

NEW GOVERNMENT PROCUREMENT ACT AND ITS IMPLICATIONS FOR DEPED SCHOOLS MOOE AND OTHER FUNDS

by:

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The passage of the New Government Procurement Act (NGPA), or Republic Act 12009, on July 20, 2024, marked a major shift in how the Philippine government manages public procurement. This new law replaces the long-standing Republic Act 9184 and introduces updated principles that emphasize transparency, competition, efficiency, sustainability, accountability, and the professionalization of procurement processes. The law's Implementing Rules and Regulations (IRR), released on February 10, 2025, now guide all government agencies including public school on how to plan, procure, and manage contracts more responsibly.

For schools under the Department of Education (DepEd), which rely heavily on the Maintenance and Other Operating Expenses (MOOE) budget to fund daily operations, the NGPA brings important changes. School-based procurement of supplies, learning materials, furniture, repair needs, and other operational requirements will now follow strengthened procedures under the new law. With procurement tied directly to the school's ability to function effectively, the NGPA ensures that every transaction involving MOOE or other funds is properly documented, competitively sourced, and aligned with the school's actual and approved needs.

Before the adoption of RA 12009, DepEd operations were anchored on the regulations of RA 9184, particularly through DepEd Order No. 74, s. 2016, which enforced

the 2016 revised IRR of the old procurement law. The system required Annual Procurement Plans (APPs), compliance with budget ceilings, and adherence to standard procurement timelines and documentary requirements. These policies helped schools and divisions stay aligned with national procurement standards.

However, the NGPA introduces several reforms that improve upon the previous framework. These include more deliberate procurement planning, mandatory market research before procurement, appropriate use of procurement modalities, stronger emphasis on value for money, and the integration of modern and electronic procurement systems. The law also encourages sustainability, requiring procuring entities to consider long-term costs, durability, environmental impacts, and social benefits when selecting goods or services. For schools, these reforms mean that routine purchasing from chalk and bond paper to major furniture or equipment must now be supported by better planning and clearer justification.

The shift to NGPA also opens doors for more strategic and cost-effective spending. Schools can now take advantage of updated procurement rules to secure better-quality supplies, reduce procurement delays, and ensure that items procured using MOOE last longer and are aligned with the school's real needs. When procurement is carefully planned and conducted with proper market scoping, schools can avoid unnecessary purchases and prevent last-minute emergency procurement that often results in higher costs or substandard items.

Still, the transition to the new law requires preparedness. School heads, administrative officers, and procurement committee members will need to understand

the new IRR and adjust their processes to comply with updated requirements on transparency, documentation, and reporting. Schools will also need to continue coordinating with their Schools Division Office (SDO), which remains responsible for ensuring compliance with procurement laws. While DepEd has long required adherence to national procurement rules, the NGPA raises expectations and places greater emphasis on professionalism and responsible spending.

In essence, Republic Act 12009 is not just a replacement for RA 9184 it is a modernization effort that reshapes how government procurement is carried out. For public schools that are entrusted with MOOE and other funds, the NGPA strengthens accountability and safeguards the responsible use of public resources. By embracing its principles of efficiency, transparency, competitiveness, sustainability, and integrity, schools can improve their procurement systems and ensure that every peso they spend genuinely contributes to better learning environments and more effective public service.

References:

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