

**NPM No. 02-2008**

30 January 2008

**HON. TEODOSIO C. SANGIL, JR.**  
*Undersecretary and Chairperson BAC I*  
**DEPARTMENT OF EDUCATION**  
Room 508, 5<sup>th</sup> Floor, Mabini Bldg., DepED Complex  
Meralco Avenue, Pasig City

**Re : Blacklisting Orders**

Dear Sir:

We respond to your letter dated 15 January 2008 requesting for advice on whether the Civil Service Commission–Central Office (CSC-CO) Blacklisting Order No. 2007-001 posted at the Government Procurement Policy Board (GPPB) Website and issued to Ernest Printing Corporation (“ERNEST”) has become final and executory; and if the answer to this first query is in the affirmative, whether the bid submitted by ERNEST to the Department of Education (DepEd) may be post-disqualified.

All Blacklisting Orders posted at the GPPB website are final and executory in nature. Under Section 5.9 of the UNIFORM GUIDELINES FOR BLACKLISTING OF MANUFACTURERS, SUPPLIERS, DISTRIBUTORS, CONTRACTORS AND CONSULTANTS issued by GPPB under Resolution No. 09-2004 dated 20 August 2004 (or the Blacklisting Guidelines), the procuring entity can only issue a Blacklisting Order upon finality of its decision to suspend a contractor, *to wit:*

**5.9 Finality of Decision**

The decision of the agency shall become final and executory after the lapse of seven (7) calendar days from the receipt of the notice of decision or resolution on the motion for reconsideration. If a protest is filed, the affirmed, modified or reversed decision shall become final and executory upon receipt thereof by the agency and person/entity concerned.

**Upon finality of the decision suspending the contractor, the Head of the Procuring Entity or appellate authority shall issue a Blacklisting Order disqualifying the erring contractor from participating in the bidding of all government projects. (Emphasis supplied)**

The procuring entity shall then submit to the GPPB a copy of the Blacklisting Order within seven (7) calendar days after its issuance. (Please see Section 9.1, Blacklisting Guidelines)

However, please be duly advised that this office received last 22 January 2007 a copy of a Delisting Order issued by the Civil Service Commission lifting subject CSC-CO Blacklisting Order No. 2007-001. A copy of said order is attached for your perusal. In view of this intervening event, DepEd may not proceed with the post-disqualification of ERNEST solely on the basis of said blacklisting order.

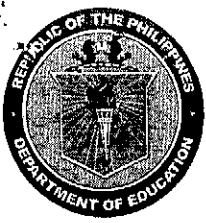
This opinion is being rendered on the basis of the facts and particular circumstances as represented.

We trust that this clarifies matters. Should you have additional questions, please do not hesitate to contact us.

Very truly yours,



**RUBY U. ALVAREZ**  
*Executive Director III*



Republika ng Pilipinas  
 Republic of the Philippines  
 KAGAWARAN NG EDUKASYON  
**DEPARTMENT OF EDUCATION**  
**PROCUREMENT SERVICE**  
**BIDS AND AWARDS COMMITTEE I**



Room 508, 5<sup>th</sup> Floor, Mabini Bldg., DepED Complex, Meralco Avenue, Pasig City

*Keat,*  
*Pls. draft reply, as discussed.*  
 January 13, 2008  
*pp*  
*1/21/08*

**Atty. RUBY U. ALVAREZ**  
 Executive Director III  
 GOVERNMENT PROCUREMENT  
 POLICY BOARD  
 Unit 2506 Raffles Corporate Center,  
 F. Ortigas Jr. Road, Ortigas Center  
 Pasig City

*Alvarez, Ruby.*  
*Let's respond to this ASAP.*  
*Sign in my behalf.*  
*1/21/08*

Dear Atty. Alvarez:


This has reference to the Civil Service Commission-Central Office Blacklisting Order No. 2007-001 issued to **ERNEST PRINTING CORPORATION** for failure to fulfill its obligations as specified in the MOA and as of September 3, 2007 it was posted at the official Website of Government Procurement Policy Board ([www.gppb.gov.ph](http://www.gppb.gov.ph)) copy attached for ready reference.

The DepED Bids and Awards Committee I is now in the process of Post-Qualification on the bid of the said corporation on the project for Printing, Delivery, Retrieval and Warehousing of Test booklets and Non-Classified Materials for various NETRC Testing Projects for 2008 (1<sup>st</sup> Quarter).

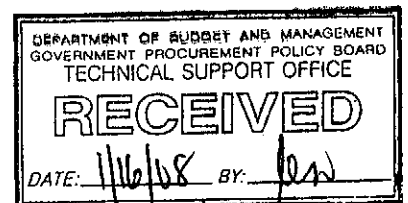
In view thereof, please advice this Office on whether the CSC-CO Blacklisting Order No. 2007-001 posted at GPPB Website and issued to the Ernest Printing Corporation in question has become final and executory and if the answer is in the positive, the bid for the above-mentioned project entered into by ERNEST may now be post-disqualified.

Very truly yours,

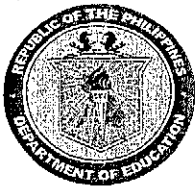
**FOR THE BIDS AND AWARDS COMMITTEE I:**

  
**TEODOSIO C. SANGIL, JR.**  
 Undersecretary and BAC I Chairperson

Incl.: As Stated.



*tan ilichno*



Republika ng Pilipinas  
Republic of the Philippines  
Kagawaran ng Edukasyon  
**DEPARTMENT OF EDUCATION**  
**PROCUREMENT SERVICE**



Room 508, 5<sup>th</sup> Floor, Mabini Bldg., DepED Complex, Meralco Avenue, Pasig City

January 7, 2008

**Mr. EDWIN C. LIM**  
Director-Manager  
Ernest Printing Corporation  
#28 M. H. Del Pilar St., Bet 3<sup>rd</sup> & 4<sup>th</sup> Ave.  
Grace Park, Caloocan City

Subject: Printing, Delivery, Retrieval and Warehousing of  
Test Booklets and Non-Classified Materials for  
various NETRC Testing Projects for 2008 (1<sup>st</sup> Quarter)

Dear Mr. Lim:

The Bids and Awards Committee I is in the process of Post-Qualification of bids relative to the above-subject.

