



Department of Budget and Management  
**GOVERNMENT PROCUREMENT POLICY BOARD**  
**TECHNICAL SUPPORT OFFICE**

**NPM No. 55-2012**

4 May 2012

**MS. MYRNA Y. SO**

*General Manager*

**DEN-TRONIX INTERNATIONAL TRADING**

#35 Don Ramon Street, Talayan Village, Quezon City

**Re: Discrepancy in Bid Price**

Dear Ms. So:

We respond to your letter requesting for guidance and clarification on which amount of the bid price should prevail under Republic Act (RA) No. 9184 and its Implementing Rules and Regulations (IRR).

As represented, a public bidding was conducted by the Quezon City Government for the procurement of safe solution anti-slip treatment. Based on your letter, the Bids and Awards Committee (BAC) of the Quezon City Government, upon opening the financial proposal, examined the Bill of Quantities (BOQ) and noted a discrepancy between the total amounts in figures and in words. As indicated in the BOQ, the amount in words was stated at "One Million Three Hundred Eighty Thousand Thirty Pesos and 90/100 only" (Php 1,380,030.90) while the amount in figures was for "PhP 1,938,030.90". It was claimed that Section 32.2.1(b)<sup>1</sup> of the IRR of RA 9184 on arithmetical correction was the appropriate provision in this particular case.

Please note that the IRR of RA 9184, specifically, Section 32.2 thereof, states that the determination of the Lowest Calculated Bid shall be done following the steps enumerated therein. Moreover, a cardinal rule in statutory construction is that laws should be read and construed as a whole because it is a dangerous practice to base the construction upon only a part of it, since one portion may be qualified by other portions.<sup>2</sup>

Thus, given that Section 32.2.1 (b) of the IRR is applied for purposes of arithmetical corrections in the computation of bid prices and Section 32.2.3 of the same IRR provides rules in case of discrepancies, such arithmetical corrections should be subject to the rules provided in Section 32.2.3 if, on occasion, there are discrepancies.

Applying the foregoing in the present case where there is a discrepancy between the submitted bid price in words and in figures, Section 32.2.3 of the IRR dictates that the submitted

<sup>1</sup> Arithmetical corrections. Considering computational errors and omissions to enable proper comparison of all eligible bids, It may also consider bid modifications if expressly allowed in the Bidding Documents. Any adjustment shall be calculated in monetary terms to determine the calculated prices.

<sup>2</sup> Noli C. Diaz, Statutory Construction, Third Edition (2007), p. 41.

bid price expressed in words, which amounts to One Million Three Hundred Eighty Thousand Thirty Pesos and 90/100 only (Php 1,380,030.90), shall prevail over the amount in figures, *i.e.*, Php 1,938,030.90.

Assuming, for the sake of discussion, that the resulting bid price in words is higher than that in figures, Section 34.4 of the IRR dictates that the lower amount between the submitted bid price and the calculated bid price shall prevail.<sup>5</sup> This notwithstanding, any discrepancy in the submitted bid price or in the calculated bid price shall be resolved following the rules under Section 32.2.3 of the IRR.

In this regard, we wish to clarify that in case of discrepancy in bid price, the prevailing bid price for procurement of goods and infrastructure projects shall be determined upon consideration of the rules provided in Sections 32.2 and 34.4 of the IRR.

We hope that our advice sufficiently addresses your concerns. This view is based on the information presented, and may not be applicable to a different set of facts and circumstances. Should you have further questions, please do not hesitate to contact us.

Very truly yours,

  
**DENNIS S. SANTIAGO**  
*Executive Director III*

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<sup>5</sup>GPPB-TSO NPM 042-2009 dated 06 August 2009.