

Republic of the Philippines  
**SUPREME COURT**  
Manila

EN BANC

**G.R. No. L-21352      November 29, 1966**

**ANTONIO J. VILLEGAS, as Mayor of Manila, and THE BUSINESS AND INDUSTRIAL SUPPLIERS (FAR EAST), INCORPORATED,** petitioners-appellees,

vs.

**THE AUDITOR GENERAL and CITY AUDITOR JOSE ERESTAIN,** respondents-appellants.

*R.A. Ereñeta for appellee Incorporated.*

*Asst. Fiscal Manuel T. Reyes for appellee Mayor.*

*Office of the Solicitor General for respondent and appellant.*

**SANCHEZ, J.:**

Upon appropriation totalling P580,000.00<sup>1</sup> for the purchase of closed refuse collection trucks, the City Public Services Officer of Manila requisitioned 20 units. The bidding, as published and posted, was set for February 23, 1962. Bid offers were received, amongst others, from CCH, Inc., hereinafter referred to as CCH, G.A. Machineries Inc., (GAMI) and the Business & Industrial Suppliers, Inc., (BISI). Because of too restrictive specifications, no award was made. The committee on awards, composed of the City Mayor, the City Auditor and the City Treasurer, decided at its meeting of May 17, 1962 to hold a rebidding on June 4, 1962.

Revised specifications were drawn up. The rebidding set for June 4, 1962 was advertised in the newspapers. Copy of the invitation to bid was posted on the bulletin board of the property division of the City Treasurer's office; and a copy thereof was mailed to each of fifteen prospective bidders including CCH, GAMI and BISI. The three just-mentioned were amongst the nine who submitted bids.

On June 18, 1962, the committee on awards consisting of Manuel Cudiamat, City Treasurer; Jose Erestain, City Auditor; and Fernando Manalastas, representing the City Mayor, convened. Present thereat also were transportation chief Leopoldo Reyes, in behalf of the requisitioner, Department of Public Services; and Magdalena Gomez of the Department of Engineering and Public Works, technical adviser. The committee deliberated on the submitted bids. Manalastas informed the committee that he had evaluated each and all of the bids entered and, in his opinion, BISI's was the best and most advantageous. Following a discussion and desiring further information, the committee adjourned the meeting to June 20, 1962. The Secretary was instructed to phone all the bidders to come at the next meeting.

On June 20, 1962, the committee on awards resumed its meeting with City Treasurer Cudiamat, City Auditor Erestain and Manalastas in attendance. Also present were Leopoldo Reyes, of the requisitioning Department of Public Services; and Miguel Montaner of the Department of Engineering and Public Works and Ambrosio Zamora, central garage foreman, the last two as technical advisers. Angel Sarmiento representing CCH and Enrique Pineda of the GAMI were amongst the five bidders' representatives who appeared thereat. In an open discussion, the bidders' men participated. After the bidders' spokesmen left, the committee settled down to wait for Public Services Officer Ejercito or his assistant Chico. BISI's representative Romulo David thereafter entered the room. Asst. Public Services Officer Chico later came in. Chico paraphrased his written recommendation, stated that the best and most advantageous offer was that of BISI. BISI's representative Romulo David, when asked by committee member Erestain as to the supply of spare parts, replied that he would try his best to get GAMI, the distributor in the Philippines, to deliver the said spare parts whenever and wherever needed. The committee on awards, on motion of Fernando Manalastas seconded the City Auditor Erestain, unanimously made the award in favor of BISI. Following [with emphasis supplied] is an excerpt from the minutes:

12. Premises considered, then, and on the *merits* of the bids presented and evaluated by him on the basis of the *recommendations of Mr. Reyes* and Mr. *Chico*, Mr. Manalastas formally moved to make the award in favor of the BUSINESS & INDUSTRIAL SUPPLIERS, INC. for the Ochsner w/ Thames Trader at \$12,064 CIF each, for as many units as can be covered by the P580,000 fund available. On the basis of Mr. Manalastas' evaluation as technical expert and Mr. Reyes' and Mr. Chico's *recommendation* as end-users for an award in favor of the bid *most advantageous* to the City, Mr. Erestain formally seconded the motion.