The record shows that you submitted a statement under oath that your company has not been blacklisted or barred from bidding by the government or any of its agencies, offices, corporations or LGU's including non-inclusion in the consolidated blacklisting report issued by the GPPB as one of the requirements in Section II, Instruction to Bidders Eligibility Documents (a) Class "A" Documents (a.4) of the bidding Documents.

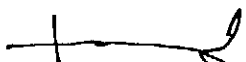
Upon verification with the Government Procurement Policy Board Official Website it shows that as of September 3, 2007 **ERNEST PRINTING CORPORATION** was issued a Blacklisting Order an order by the Civil Service Commission (No. 2007-001) for failure to fulfill its obligations as specified in the MOA per notice addressed to your company dated August 18, 2003.

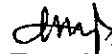
In view thereof, please explain why your bid should not be Post-Disqualified for the bidding of above subject.

Please reply not later than 48 hours upon receipt of this letter.

Very truly yours,

**FOR THE BIDS AND AWARDS COMMITTEE I:**

  
**TEODOSIO C. SANGIL, JR.**  
Undersecretary and BAC I Chairperson

Received by:   
MARIA DAWN SY

1-9-08

Date



# GOVERNMENT PROCUREMENT POLICY BOARD



Saturday, 05 January 2008 2:01:10 PM

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## LISTING

### Blacklisted Suppliers

 Select Category 

NOTE: This is not the Consolidated Blacklisting Report mentioned in the IRR-A of RA 9184. The suppliers listed herein are either blacklisted or suspended by various Government agencies.

If inclusion herein is by reason of a blacklisting order, the supplier concerned is disqualified from participating in all government procurement opportunities. However, should the inclusion herein be due to a suspension, the supplier concerned is not barred from participating in government procurement opportunities except those of the procuring entity that issued the suspension order.

#### As of 9/7/2007

##### Arcian Enterprises

Suspension for a period of one (1) year from 07 September 2007 to 07 September 2008 and the forfeiture of Bid Security in the amount of Thirteen Thousand Six Hundred Eighty Eight and Seventy Six Centavos (P13,688.76)

 [Blacklisting Order No. QC07-001.pdf](#)

#### As of 9/3/2007

##### Ernest Printing Corporation

Termination of the Memorandum of Agreement (MOA) effective five (5) days upon receipt of the notice addressed to Ernest Printing Corporation dated August 18, 2003 on the ground of its failure to fulfill its obligations as specified in the MOA.

 [CSC-CO Blacklisting Order No. 2007-001.pdf](#)

#### As of 8/31/2007

##### Kleen Star Allied Services

Suspension for a period of one (1) year from September 1, 2007 to September 1, 2008 and the Forfeiture of Bid Security in the amount of Seventy-Three Thousand Pesos (PhP73,000.00)

 [Suspension Order No. 08-01-2007.pdf](#)

#### As of 8/31/2007

##### M8 Manpower Services

Suspension for a period of one (1) year from September 1, 2007 to September 1, 2008 and the Forfeiture of Bid Security in the amount of Seventy-Three Thousand Pesos (PhP73,000.00)

 [Suspension Order No. 08-01-2007\\_1.pdf](#)

#### As of 8/13/2007

##### NRT Construction and Development Corporation

A contractor is suspended upon receipt of the notice of decision prohibiting him from participating in the bidding process of the agency.

 [NPC - Blacklisting Order.pdf](#)

Records 1 to 5 of 5

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Government Procurement Policy Board - Technical Support Office  
 Unit 2506, Raffles Corporate Center, F. Ortigas Jr. Road, Ortigas Center, Pasig City  
 TeleFax: (632) 900-6741 to 44



Republic of the Philippines  
**Civil Service Commission**  
Constitution Hills, Batasang Pambansa Complex, Diliman 1126 Quezon City

100 Years of Service  
Civil Service Commission

MAINTENANCE

**CIVIL SERVICE COMMISSION**  
Central Office  
Quezon City

CSC-CO BLACKLISTING ORDER No: 2007- 001

September 3, 2007  
Date

A. Pursuant to Section 69.1 of the Implementing Rules and Regulations-A (IRR-A), of Republic Act No. 9184 and Section 9 of the Uniform Guidelines for Blacklisting of Manufacturers, Suppliers, Distributors, Contractors, and Consultants, the Civil Service Commission - Central Office, hereby issues this Blacklisting Order to the company, hereafter stated:

1. Name and Address of Blacklisted Company:

**ERNEST PRINTING CORPORATION**  
28 M.H. Del Pilar St. Grace Park  
Caloocan City

2. Name of Project / Approved Budget for the Contract:

Security Printing and Packaging of Test Materials for the July 20, 2003 Career Service Examination - Paper and Pencil Test (CSE-PPT), with an Approved Budget for the contract/MOA of Four Million Five Hundred Thousand Pesos (Php 4,500,000.00)

3. Offenses Committed:


- Lapses in quality control such as missing/duplicate pages in test booklets; unnumbered test booklets and one (1) pack of test booklets containing 26 instead of 25 pieces; defective green answer sheets; crooked letterings on boxes and; the use of untidy boxes
- Violations of security measures particularly the loose sheets of test booklets inserted in an unused pile of blank sheets, and the aluminum plate recovered from one printing machine after the burning of spotted materials

4. Sanctions Imposed and Duration:

- Termination of the Memorandum of Agreement (MOA) effective five (5) days upon receipt of the notice addressed to Ernest Printing Corporation dated August 18, 2003 on the ground of its failure to fulfill its obligations as specified in the MOA
- Forfeiture in favor of the CSC of the Performance Bond equivalent to five percent (5%) of the entire cost of the MOA in the amount of Two Hundred Twenty-Five Thousand Pesos (Php 225,000.00) and the amount of One Million One Hundred Ninety-Two Thousand Three Hundred Five Pesos (Php 1,192,305.00) equivalent to the cost of printing the July 20, 2003 CSE-PPT by reason of breach of security committed

- B. This Blacklisting Order shall form part of the Consolidated List of Blacklisted Companies of the CSC Central Office Bids and Awards Committee (CSC/BAC) and it shall be transmitted to the Government Procurement Policy Board (GPPB) for inclusion in the Consolidated Blacklisting Report of Blacklisted Manufacturers, Suppliers, Distributors, Contractors and Consultants, and for proper dissemination.

