own market survey, the DBM-  
9 PS recommended a unit price of P58,300.00 instead for the same  
10 specifications, which the DepEd approved, and the procurement was  
11 advertised on 10 May 2021;

12  
13           **WHEREAS**, according to the COA Report, “The huge difference  
14 of P23,253.50 per unit price resulted in significant decrease by 28,917  
15 laptop computers, purportedly for distribution to intended recipient-  
16 teachers which could have helped them in performing their tasks in the  
17 blended learning set-up”;

18  
19           **WHEREAS**, a review of the other laptop procurements of the  
20 DBM-PS on the same period would show that the P58,300 per unit  
21 price was without basis and in fact disadvantageous to the DepEd.  
22 Based on the COA Report, in May 2021, DBM-PS procured a mid-  
23 range type of laptop with a unit price of P45,431.20 which turned out  
24 to be faster and better than that of DepED’s. It further mentioned an  
25 earlier procurement in June 2020 by DBM-PS also for DepEd, of a  
26 faster Intel Core i5 processor, 8<sup>th</sup> generation, Turbo Speed of 3.9Ghz,  
27 4-Core 6MB cache with a unit price of only P32,500.00<sup>3</sup>;

28  
29           **WHEREAS**, the winning bidder, Joint Venture of Sunwest  
30 Construction and Development Corp., LDLA Marketing and Trading  
31 Inc., and VST ECS (Philippines) Inc. (“JV of Sunwest” for brevity),  
32 offered a Dell Latitude 3420 Notebook equipped with an 11<sup>th</sup>  
33 Generation Intel Core Celeron that has 1.8 GHz clock speed and 4MB  
34 processing cache for P58,270 per unit;

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<sup>2</sup> Technical Specifications, Public Bidding No: 21-074-7.

<sup>3</sup> Department of Education Consolidated Annual Audit Report 2021, Observations and Recommendations, p. 351.

1           **WHEREAS**, upon verification, the Dell Latitude 3420 Notebook  
2 is bundled with Intel Celeron 6305 processor with only 1.8GHz Base  
3 Speed, which is not compliant to the 1.9GHz Base Speed specified in  
4 the bidding documents;

5  
6           **WHEREAS**, unsurprisingly, the COA Report revealed feedback  
7 gathered stating that the delivered laptops are too slow because the  
8 processor is Intel Celeron, which is outdated; and that the price is too  
9 high for the technical specifications provided by the DepEd<sup>4</sup>;

10  
11           **WHEREAS**, to make matters worse, according to the COA  
12 Report, the base price of the same model of Dell laptop available in the  
13 market with a better screen (15.6” and HHD) ranges from P22,490.00  
14 up to P25,000.00 only<sup>5</sup>;

15  
16           **WHEREAS**, the COA Report concluded that the DepEd settled  
17 and agreed to the price and technical specifications of an entry-level  
18 type laptop provided by the DBM-PS. It found that the adjustments  
19 made on the said procurement resulted in pricey computer laptops with  
20 low-end processor which decreased the number of intended  
21 beneficiaries from 68,500 to 39,583 public school teachers<sup>6</sup>;

22  
23           **WHEREAS**, aside from the foregoing, COA flagged the lack of  
24 documentary requirements to support the fund transfer to DBM-PS of  
25 the P2.4 billion budget which remained unliquidated at year-end 2021;  
26 the non-posting of the notices, contract award and other documents on  
27 DepEd’s official website; and the non-submission of the required  
28 documents for the awarded procurement contract for the teachers’  
29 laptops<sup>7</sup>;

30  

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<sup>4</sup> Department of Education Consolidated Annual Audit Report 2021, Observations and Recommendations, p. 351.

<sup>5</sup> *Ibid.*

<sup>6</sup> Department of Education Consolidated Annual Audit Report 2021, Observations and Recommendations, p. 349.

<sup>7</sup> Department of Education Consolidated Annual Audit Report 2021, Observations and Recommendations, p. 350-353.

1       **WHEREAS**, annually, the Philippine government earmarks  
2 billions of pesos to purchase goods and services necessary to respond  
3 to the needs of the people. Spending this huge amount entails a very  
4 big responsibility on the part of the government because of the public  
5 trust involved. On the other hand, citizens, as taxpayers, have the right  
6 to expect that their government will spend these funds wisely and  
7 honestly, getting the best value for their money;

8  
9       **WHEREAS**, when the procurement process is plagued with  
10 problems such as deficiencies, irregularities, and corruption, the  
11 government loses a huge amount of money. But corruption in public  
12 procurement is not just about losing money. It also reduces the quality  
13 of work or services rendered by the government to the people, in this  
14 case, our child learners;

15  
16       **WHEREAS**, it is thus imperative for the DepEd and the DBM-  
17 PS to explain the basis for the change in the unit price (from P35,046.50  
18 to P58,300.00) and the number of laptop units (from 68,500 to 39,583)  
19 to be procured by the DBM-PS; and the subsequent approval and  
20 acceptance of the DepEd of these laptops that are not in accordance  
21 with its budget and its original technical specifications to the detriment  
22 of our public school teachers and their students;

23  
24       **NOW, THEREFORE, BE IT RESOLVED** as it is hereby  
25 resolved to direct the Senate Committee on Accountability of Public  
26 Officers (Blue Ribbon), to conduct an inquiry, in aid of legislation, on  
27 the alleged overpriced and outdated laptops procured by the  
28 Department of Education (DepEd) through the Department of Budget  
29 and Management-Procurement Service (DBM-PS), with the end in  
30 view of identifying accountability and making changes to our  
31 procurement laws and processes, if found necessary.

*Adopted,*

  
**AQUILINO "KOKO" PIMENTEL III**