On June 25, 1962, purchase order No. 53935-62, for 12 units of closed refuse collection trucks, was prepared. This was approved by the Mayor on July 2, 1962, attested by City Auditor Erestain on July 6, 1962 and accepted by BISI on July 18, 1962.

Came the letter-protests of CCH and GAMI. At its meeting of July 16, 1962, the committee on awards composed of City Treasurer Cudiamat, City Auditor Erestain and Manalastas, representing the Mayor, met to deliberate thereon. After an exchange of views, on motion of Manalastas, seconded by Erestain, the committee resolved to dismiss the said protests. Lifted from the minutes are the following:

The foregoing were all excerpts from Mr. Manalastas' memorandum to the Committee, who now went into deliberation. Presently, he moved (Mr. Erestain seconding) that in view of all these foregoing considerations summarizing the advantages to be derived from the Ochsner<sup>2</sup> instead of the Eagle,<sup>3</sup> to affirm the BISI award and to deny both CCH and GAMI protests, as approved and initialed by His Honor, the Mayor, on the aforesaid memorandum. Motion unanimously carried.

GAMI and CCH, on July 23 and July 24, 1962, respectively, protested the committee's decision to the Auditor General.

On July 24, 1962, the City Public Services Officer prepared DPS Voucher No. 1129 for P571,310.65 to cover bank deposit and other charges for establishing a letter of credit of P144,768.00, needed for the importation of the 12 units of closed refuse collection trucks in question. This voucher was submitted to the City Auditor on July 25, 1962 for "pre-audit".

City Auditor Erestain, however, previously received verbal instructions from Mr. Reboredo of the Local Governments Auditing Department, Auditor General's Office, that further action on the opening of the letter of credit for this purchase be held in abeyance. Accordingly, Erestain, on August 14, 1962, wrote the Auditor General requesting that his office be advised of the decision on this matter.

The Auditor General created a committee composed of Supervising Auditor Teodulo A. Hayag, Mechanical Engineer Salustiano C. Guinto and Architect Elpidio Z. Salvador, "to look into the technical aspects of the case". This committee opined that the Dennis-Paxit truck offered by CCH "is better" than BISI's Ochsner. The Deputy Auditor General, on September 12, 1962, wrote City Auditor Erestain that on the basis of the committee's report, "the award should have been given" to CCH and directed him to "be guided accordingly."

On September 18, 1962, the Mayor, to whom the papers were indorsed by the City Auditor, transmitted them to the City Treasurer through the City Auditor, stating that BISI's is the most advantageous bid; that the decision of the city's committee on awards was sound, and that "CCH is presently under investigation for having supplied the City of Manila with 20-Eagle Compressmore units in 1961" which equipment, in the opinion of "the very Committee of the General Auditing Office, "could not be used efficiently", attention being invited to the GAO's Committee's memorandum dated September 12, 1962". All the papers were indorsed back by the City Auditor to the Auditor General.

On September 28, 1962, the Deputy Auditor General returned the papers to the City Auditor with the information that, based on the report of his technical committee, his office was of the belief that CCH offered the most advantageous bid, reiterated that CCH should have been awarded the contract, and warned that the proposed purchase from BISI "may not be allowed in audit."

The papers finally found their way back to the office of the City Mayor who, in his indorsement of October 10, 1962, challenged the jurisdiction of the Auditor General to take cognizance of the protest lodged by CCH, stated that the contract with BISI for the purchase of the trucks had been perfected, and added that because CCH failed to comply faithfully with a "previous contract for the delivery of the trucks to the City," the latter "had filed a suit against the said entity."

Offshot of this impasse is that the City Auditor, in obedience to superior orders, refused to pre-audit and sign the voucher dated July 24, 1962 in favor of the Philippine National Bank for the amount of P571,310.65.