Recommending Approval:

  
AZUCENA PEREZ-ESLETA  
Director IV  
Examination, Recruitment and  
Placement Office (ERPO)  
Civil Service Commission

Approved:

  
KARINA CONSTANTINO-DAVID  
Chairperson  
Civil Service Commission

# KING, CABANGON and DE GUZMAN

*Law Offices*

GEORGE L. KING  
SED A. CABANGON  
BENEDICT V. DE GUZMAN

Suite 12003, Crowne 88 Condominium  
No. 88 Panay Avenue, Quezon City  
Tel. No. 372-6137/ 372-6138

10 January 2008

Department of Education  
Procurement Service  
Room 508, 5<sup>th</sup> Floor, Mabini Bldg.  
DepED Complex, Meralco Avenue  
Pasig City

Attn: **Mr. Teodosio C. Sangil, Jr.**

USEC and BAC I Chairperson

Re: Printing Delivery, Retrieval and  
Warehousing of Test Booklets and Non-  
Classified Materials for various NETRC  
Testing Projects for 2008 (1<sup>st</sup> Quarter)

Dear Sir:

Our client, ERNEST PRINTING CORPORATION, (hereinafter referred to as ERNEST for brevity) referred to us your letter dated 7 January 2008 concerning the post-disqualification of their bid on the above-captioned subject.

Based on the records transmitted to us by our client, it appears that they submitted a written declaration dated 7 December 2007 stating that ERNEST is not blacklisted or barred from bidding, however your verification with GPPB official website shows that it was issued a Blacklisting Order by the Civil Service Commission under 2007-001.

**RECEIVED**

DepEd Procurement Service

By                     gm                    

Date                     01/10/08



We would like to stress that aside from the legal grounds we have pointed out in our attached letter, the blacklisting Order is ineffective as against ERNEST since:

1. Up to this point in time, ERNEST has not received any formal notice or communication from the Civil Service Commission on the alleged blacklisting Order. Hence, for all intents and purposes the same is not in any way binding upon ERNEST. It is a clear infraction of the guaranty on due process enshrined in our constitution, which declared that:

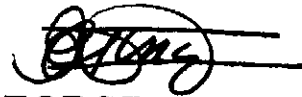
“No person shall be deprived of life, liberty, or property without due process of law”. (*Art. III, Sec. 1, Constitution*).

2. ERNEST, through its Legal Counsel, had already sent a letter seeking reconsideration of the blacklisting Order (Annex “A”). The said order not having been final as yet, it follows that it cannot be enforced and implemented. Simply said, the blacklisting Order cannot be executed for being premature. The same may be executed only after it has attained finality (***City of Manila v. Court of Appeals, 147 SCRA 334***).

In view of the foregoing explanation, it is thus respectfully requested that the bid of above-captioned subject entered into by ERNEST be considered and put into effect the same being the most advantageous to the government.

Thank you for your preferential attention and kind consideration on the matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "G. L. King", is written over two horizontal lines.

GEORGE L. KING

# KING, CABANGON and DE GUZMAN

*Law Offices*

GEORGE L. KING  
SED A. CABANGON  
BENEDICT V. DE GUZMAN

Suite 12003, Crowne 88 Condominium  
No. 88 Panay Avenue, Quezon City  
Tel. Nos. 372-6137/ 372-6138

---

3 December 2007

**Hon. Karina Constantino-David**

Chairperson

Civil Service Commission

Constitution Hills

Batasang Pambansa Complex

Diliman, Quezon City

Re: **Ernest Printing Corporation**

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Dear Chairperson Constantino-David:

Our client, **ERNEST PRINTING CORPORATION** (hereinafter referred to as ERNEST for brevity) referred to us the CSC-CO Blacklisting Order No. 2007-001 dated 3 September 2007, for our reply and comment.

It appears that the Blacklisting Order of ERNEST emanated from the Memorandum of Agreement executed with CSC for its alleged "failure to fulfill its obligations as specified in the MOA."

At the outset, we wish to emphasize that our client is not assailing your authority to impose sanctions provided these are done in accordance with law and taking into considerations the interest of justice and equity. However, after going through the available records, we noted the following inequities and inconsistencies that are detrimental to ERNEST:

1. As a consequence of ERNEST's alleged "failure to fulfill its obligations as specified in the MOA," your good office conducted a thorough investigation which then imposed the following sanctions as mentioned in your letter dated August 18, 2003:

- a) Terminating the MOA effective five (5) days upon receipt of the notice.
- b) Forfeiture of the sums of ₱ 225,000. and ₱1,192,305. representing its performance bond.

but did not include blacklisting order, and neither did it state that further investigation will be conducted, or that additional penalty will be imposed. A copy of said letter is herewith attached as **Annex "A"** to form integral part hereof.

2. Thereafter, a conference was immediately held between ERNEST and Chairperson Constantino-David during which Chairperson Constantino-David gave the assurance that other than those sanctions imposed in her letter dated August 18, 2003, ERNEST will not be blacklisted and can surely participate and bid in the future. On the part of ERNEST, it made the commitment that it will not collect the monetary amount until the CSC is assured that there will be no leakage.

