

Republic of the Philippines
GOVERNMENT PROCUREMENT POLICY BOARD
TECHNICAL SUPPORT OFFICE



NPM No. 057-2016

2 November 2016

MR. ROLANDO A. DELORINO
President
UNIVERSITY OF EASTERN PHILIPPINES
Catarman, Northern Samar

Re: Chairmanship of the Bids and Awards Committee

Dear President Delorino,

This refers to your electronic mail (e-mail) inquiring whether a designated Vice President for Administration and Finance who is holder of Professor II *plantilla* position is qualified to become the Chairman of the Bids and Awards Committee (BAC).

BAC Rank and *Plantilla* Position

Section 11.2.2 of the revised Implementing Rules and Regulations (IRR) of RA 9184 mandates that the Chairman of the BAC must be at least a third ranking permanent official of the procuring entity. As we have stated in previous opinions, this provision does not provide for any exception to the third-ranking rule. Nonetheless, a second ranking permanent official is qualified to be appointed as Chairperson of the BAC as the minimum requirement is at least a third ranking permanent official.¹

Please be advised that the organizational *plantilla* of the Procuring Entity defines whether the official qualifies for regular BAC membership; and the determination of ranking should take into consideration the hierarchy in the *plantilla* positions present in the agency's organizational structure. Note that the consideration for designation as regular BAC member is not the nature of the appointment, that is, whether the official/personnel was engaged as a permanent, temporary, seconded or detailed employee, but on whether the employee possesses the appropriate ranking and holds a *plantilla* position.

To stress, the term "permanent" does not refer to whether the person holding the *plantilla* position is contractual, regular, or temporary; rather, this refers to whether the position exists within the organizational structure of the procuring entity or not. Thusly, **a third ranking officer occupying a position, albeit in temporary capacity, is eligible to become the Chairman of the BAC for as long as the office he is currently occupying is an existing *plantilla* position in the university.**

¹ NPM 024-2011 dated 26 December 2011

BAC Members: Prohibition

We have earlier opined² that under RA 9184, the personnel disqualified from being a member of the BAC include the HOPE or approving authority and the official who approves procurement transactions. Likewise, COA Circular No. 2003-004 prohibits the Chief Accountant and personnel of accounting units to be regular members of the BAC as it is necessary to ensure that the procurement and payment functions are segregated, in keeping with the rules and principles of good internal control and to avert the possibility of conflict of interest as prohibited under the rules. Under the said Circular, the subject personnel may only serve as provisional member if the Accounting Unit is the end-user.

From the foregoing, **if the functions of the Vice President for Administration and Finance do not cover payment functions**, i.e., certification as to the availability of funds and approval of vouchers in payment of procurements made by the agency, **he is not prohibited from being designated as a regular member of the BAC or Chairman of the BAC**, if he is at least a third ranking permanent official of the procuring entity³.

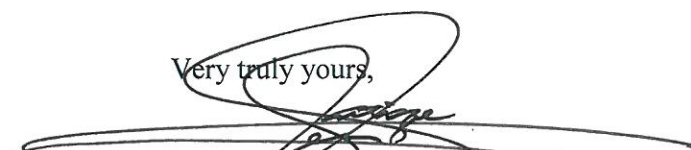
The rationale behind the prohibition in COA Circular 2003-004 is applicable to the case of an official authorized to sign disbursement vouchers. The term "**approving authority**" in Section 11.2.5 of the IRR and the Generic Procurement Manual includes a **person who undertakes payment** since the approval contemplated therein also includes approval of disbursements. Therefore, it is important for the procuring entity to make a determination whether the **official designated as the approving authority for the subject contracts is also the same officer who has the authority to approve payment for the same contracts**. In both instances, said official cannot be appointed as the BAC Chairman to avoid conflict of interest and to maintain the integrity of the procurement process and contract implementation⁴.

Summary

All told, we would like to clarify that only officers occupying either second or third ranking permanent/plantilla position may be designated as BAC Chairman. The VP for Administration and Finance is prohibited from being a BAC Chairman for procurement activities involving contracts where he is also the approving authority.

We hope that this opinion issued by the GPPB-TSO provided sufficient guidance on the matter. Note that this is issued on the basis of particular facts and situations presented, and may not be applicable given a different set of facts and circumstances. Should there be other concerns, please do not hesitate to contact us.

Very truly yours,



DENNIS S. SANTIAGO
Executive Director V

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² NPM Nos. 120-2012 dated September 28, 2012 and 060-2012 dated May 18, 2012

³ Section 11.2.2.(a) of the revised IRR of RA No. 9184

⁴ NPM 059-2012 dated May 14, 2012