Upon the averment that respondents' duty to sign the voucher in question — necessary for the issuance of the corresponding letter of credit — was ministerial, petitioners, Mayor of Manila and BISI, went to the Court of First Instance on *mandamus*, praying that respondents be directed to sign the voucher aforesaid and "to perform all such other pertinent acts within their jurisdiction leading towards the early delivery to the City of Manila of the urgently needed garbage trucks." Upon the petition and the respondents' answer thereto, and the stipulated facts, the court rendered judgment as follows:

IN VIEW OF ALL THE FOREGOING, the respondents, Auditor General and City Auditor Jose Erestain of the City of Manila, are hereby commanded and directed to sign the voucher dated July 24, 1962, signed by the City Public Services Officer and the City Treasurer, in favor of the Philippine National Bank in the amount of P571,310.65, purposely to open a letter of credit for the payment of the equipment in question which is needed to be imported from abroad and which was forwarded to, the respondent City Auditor for "pre-audit" on July 25, 1962, and to perform all such other pertinent acts within their jurisdiction leading towards the early delivery to the City of Manila of the urgently needed garbage trucks.

The case is now before us on appeal upon questions of law.

1. We first address ourselves to the legality of the constitution of the committee on awards, which on June 20, 1962 approved BISI's bid. It will be recalled that, while at the first meeting on February 23, 1962, said committee was constituted by City Mayor Villegas, City Treasurer Cudiamat and City Auditor Erestain, at the meeting of June 20 following, the City Mayor was represented by Fernando Manalastas. This deliberation, respondents challenge "as clearly illegal and unauthorized under the law" which allowed "no substitution."

By legal mandate, Section 3 (c) of Republic Act 2264,<sup>4</sup> purchases for cities in excess of P5,000.00 "shall be made" by a committee on awards composed of the City Mayor, City Auditor and City Treasurer. The rule is well settled that officers, in letting municipal contracts, perform not merely ministerial functions, but duties of a "judicial and discretionary nature."<sup>5</sup> As well established is the principle that judicial or quasi-judicial powers may not be delegated. In the absence of constitutional or statutory authority, an administrative officer may not alienate or surrender his discretionary power or power's which require exercise of judgment, or deputize another for him with respect thereto.<sup>6</sup> For, when a public official is granted discretionary power, it is so be presumed that so much is reposed on his integrity, ability, acumen, judgment. Because he is to look into the facts, weigh them, act upon them, decide on them — acts that should be entrusted to no other. The Mayor, therefore, was not empowered to delegate his duties as a member of the committee on awards to Fernando Manalastas, his technical assistant on public health, hygiene and sanitation.

Manalastas eliminated, two members of the committee, the City Treasurer and the City Auditor, remained. Nothing extant in the controlling statute would prevent a quorum — and two constitute a quorum — to transact business.<sup>7</sup> Action therefore by a majority — as in this case — is valid. Reason is that the other member, the Mayor, was duly notified, given an opportunity to be present at the June 20 meeting.<sup>8</sup>

But if more were needed to add force to the power of the committee to make the award, there is the fact that the approval of BISI's bid counted not only with the support of the City Treasurer and the City Auditor but was subsequently ratified by the City Mayor. Proof: The City Mayor approved the purchase order on July 2, 1962, upheld the award on September 18, 1962, and is one of the petitioners herein.

We accordingly rule that the committee on awards was duly empowered to act on the bids submitted.

2. We are next ushered to the problem of whether the award in favor of BISI was authorized by law.

The reason for the grant of power, in Section 3 (c) of Republic Act 2264, to the local committee on awards, is to remove red tape occasioned by the purchase made through the Bureau of Supply.<sup>9</sup> Safeguards, of course, have to be provided. Section 791 of the Revised Manual of Instructions to Treasurers thus provides:

*SEC. 791. Reservation of rights to reject any or all bids.*—The contract will be awarded to the contractor whose proposal appears to be the most advantageous to the Government, but the right shall be reserved to reject any or all bids, to waive any informality in the bids received, and to accept or reject any items of any bid unless such bid is qualified by specific limitations; also to disregard the bid of any failing bidder, known as such to the Director of Public Works, or any bid which is obviously unbalanced or below what the work can be done for. The right shall be also reserved to reject the bid of a bidder who has previously failed to perform properly or complete on time contracts of a similar nature, or a bid of a bidder who is not in a position to perform the contract. Reasonable grounds for supposing that any bidder is interested in more than one bid or for the proposed work under this bidding will be a sufficient cause for the rejection of all the bids in which he is interested. The right to reject bids, therefore, is not one to be arbitrarily or capriciously exercised. If the bids are excessive, or if the bidders are not responsible men, as those having records for habitual default or failure in other contracts, or if they do not count with sufficient capital to undertake the first stages, at least 50 percentum of the work, or where there is reason to suspect that there is evident collusion on the part of the bidders, then the right to reject may be freely exercised.

Here, the committee on awards required public bidding — two biddings we should say — pursuant to Section 3 (c) of Republic Act 2264, because the amount is well beyond the

P5,000.00 mark. Notice to bidders was public and posted. At the first meeting of February 23, 1962, the committee decided at holding a second public bidding. The second bidding was held on June 4. The committee deliberated on the bids on June 18. They could not reach a decision. Then they met again on June 20. Technical advisers and representative of end-users were in attendance thereat. The bidders, too, were heard. The *pros* and *cons* were weighed. Before reaching a conclusion as to which bid is the most advantageous, the committee considered, amongst others, the points in favor of BISI and those which impelled rejection of the CCH offer. Only thereafter did the committee give the nod to BISI. Then the CCH and GAMI protests came up. The committee, again after deliberation on the merits, decided against the protest.

It matters not that the BISI bid did not satisfy certain provisions in the revised specifications. That the offer of BISI was "C and F, Manila" and not "CIF, Manila", was properly remedied by the fact that in the award BISI was required to deliver "CIF, Manila". As to the guarantee as to spare parts, this was also considered by the committee which accepted the explanation given by BISI's representative to the effect that GAMI (the distributor thereof) "will certainly cooperate by supplying any needed spare parts and accessories for the proposed units".<sup>10</sup> At any rate, the committee had authority to waive informality in the bids. On top of all these is the fact that it became the duty of the committee on awards to reject<sup>11</sup> CCH's bid for the reason that, as heretofore stated, the previous performance of this company in a contract with the city was so unsatisfactory — a fact known to the General Auditing Office — that the city was compelled to file suit against it.

If the acts of the committee on awards had any meaning at all, they exhibited care, meticulousness and a high regard for the responsibility on it reposed. The committee inquired into the various bids, made comparisons to ascertain who was the most advantageous bidder, sought technical advice, twice deliberated thereon, decided thereafter. At this distance, we are not prepared to say that the committee abused its wide discretion<sup>12</sup> in making the award. After all, there is the legal presumption that public duty has been regularly performed.<sup>13</sup>

3. Respondents mounted a major attack against the refusal of the trial court to recognize the power of the Auditor General to examine and review the award in favor of BISI.

The Auditor General's constitutionally vested powers are written in Section 2, Article XI of the Constitution, *viz*:

SEC. 2. The Auditor General shall examine, audit, and settle all accounts pertaining to the revenues and receipts from whatever source, including trust funds derived from bond issues; and audit, in accordance with law and administrative regulations, all expenditures of funds or property pertaining to or held in trust by the Government or the provinces or municipalities thereof. He shall keep the general accounts of the Government and preserve the vouchers pertaining thereto. It shall be the duty of the Auditor General to bring to the attention of the proper administrative officer expenditures of funds or property which, in his opinion, are irregular, unnecessary,

excessive, or extravagant. He shall also perform such other functions as may be prescribed by law.