3. True to the assurance made by Chairperson Constantino David and there being no blacklisting order, the CSC transacted again with ERNEST sometime in October 2005 under Letter Order No. 071-G0 (P) 10/05. A copy of said Letter Order is herewith attached as **Annex "B"** to form integral part hereof.

4. The blacklisting order states that it was issued pursuant to, among others, the Rule on Uniform Guidelines for Blacklisting. However, a careful perusal of the said Guidelines will readily show that before blacklisting order may be imposed, it must be preceded by:

- a) Initiation of complaint.
- b) Notification to contractor.
- c) Holding of hearings.

all procedural steps of which were not complied with. Simply said, the right of ERNEST to due process were trampled upon.

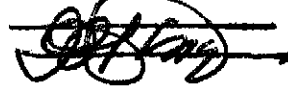
5. There has been a lapse of unreasonable length of time from the time of alleged violation in 2003 until the issuance of Blacklisting Order in 2007, or a wide gap of more than four (4) long years leading one to reach the inevitable conclusion that the decision was obviously politically motivated by ERNEST's business rival or other personalities adversely affected by previous actions taken by ERNEST. In plain language, the blacklisting order was not premised on the true merits of the case.

6. The National Printing Office (NPO) in its letter dated 19 December 2006 categorically stated that: "For this reason, ERNEST PRINTING CORPORATION is not blacklisted under GPPB guidelines, copy of said letter is herewith attached as **Annex "C"**.

In view of the foregoing, ERNEST is respectfully requesting for a RECONSIDERATION of the blacklisting order to enable it to be a part again of delivering quality services to your esteemed commission.

Thank you for your preferential attention and favorable action on the matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "G. L. King", is written over a horizontal line.

GEORGE L. KING



# Ernest Printing Corporation

#28 M. H. Del Pilar St., Bet. 3rd & 4th Avenue  
Grace Park, Caloocan City, Metro Manila  
365-9988 to 92 • 362-1303 • 362-2594  
Fax No. 362-1301



December 7, 2007

TO ALL TO WHOM THESE PRESENTS MAY COME, GREETINGS

Our company, ERNEST PRINTING CORPORATION with address at #28 M.H. Del Pilar Street, Between 3rd & 4th Avenue, Grace Park, Caloocan City, has not been blacklisted or barred from bidding by the government or any of its agencies, offices, corporations or LGU's including non-inclusion in the consolidated blacklisting report issued by the GPPB.

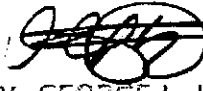
This certification is issued in conjunction with our intent to apply for eligibility and to bid with the Department of Education for the Printing, Delivery, Retrieval and Warehousing of Test Booklets and Non-Classified Materials for various NETRC Testing Projects for 2008 (1st Quarter).

*Edwin C. Lim*  
EDWIN C. LIM  
Director-Manager

Subscribed and Sworn before me this DEC 11 2007 <sup>QUEZON CITY</sup> 2007. Affiant exhibited to me his/her Community Tax No. 05701444 issued at Caloocan City on February 1, 2007.

Notary Public

Until \_\_\_\_\_

 PTR No. \_\_\_\_\_

Issued on \_\_\_\_\_

Issued at \_\_\_\_\_

ATTY. GEORGE L. KONE

Notary Public

Until December 31, 2007

PTR No. 8451235/1-02-07/Quezon City

IBP No. 697028/1-02-07/Manila

Roll of Attorney No. 32717

Doc. No. 424  
Page No. 85  
Book No. 4/  
Series of 2007,



August 18, 2003

**Mr. EDWIN CO LIM**  
Manager  
ERNEST PRINTING CORPORATION  
28 M.H. Del Pilar St. Grace Park  
Caloocan City

**Dear Mr. Lim:**

This concerns the security printing of the July 20, 2003 Career Service Examination-Paper-and-Pencil Test (CSE-PPT) and the quality control and security breaches committed by your personnel thereon, as follows:

- a. Lapses in quality control such as missing/duplicate pages in test booklets; unnumbered test booklets and one (1) pack of test booklets containing 26 instead of 25 pieces; defective green answer sheets with serial nos. 361701-363125 (1,425 pieces); crooked letterings on boxes and; the use of untidy boxes.
- b. Violations of security measures particularly the loose sheets of test booklets inserted in an unused pile of blank sheets and the aluminum plate recovered from one printing machine after the burning of spoiled materials. Both were discovered by Mr. Bernardo Jimenez, a member of the CSC Printing Staff.

It may be recalled that in the Memorandum of Agreement (MOA) dated April 15, 2003 entered into between CSC and Ernest Printing, the Commission was very particular on the strict enforcement of the stipulations of the contract specifically on quality control and security measures. The primary consideration for the same is to preserve the integrity of CSC examinations.

Be it noted that during the Post Evaluation Meeting with Assistant Commissioner Nelson L. Acebedo and ERPO Director Azucena Perez-Esleta held last August 6, 2003, you have admitted the abovementioned



lapses caused by your personnel. With respect to the lapses in quality control, you have admitted that the same was due to overconfidence on the part of your personnel as shown by the downsizing of printing staff from 19 during the April 13, 2003 CSE-PPT to only 11 in the July 20, 2003 CSE-PPT. The number of quarantine days was also reduced from sixteen (16) to ten (10) days.

On the security lapses committed by Ernest Printing, you explained that the aluminum plate attached to the offset machine was probably unintentional. However, you admitted that the loose set of test booklet which was discovered in an unused pile of blank sheets was intentional and premeditated. You further admitted that that one of your personnel even confessed to the intentional breach of security during the quarantine period based on the investigation conducted by your company.

