



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

NPM No. 74-2014

20 October 2014

LEONOR C. TORMES
Bids and Awards Committee (BAC) Secretariat
NATIONAL BUREAU OF INVESTIGATION (NBI)
Department of Justice
Manila

Re: Bids and Awards Committee (BAC) Recommendation

Dear Ms. Tormes:

This is in response to your letter seeking opinion on whether Small Value Procurement with the amount below Php500,000.00 would require the endorsement of the BAC for the HOPE's approval.

The Guidelines for Shopping and Small Value Procurement¹ (Guidelines) does not state that any endorsement of the BAC is needed for award of contract to the lowest quotation (for goods or infrastructure projects) or after successful negotiations, the highest rated offer (for consulting services). However, it bears stressing that Section 12 of Republic Act (RA) No. 9184 vested to the BAC, as one of its functions, the power to recommend award of contracts to the Head of the Procuring Entity (HOPE) or his duly authorized representative. Accordingly, regardless of the amount of Approved Budget for the Contract (ABC) in Small Value Procurement, subject to applicable limitations, the BAC's endorsement to the HOPE for award of contract is necessary.

On the other hand, under Section 2(c) of the Guidelines, the conduct of Shopping and Small Value Procurement may be delegated to the appropriate bureau, committee, or support unit duly authorized by the BAC. It must be noted that the delegation of the conduct of shopping and small value procurement may only be allowed provided that the BAC has rendered a decision to resort thereto. Furthermore, only those powers specifically delegated by the BAC may be exercised by the delegated unit. The powers delegated by the BAC do not include the power to award the procurement contract as this is vested to the HOPE.²

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

Very truly yours,


DENNIS S. SANTIAGO
Executive Director V

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¹ Appendix 18, IRR of RA 9184.

² Non Policy Matter 34-2012 dated 4 April 2012.



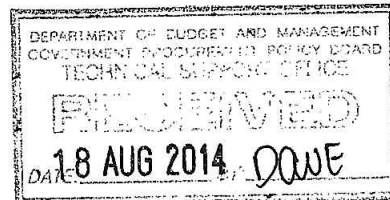
BIDS & AWARDS COMMITTEE

Republika ng Pilipinas
(Republic of the Philippines)
Kagawaran ng Katarungan
(Department of Justice)
PAMBANSANG KAWANIHAN NG PAGSISIYASAT
(NATIONAL BUREAU OF INVESTIGATION)
Manila

12/01/14



NBI2020



THE HON. DENNIS S. SANTIAGO

Executive Director

Government Procurement Policy Board

Unit 2506, Raffles Corporate Center

F. Ortigas Road Jr., Ortigas Center

Pasig City

*Gen / Drauna,
- please prepare OPINION,
THANKS*

Sir;

The undersigned, a member of the BAC Secretariat, most respectfully requests your opinion on the issue whether or not small-value procurement with the amount below Php500,000.00 would require the endorsement of the BAC for its approval.

Your opinion on these query shall be of valuable guidance to our Office as we pursue our procurement activities in strict adherence to our laws.

Very truly yours,

[Signature]
LEONOR C. TORMES
Member
NBI-BAC Secretariat

*Appendix
Sec. 12.1 (h)*