Section 584 of the Revised Administrative Code, as amended by Section 1 of Republic Act 2266, implementing the foregoing constitutional precept, recites:

SEC. 584. *General jurisdiction of General Auditing Office.*—The authority and powers of the General Auditing Office extend to and comprehend all matters relating to accounting procedure, including the keeping of the accounts of the Government, the preservation of vouchers, the methods of accounting, the examination and inspection of the books, records and papers relating to such accounts and to the audit and settlement of the accounts of all persons respecting funds or pay received or held by them in an accountable capacity, as well as to the examination and audit of all debts and claims of any sort due from or coming to the Government of the Philippines in any of its branches.  
...

*Guevara vs. Gimenez, et al.*,<sup>14</sup> gave this Court an opportunity to define the zone of action of the Auditor General in connection with expenditures of the government. There, this Court declined to confer authority upon the Auditor General to disapprove the contract for attorney's fees validly entered into between the Central Bank and Judge Guevara. Said this Court:

Under our Constitution, the authority of the Auditor General, in connection with expenditures of the Government is *limited* to the auditing of expenditures of funds or property pertaining to, or held in trust by, the Government or the provinces or municipalities thereof (Article XI, section 2, of the Constitution). Such function is *limited* to a determination of whether there is a law appropriating funds for a given purpose; whether a contract, made by the proper officer, has been entered into in conformity with said appropriation law; whether the goods or services covered by said contract have been delivered or rendered in pursuance of the provisions thereof, as attested to by the proper officer; and whether payment therefor has been authorized by the officials of the corresponding department or bureau. *If these requirements have been fulfilled*, it is the *ministerial duty of the Auditor General* to approve and pass in audit the voucher and treasury warrant for said payment. *He has no discretion or authority to disapprove said payment upon the ground that the aforementioned contract was unwise or that the amount stipulated thereon is unreasonable.* If he entertains such belief, he may do no more than discharge the duty imposed upon him by the Constitution (Article XI, section 2), "to bring to the attention of the proper administrative officer expenditures of funds or property which, in his opinion, are irregular, unnecessary, excessive or extravagant". *This duty implies a negation of the power to refuse and disapprove payment of such expenditures*, for its disapproval, if he had authority therefor, would bring to the attention of the aforementioned administrative officer the reasons for the adverse action thus taken by the General Auditing Office, and, hence, render the imposition of said duty unnecessary."

Not that the views expressed in *Guevara* stand alone in our jurisprudence. As early as 1902, this Court,<sup>15</sup> quoting from Mr. Justice Gray in *Ekiu vs. United States*, 142 U.S. 651, 660, enunciated in broad outlines the concept that where "a statute gives a discretionary power to an officer, to be exercised by him upon his *own* opinion of certain facts, he is made the sole and exclusive judge of the existence of those facts, and no other tribunal, unless *expressly* authorized by law to do so, is at liberty to reexamine or controvert the sufficiency of the evidence on which he acted". *Tan C. Tee & Co. vs. Wright*, 53 Phil. 172, 191, is to be read as controlling here. We there held that "[I]t is the Director of Public Works and not the Insular Auditor to whom the law grants the power to award a contract to the lowest responsible bidder". Citing *Ynchausti & Co. vs. Wright*, [1925], 47 Phil. 866,<sup>16</sup> this Court in *Tan C. Tee* ruled that "the Insular Auditor has no power to reexamine the merits of a decision by the Insular Collector of Customs", and added that "[W]hat the Insular Auditor can properly and legally do when, in his desire to protect the public treasury, he sees money being dissipated by irresponsible or careless officials, is clearly indicated in the Organic Act when it provides that "[I]t shall be the duty of the Auditor to bring to the attention of the proper administrative officer expenditures of funds or property which, in his opinion, are irregular, unnecessary excessive, or extravagant" ". And in *Zobel, et al. vs. City of Manila*, 47 Phil. 169, the language is as clear and explicit. We there said:

Another reason advanced for supposing the contract for the purchase of this property to be invalid, or at least unenforceable, is that the Insular Auditor has refused to countersign the warrant for the first installment of the purchase price; and it is insisted for the defendant that this action on his part is conclusive against the plaintiffs. Their sole recourse, so it is claimed, is, or rather was, by way of administrative appeal from the action of the Auditor to the Governor-General. The suggestion is in our opinion without merit. The general provisions of law defining the jurisdiction and powers of the Auditor General and which, if literally construed, would seem to make him absolute arbiter of all claims of any sort against all branches of the Government must be considered to be qualified as regards the contract rights or persons dealing with the city by the more specific provisions declaring how and by whom contracts can be made which will be binding on it. *It was not intended* that the Auditor *should possess a general veto power over all city contracts*, and his refusal to countersign the warrant referred to is of no moment in this action to enforce the legal liability of the city.<sup>17</sup>

As we fall back on the facts, here is the situation presented in the case before us. There is a perfected contract for the purchase of the trucks. The purchase order was approved by the City Mayor, attested to by respondent City Auditor, and accepted by BISI on July 18, 1962. That contract conforms to the provisions of the law prescribing the procedure as to how and by whom said contract can be validly entered into. Public bidding was conducted upon notice and publication. The various bids were examined. The committee awarded the bid to BISI. The City Mayor signed the contract as he is empowered so to do.<sup>18</sup> In this factual backdrop, respondents have no discretion to disapprove the voucher for payment. If the Auditor General believed that the contract was unwise, his duty under the Constitution was simply to bring the matter to the attention of the city authorities. Which he did.

The *illegality* of contract — non-compliance with the mandatory provisions of law and administrative regulations indispensable to the validity of a contract — is here absent. Therefore, the rulings of this Court in *Matute vs. Hernandez*, 66 Phil. 68 and *Vda. de Hijos de C. Zamora vs. Wright and Segado*, 53 Phil. 613 — which upheld the Auditor's power of refusal to pass in audit disbursements upon contracts in violation of law — find no application in the case before us.

We rule that the Auditor General is bereft of authority to revise, revoke or veto the award herein.

4. Respondents would want to overturn the award upon the averment that the same was given under an irregular procedure and circumstances indicative of arbitrariness or favoritism amounting to fraud.

All quarters concede that the action of an administrative body which is corrupt, arbitrary or capricious may be stricken down by the courts of justice.<sup>19</sup>

All that respondents could muster on this point is a reference to the actuaciones of Fernando Manalastas. The charge funnels down to the averment that Manalastas endorsed BISI's bid to the two committee members and against the competing bidders, and that, for this reason, he was the mouthpiece of BISI and incapable of exercising an independent mind and judgment. Manalastas was the mayor's consultant in public health, hygiene and sanitation. That Manalastas was entitled to his opinion, we should not dispute. That opinion was expressed openly, was the subject of scrutiny of the two members of the committee, the City Treasurer and the City Auditor. These two pitted the arguments advanced by Manalastas as against those offered by GAMI and CCH. Manalastas was not alone in his view. Two other officials of the city government, Leopoldo Reyes of the department of public services and Mr. Chico, Assistant Public Services Officer, both representing the end-users, also recommended the award. The two committee members, the City Treasurer and the City Auditor, who gave their imprimatur to BISI's bid, are responsible public officials. And then, respondent City Auditor Jose Erestain — the minutes of the meetings of June 18 and 20, 1962 show — actively participated in the discussions, placed his stamp of approval on the award to BISI only after he had satisfied himself of the correctness thereof. At the meeting of June 20, 1962, he even served notice that "the Committee will do what is right under any administration". And more. When the protests of GAMI and CCH were taken up by the Committee on July 16 following, Erestain took proper precautions to make anew a searching examination of the facts, before he reached the conclusion that the protests were without merit. Well did the trial judge remark that the charge of irregularity amounting to fraud is a "sad and unfair reflection on the respondent City Auditor Jose Erestain".

Really, mere suspicion as to the actuaciones of Manalastas will not override the presumption of regularity and legality of his official acts as technical assistant, or, for that matter, the official acts of the members of the committee.<sup>20</sup>

We hold that vice did not contaminate the award.