The Commission has carefully considered the reports of the Examination, Recruitment and Placement Office (ERPO) including the minutes of said Post-Evaluation meeting and your letter dated August 7, 2003 explaining Ernest Printing's side on the matter. We find Ernest Printing's actions to be in direct violation of the requirements of strict quality control and security measures as embodied in the MOA causing serious prejudice to the Commission. Thus, the Commission has no other recourse but to enforce its rights under the MOA as follows:

- a. Item D.4 of the MOA provides, "x x x ERNEST shall post a performance bond in the form of cash and/or surety bond from the Government Service Insurance System in such amount equivalent to five percent (5%) of the agreed cost of this Agreement to guarantee faithful compliance of Ernest with all the terms and conditions of this Agreement. Failure to do so shall be sufficient ground for the cancellation of this Agreement. Should ERNEST fail to perform any of its obligations/undertakings stipulated hereunder, the performance bond shall forfeited in favor of CSC without any need of judicial action. x x x"
- b. Item D.5 of the MOA states, "Forfeiture of the entire value of this Agreement shall be directly imputable to ERNEST and its employees should a breach of security be committed arising from the printing, production, and

handling of the test materials or resulting in the leakage of test questions;

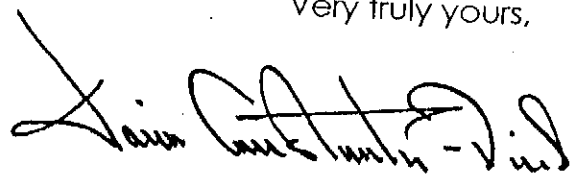
- c. Also, Item D.7 stipulates that "CSC shall have the right to terminate this Memorandum of Agreement at any time, without need of judicial action and to be effective upon written notice to ERNEST on any of the following grounds: (a) failure of ERNEST to fulfill its obligation as specified in the Agreement or (b) repeated or continued violation of any term or condition of this Agreement." (Emphasis supplied)

Thus, pursuant to Item D.7, please be informed that we are terminating the MOA effective five (5) days upon receipt of this notice on the ground of Ernest Printing's failure to fulfill its obligations as specified in the MOA.

Also, pursuant to Items D.4 and D.5, the Commission hereby forfeits in its favor the Performance Bond equivalent to five percent (5%) of the entire cost of the MOA in the amount of Two Hundred Twenty-Five Thousand Pesos (P225,000.00) and the amount of One Million One Hundred Ninety-Two Thousand Three Hundred Five Pesos (P1,192,305.00) equivalent to the cost of printing the July 20, 2003 CSE-PPT by reason of the breach of security committed.

In fine, the exercise of these rights by the Commission is warranted by the facts at hand and is a better option for all concerned.

Very truly yours,



**KARINA CONSTANTINO-DAVID**  
Chairperson



Republic of the Philippines  
**Civil Service Commission**

Secretary's Office, Pambansa Complex, Diliman, Quezon City

**ANNEX "B"**

100 Years of Service  
 Civil Service Commission

Manila

LETTER ORDER

L.A.S. No. 971-GO(P)10/05

Date: October 10, 2005

Reference: PR No. 2005-0908-007(PAIO)

**ERNEST PRINTING CORPORATION**  
 No. 18 M.H. Del Pilar St., Bet. 3<sup>rd</sup> & 4<sup>th</sup> Avenue  
 Green Park Caloocan City, Metro Manila

Gentlemen:

Your quotation for the printing of Manual on Definitions of Administrative Offenses in the Civil Service in the total amount of **ELEVEN THOUSAND SIX HUNDRED PESOS ONLY (P 11,600.00)** is acceptable to this office.

Specifications:

Quantity: 1,000 copies

Colors : One (1) color reversed  
 One (1) Color

Size: 8-1/4" x 5-3/4" (Folded)  
 8 1/4" = 11-1/2" (Spread)

Others: Camera ready

No. of Pages: 48 pages excluding cover

Process: Offset

Paper stock: C2S 60 (Inside)  
 C2S 120 (Cover)

Unit Price: P 11,60 /copy

Binding: Saddle Stitch

Total Price: P 11,600.00

**VICENTE A. LAGO JR.**  
 Chairman, Accreditation Committee

... work immediately and finish the job within ten (10) ... upon approval of the final blue print.

This office reserves the right to cancel this Order if the printing of Manual on Definitions of Administrative offenses in the Civil Service Commission will not be delivered within the period specified herein. Materials furnished not in accordance with our specifications will be rejected accordingly. This Order is subject to liquidated damages of one-tenth (1/10) of one percent (1%) of the total contract price per day of delay.

Thank you.

Very truly yours,

# 11, 600 TR

*[Signature]*  
WALTER A. CABRERO  
Assistant Commissioner

*[Signature]*  
ALD V. ZANTON  
VIC-CHIEF, ACCREDITATION DIV.

Conformed: (Per approved final blue print)

Signature or printed name

Date

Received Original Copy of ...



Republic of the Philippines  
Office of the Fiscal Secretary

## National Printing Office

EDSA corner NIA Northside Road  
Diliman, Quezon City

ANNEX " " "  
**ANNEX " C "**

19 December 2006

**JOSE M. TOLENTINO, JR.**  
BAC Chairman  
Commission on Elections  
Intramuros, Manila

**SIR:**

This refers to your letter dated 18 December 2006 requesting information and documents relative to the blacklisting status of Ernest Printing Corporation with NPO. This letter was referred to us for appropriate action and reply.

Please be informed that NPO Memorandum Circular 05-06, copy is attached, states that Eastland, Ernest and Bestforms are barred from participating in all biddings conducted by NPO for the printing of accountable forms due to the revocation of their accreditation with this Office as a result of their violations of its existing guidelines and policies established for the same.

The circular mentioned our position that in order to protect government interest, these companies should be included in the blacklist in accordance with R.A. 9184. However, we have not finished the blacklisting proceedings against these private printers. For this reason, Ernest Printing Corporation is not blacklisted under GPPB guidelines.

