

## Department of Budget and Management

## GOVERNMENT PROCUREMENT POLICY BOARD TECHNICAL SUPPORT OFFICE

NPM No. 48-2012

30 April 2012

MS. EVANGELINE G. CUSTODIO

Chairperson - Bids and Awards Committee

BULACAN STATE UNIVERSITY (BSU)

City of Malolos

Re: Discrepancy in Bid Price

Dear Ms. Custodio:

We respond to your letter dated 1 February 2012 requesting for clarification on which amount of the bid price should prevail under Republic Act (RA) 9184 and its Implementing Rules and Regulations (IRR).

As represented, bidding was conducted by the BSU for the procurement of a multimedia and digital language laboratory with editing software on 27 October 2011. The Bids and Awards Committee (BAC) declared Mars Laboratory Instruments Center (MLIC) as the bidder with the lowest calculated bid of P6,500.000.00. During post-qualification, the Technical Working Group discovered a discrepancy in the bid amount on the Bid Form wherein the amount in words was stated at "Six Million Five Hundred Pesos Only" while the amount in figures was for "P6,500,000.00". The same amount of "P6,500,000.00" was reflected in the Bill of Quantities Form and this was confirmed by the BAC with MLIC, upon inquiry, with the latter claiming they made a typographical error.

For your guidance, as we have discussed in a previous opinion<sup>1</sup>, Section 32.2.2 of the IRR of RA 9184 is very clear that in cases of discrepancies between bid prices in figures and bid prices in words, the latter shall prevail. Hence, applying this principle in the present case, the submitted bid price expressed in words, which amounts to Six Million Five Hundred Pesos (P6,000,500.00) shall prevail over the amount in figures, *i.e.*, P6,500,000.00. Moreover, even considering the detailed computation appearing in the Bill of Quantities, Section 34.4 of the IRR requires that the lower amount between the submitted bid price and the calculated bid price shall prevail.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> NPM 20-2010 dated 1 July 2010

<sup>&</sup>lt;sup>2</sup> NPM 042-2009 dated 6 August 2009

Based on the foregoing, upon applying the rules on bid discrepancy, we are of the opinion that the bid price stated in words in the bid form submitted by MLIC amounting to P6,000,500.00 should prevail.

We hope our advice provided sufficient guidance on the matter. Should you have further questions, please do not hesitate to contact us.

Very truly yours,

DENNIS S. SANTIAGO
\*\*Executive Director III