5. The proposed expenditure of city funds here involved is legal. The contract was entered into by the Mayor acting within the scope of his authority. There is appropriation to cover the disbursement. And this, not to say that the voucher therefor had been duly attested by respondent City Auditor. Mandamus lies to compel respondents to perform their ministerial duty — to sign the voucher for the purchase of the equipment.<sup>21</sup>

For the reasons given, we affirm the judgment under review. No costs. So ordered.

*Concepcion, C.J., Reyes, J.B.L., Barrera, Dizon, Regala, Makalintal, Bengzon, J.P., Zaldivar and Castro, JJ., concur.*

## Footnotes

<sup>1</sup> Ordinance 4327 — P280,000; Ordinance 4378, Item 364 — P300,000.

<sup>2</sup> Trucks offered by BISI.

<sup>3</sup> Trucks offered by GAMI.

<sup>4</sup> Known as the Local Autonomy Act.

<sup>5</sup> 43 Am. Jur., p. 783; *Madison vs. Harbor Board*, 25 A. 337, 338, and cases cited.

<sup>6</sup> 73 C.J.S., 380-382; 42 Am. Jur., p. 387.

<sup>7</sup> 73 C.J.S., pp. 314-316, *Cf.* Section 33 of the Judiciary Act of 1948, as amended.

<sup>8</sup> 42 Am. Jur., pp. 384-386; 73 C.J.S., pp. 314-315.

<sup>9</sup> The following excerpts appear from the sponsorship speech of Senator Rosales during the deliberation on Senate Bill No. 224 (now R.A. No. 2264):

Senator ROSALES. . . .

The next additional power given to our local governments is in the matter of purchases. At present almost all the purchases made by the provinces and municipalities are being made through the Bureau of Supply which on many occasions has caused inconvenience, and people and officials in our provinces and municipalities have wasted their time to come to Manila to follow up their

purchases because we know by experience that matters in the Bureau of Supply go very slow and so, under this proposed amendment, when the price of the article is not over and above that fixed by the Bureau of Supply, the local authorities are empowered to make local purchases so long as the amount does not exceed P500 (P1,000 as approved) in the case of municipalities and P5,000 in the case of cities and provinces, in which case when the amount exceed those figures, the purchase has to be made through public bidding." Congressional Record, (Senate), 4th Congress, 1st Session, May 13, 1958, Vol. I, No. 70, p. 1519.

<sup>10</sup> Minutes of the committee meeting of July 16, 1962, when the protests were rejected.

<sup>11</sup> See Revised Manual of Instructions to Treasurers, Sec. 791 *supra*.

<sup>12</sup> Esguerra & Sons vs. Aytona, et al., L-18751, April 28, 1962.

<sup>13</sup> Section 5(m), Rule 131, Rules of Court; Quiem vs. Serifa, etc., et al., L-22610, June 30, 1966.

<sup>14</sup> L-17115, promulgated November 30, 1962; emphasis supplied.

<sup>15</sup> *In re: Patterson*, 1 Phil. 93, 98.

<sup>16</sup> Affirmed by the Supreme Court of the United States, 272 U.S. 640.

<sup>17</sup> At pp. 184-185; emphasis supplied.

<sup>18</sup> Section 11(i), R.A. 409, in conjunction with Section 791 of the Revised Manual of Instructions to Treasurers.

<sup>19</sup> *Borromeo vs. City of Manila, et al.*, 62 Phil. 512, 516-517; *Tan C. Tee & Co., vs. Wright*, *supra*, p. 191, citing *People vs. Kent*, 160 Ill. 655.

<sup>20</sup> *Tolentino vs. Catoy* 82 Phil. 300, 304.

<sup>21</sup> *Hoey vs. Baldwin*, 1 Phil. 551, 558; *Ynchausti & Co. vs. Wright*, *supra*, at p. 891; *Radiowealth, Inc. vs. Agregado, etc., et al.*, Phil. 429,440; *Guevara vs. Gimenez, etc., et al.*, *supra*.