The highly specialized security features required in the printing of accountable forms compels us to accredit private security printers that will pass the rigid criteria set by NPO, this Office being the government agency which has the expertise and technical know-how to handle the same. This is in accordance with Section 48.1 of R.A. 9184.

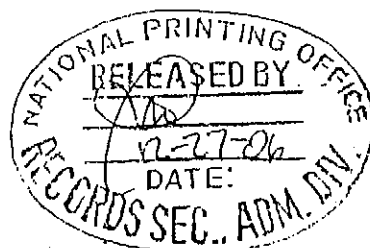
Hope this would clarify the matter.

Thank you.

Very truly yours,

**MARIETTA M. DE GUZMAN**  
Acting Chairperson, Bids & Awards Committee

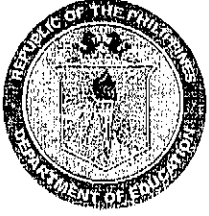
**VICENTE A. LAGO, JR.**  
Chairman, Accreditation Committee



SEC. 69  
RULE XIII

Tel. Nos.: 925-2180 • 925-2181 • 925-2184 • 925-2186 • 925-2188 • 925-2190 • 925-2193  
Fax Nos.: 925-2189 • 925-2689

**VICENTE A. LAGO JR.**  
Chairman, Accreditation Committee



Republika ng Pilipinas  
Republic of the Philippines  
KAGAWARAN NG EDUKASYON  
**DEPARTMENT OF EDUCATION**  
**PROCUREMENT SERVICE**  
**BIDS AND AWARDS COMMITTEE I**



Room 508, 5<sup>th</sup> Floor, Mabini Bldg., DepED Complex, Meralco Avenue, Pasig City

January 15, 2008

**Atty. RUBY U. ALVAREZ**  
Executive Director III  
GOVERNMENT PROCUREMENT  
POLICY BOARD  
Unit 2506 Raffles Corporate Center,  
F. Ortigas Jr. Road, Ortigas Center  
Pasig City

Dear Atty. Alvarez:

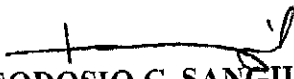
This has reference to the Civil Service Commission-Central Office Blacklisting Order No. 2007-001 issued to **ERNEST PRINTING CORPORATION** for failure to fulfill its obligations as specified in the MOA and as of September 3, 2007 it was posted at the official Website of Government Procurement Policy Board ([www.gppb.gov.ph](http://www.gppb.gov.ph)) copy attached for ready reference.

The DepED Bids and Awards Committee I is now in the process of Post-Qualification on the bid of the said corporation on the project for Printing, Delivery, Retrieval and Warehousing of Test booklets and Non-Classified Materials for various NETRC Testing Projects for 2008 (1<sup>st</sup> Quarter).

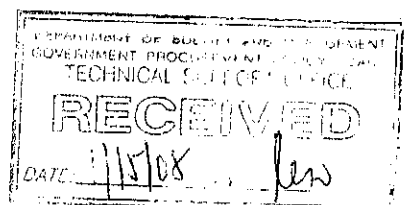
In view thereof, please advice this Office on whether the CSC-CO Blacklisting Order No. 2007-001 posted at GPPB Website and issued to the Ernest Printing Corporation in question has become final and executory and if the answer is in the positive, the bid for the above-mentioned project entered into by ERNEST may now be post-disqualified.

Very truly yours,

**FOR THE BIDS AND AWARDS COMMITTEE I:**

  
**TEODOSIO C. SANGIL, JR.**  
Undersecretary and BAC I Chairperson

Incl. As Stated





Republika ng Pilipinas  
Republic of the Philippines  
Kagawaran ng Edukasyon  
**DEPARTMENT OF EDUCATION**  
**PROCUREMENT SERVICE**



Room 508, 5<sup>th</sup> Floor, Mabini Bldg., DepED Complex, Meralco Avenue, Pasig City

January 7, 2008

**Mr. EDWIN C. LIM**  
Director-Manager  
Ernest Printing Corporation  
#28 M. H. Del Pilar St., Bet 3<sup>rd</sup> & 4<sup>th</sup> Ave.  
Grace Park, Caloocan City

Subject: Printing, Delivery, Retrieval and Warehousing of  
Test Booklets and Non-Classified Materials for  
various NETRC Testing Projects for 2008 (1<sup>st</sup> Quarter)

Dear Mr. Lim:

The Bids and Awards Committee I is in the process of Post-Qualification of bids relative to the above-subject.

The record shows that you submitted a statement under oath that your company has not been blacklisted or barred from bidding by the government or any of its agencies, offices, corporations or LGU's including non-inclusion in the consolidated blacklisting report issued by the GPPB as one of the requirements in Section II, Instruction to Bidders Eligibility Documents (a) Class "A" Documents (a.4) of the bidding Documents.

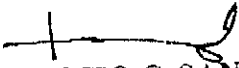
Upon verification with the Government Procurement Policy Board Official Website it shows that as of September 3, 2007 **ERNEST PRINTING CORPORATION** was issued a Blacklisting Order an order by the Civil Service Commission (No. 2007-001) for failure to fulfill its obligations as specified in the MOA per notice addressed to your company dated August 18, 2003.

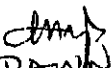
In view thereof, please explain why your bid should not be Post-Disqualified for the bidding of above subject.

Please reply not later than 48 hours upon receipt of this letter.

Very truly yours,

**FOR THE BIDS AND AWARDS COMMITTEE I:**

  
**TEODOSIO C. SANGIL, JR.**  
Undersecretary and BAC I Chairperson

Received by:   
MARY DAWN SY

1-9-08

Date



Republic of the Philippines  
**Civil Service Commission**  
Constitution Hills, Batasang Pambansa Complex, Diliman 1126 Quezon City

100 Years of  
Civil Service

**CIVIL SERVICE COMMISSION**  
Central Office  
Quezon City

CSC-CO BLACKLISTING ORDER No. 2007- 001

September 3, 2007  
Date

A. Pursuant to Section 69.1 of the Implementing Rules and Regulations-A (IRR-A) of Republic Act No. 9184 and Section 9 of the Uniform Guidelines for Blacklisting of Manufacturers, Suppliers, Distributors, Contractors, and Consultants, the Civil Service Commission - Central Office, hereby issues this Blacklisting Order to the company, hereafter stated:

1. Name and Address of Blacklisted Company:

ERNEST PRINTING CORPORATION  
28 M.H. Del Pilar St. Grace Park  
Caloocan City

2. Name of Project / Approved Budget for the Contract:

Security Printing and Packaging of Test Materials for the July 20, 2003 Career Service Examination - Paper and Pencil Test (CSE-PPT), with an Approved Budget for the contract/MOA of Four Million Five Hundred Thousand Pesos (Php 4,500,000.00)

3. Offenses Committed:

- Lapses in quality control such as missing/duplicate pages in test booklets; unnumbered test booklets and one (1) pack of test booklets containing 26 instead of 25 pieces; defective green answer sheets; crooked letterings on boxes and; the use of untidy boxes
- Violations of security measures particularly the loose sheets of test booklets inserted in an unused pile of blank sheets, and the aluminum plate recovered from one printing machine after the burning of spoiled materials


4. Sanctions Imposed and Duration:

- Termination of the Memorandum of Agreement (MOA) effective five (5) days upon receipt of the notice addressed to Ernest Printing Corporation dated August 18, 2003 on the ground of its failure to fulfill its obligations as specified in the MOA
- Forfeiture in favor of the CSC of the Performance Bond equivalent to five percent (5%) of the entire cost of the MOA in the amount of Two Hundred Twenty-Five Thousand Pesos (Php 225,000.00) and the amount of One Million One Hundred Ninety-Two Thousand Three Hundred Five Pesos (Php 1,192,305.00) equivalent to the cost of printing the July 20, 2003 CSE-PPT by reason of breach of security committed

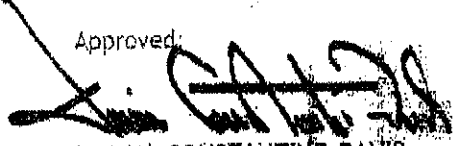


- B. *This Blacklisting Order shall form part of the Consolidated List of Blacklisted Companies of the CSC Central Office Bids and Awards Committee (CSC/BAC) and it shall be transmitted to the Government Procurement Policy Board (GPPB) for inclusion in the Consolidated Blacklisting Report of Blacklisted Manufacturers, Suppliers, Distributors, Contractors and Consultants, and for proper dissemination.*

Recommending Approval:

  
AZUCENA PEREZ-ESLETA  
Director IV  
Examination, Recruitment and  
Placement Office (ERPO)  
Civil Service Commission

Approved:

  
KARINA CONSTANTINO-DAVID  
Chairperson  
Civil Service Commission



# GOVERNMENT PROCUREMENT POLICY BOARD



Saturday, 05 January 2008 2:01:10 PM

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## LISTING

### Blacklisted Suppliers

Select Category

NOTE: This is not the Consolidated Blacklisting Report mentioned in the IRR-A of RA 9184. The suppliers listed herein are either blacklisted or suspended by various Government agencies.

If inclusion herein is by reason of a blacklisting order, the supplier concerned is disqualified from participating in all government procurement opportunities. However, should the inclusion herein be due to a suspension, the supplier concerned is not barred from participating in government procurement opportunities except those of the procuring entity that issued the suspension order.

#### As of 9/7/2007

##### Arcian Enterprises

Suspension for a period of one (1) year from 07 September 2007 to 07 September 2008 and the forfeiture of Bid Security in the amount of Thirteen Thousand Six Hundred Eighty Eight and Seventy Six Centavos (P13,688.76)

[Blacklisting Order No. QC07-001.pdf](#)

#### As of 9/3/2007

##### Ernest Printing Corporation

Termination of the Memorandum of Agreement (MOA) effective five (5) days upon receipt of the notice addressed to Ernest Printing Corporation dated August 18, 2003 on the ground of its failure to fulfill its obligations as specified in the MOA.

[CSC-CO Blacklisting Order No. 2007-001.pdf](#)

#### As of 8/31/2007

##### Kleen Star Allied Services

Suspension for a period of one (1) year from September 1, 2007 to September 1, 2008 and the Forfeiture of Bid Security in the amount of Seventy-Three Thousand Pesos (PhP73,000.00)

[Suspension Order No. 08-01-2007.pdf](#)

#### As of 8/31/2007

##### M8 Manpower Services

Suspension for a period of one (1) year from September 1, 2007 to September 1, 2008 and the Forfeiture of Bid Security in the amount of Seventy-Three Thousand Pesos (PhP73,000.00)

[Suspension Order No. 08-01-2007\\_1.pdf](#)

#### As of 8/13/2007

##### NRT Construction and Development Corporation

A contractor is suspended upon receipt of the notice of decision prohibiting him from participating in the bidding process of the agency.

[NPC - Blacklisting Order.pdf](#)

Records 1 to 5 of 5

# KING, CABANGON and DE GUZMAN

*Law Offices*

GEORGE L. KING  
SED A. CABANGON  
BENEDICT V. DE GUZMAN

Suite 12003, Crowne 88 Condominium  
No. 88 Panay Avenue, Quezon City  
Tel. No. 372-6137/ 372-6138

10 January 2008

Department of Education  
Procurement Service  
Room 508, 5<sup>th</sup> Floor, Mabini Bldg.  
DepED Complex, Meralco Avenue  
Pasig City

Attn: **Mr. Teodosio C. Sangil, Jr.**  
USEC and BAC I Chairperson  
Re: Printing Delivery, Retrieval and  
Warehousing of Test Booklets and Non-  
Classified Materials for various NETRC  
Testing Projects for 2008 (1<sup>st</sup> Quarter)

Dear Sir:

Our client, ERNEST PRINTING CORPORATION, (hereinafter referred to as ERNEST for brevity) referred to us your letter dated 7 January 2008 concerning the post-disqualification of their bid on the above-captioned subject.

Based on the records transmitted to us by our client, it appears that they submitted a written declaration dated 7 December 2007 stating that ERNEST is not blacklisted or barred from bidding, however your verification with GPPB official website shows that it was issued a Blacklisting Order by the Civil Service Commission under 2007-001.

**RECEIVED**

DepEd Procurement Service

By gnc

Date ni heloa

We would like to stress that aside from the legal grounds we have pointed out in our attached letter, the blacklisting Order is ineffective as against ERNEST since:

1. Up to this point in time, ERNEST has not received any formal notice or communication from the Civil Service Commission on the alleged blacklisting Order. Hence, for all intents and purposes the same is not in any way binding upon ERNEST. It is a clear infraction of the guaranty on due process enshrined in our constitution, which declared that:

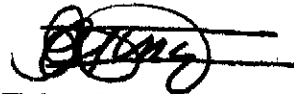
"No person shall be deprived of life, liberty, or property without due process of law". (Art. III, Sec. 1, Constitution).

2. ERNEST, through its Legal Counsel, had already sent a letter seeking reconsideration of the blacklisting Order (Annex "A"). The said order not having been final as yet, it follows that it cannot be enforced and implemented. Simply said, the blacklisting Order cannot be executed for being premature. The same may be executed only after it has attained finality (***City of Manila v. Court of Appeals, 147 SCRA 334***).

In view of the foregoing explanation, it is thus respectfully requested that the bid of above-captioned subject entered into by ERNEST be considered and put into effect the same being the most advantageous to the government.

Thank you for your preferential attention and kind consideration on the matter.

Very truly yours,

A handwritten signature in cursive script, appearing to read "G. L. King", is written over two horizontal lines.

GEORGE L. KING

**KING, CABANGON and DE GUZMAN**  
*Law Offices*

GEORGE L. KING  
SED A. CABANGON  
BENEDICT V. DE GUZMAN

Suite 12003, Crowne 88 Condominium  
No. 88 Panay Avenue, Quezon City  
Tel. Nos. 372-6137/ 372-6138

---

3 December 2007

**Hon. Karina Constantino-David**  
Chairperson  
Civil Service Commission  
Constitution Hills  
Batasang Pambansa Complex  
Diliman, Quezon City

Re: **Ernest Printing Corporation**

---

Dear Chairperson Constantino-David:

Our client, **ERNEST PRINTING CORPORATION** (hereinafter referred to as ERNEST for brevity) referred to us the CSC-CO Blacklisting Order No. 2007-001 dated 3 September 2007, for our reply and comment.

It appears that the Blacklisting Order of ERNEST emanated from the Memorandum of Agreement executed with CSC for its alleged "failure to fulfill its obligations as specified in the MOA."

At the outset, we wish to emphasize that our client is not assailing your authority to impose sanctions provided these are done in accordance with law and taking into considerations the interest of justice and equity. However, after going through the available records, we noted the following inequities and inconsistencies that are detrimental to ERNEST:

1. As a consequence of ERNEST's alleged "failure to fulfill its obligations as specified in the MOA," your good office conducted a thorough investigation which then imposed the following sanctions as mentioned in your letter dated August 18, 2003:

- a) Terminating the MOA effective five (5) days upon receipt of the notice.
- b) Forfeiture of the sums of ₱ 225,000. and ₱1,192,305. representing its performance bond.

but did not include blacklisting order, and neither did it state that further investigation will be conducted, or that additional penalty will be imposed. A copy of said letter is herewith attached as **Annex "A"** to form integral part hereof.

2. Thereafter, a conference was immediately held between ERNEST and Chairperson Constantino-David during which Chairperson Constantino-David gave the assurance that other than those sanctions imposed in her letter dated August 18, 2003, ERNEST will not be blacklisted and can surely participate and bid in the future. On the part of ERNEST, it made the commitment that it will not collect the monetary amount until the CSC is assured that there will be no leakage.

3. True to the assurance made by Chairperson Constantino David and there being no blacklisting order, the CSC transacted again with ERNEST sometime in October 2005 under Letter Order No. 071-G0 (P) 10/05. A copy of said Letter Order is herewith attached as **Annex "B"** to form integral part hereof.

4. The blacklisting order states that it was issued pursuant to, among others, the Rule on Uniform Guidelines for Blacklisting. However, a careful perusal of the said Guidelines will readily show that before blacklisting order may be imposed, it must be preceded by:

- a) Initiation of complaint.
- b) Notification to contractor.
- c) Holding of hearings.

all procedural steps of which were not complied with. Simply said, the right of ERNEST to due process were trampled upon.

5. There has been a lapse of unreasonable length of time from the time of alleged violation in 2003 until the issuance of Blacklisting Order in 2007, or a wide gap of more than four (4) long years leading one to reach the inevitable conclusion that the decision was obviously politically motivated by ERNEST's business rival or other personalities adversely affected by previous actions taken by ERNEST. In plain language, the blacklisting order was not premised on the true merits of the case.

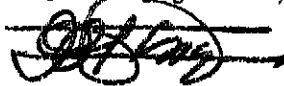


6. The National Printing Office (NPO) in its letter dated 19 December 2006 categorically stated that: "For this reason, ERNEST PRINTING CORPORATION is not blacklisted under GPPB guidelines, copy of said letter is herewith attached as **Annex "C"**.

In view of the foregoing, ERNEST is respectfully requesting for a RECONSIDERATION of the blacklisting order to enable it to be a part again of delivering quality services to your esteemed commission.

Thank you for your preferential attention and favorable action on the matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "G. L. King", written over a horizontal line.

GEORGE L. KING