



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

**NPM No. 119-2012**

21 September 2012


**HON. JOSELITO C. JAMIR, MD**  
*Vice Chancellor for Administration*  
**UNIVERSITY OF THE PHILIPPINES MANILA (UPM)**  
8/F Central Block, Philippine General Hospital (PGH)  
Taft Avenue, Manila

**Re: Separate Bids and Awards Committee (BAC)**

Dear Vice Chancellor Jamir:

We respond to your letter dated 6 August 2012, seeking our opinion on the propriety of the request of Philippine General Hospital (PGH) for the creation of a separate Bids and Awards Committee (BAC) which shall be exclusively responsible for all its procurement needs.

As represented, Dr. Jose C. Gonzales, MD, Director of PGH, through a letter dated 1 August 2012<sup>1</sup>, appealed for the creation of a new BAC separate and distinct from the three (3) current BACs of UP in order to expedite and address the procurement needs of the patients of PGH.

Please note that Section 11 of the revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184 provides that as a general rule, each Procuring Entity (PE) shall establish in its head office a single BAC to undertake the procurement functions specified in Section 12 of the same IRR in order to facilitate professionalization and harmonization of procedures and standards. However, to expedite the procurement process for practical intents and purposes, as may be deemed fit by the Head of the Procuring Entity (HOPE), and where the number and complexity of the items to be procured shall so warrant, separate BACs may be organized according to: (a) geographical location of PMO<sup>2</sup> or end-user units of the procuring entity; or, (b) nature of procurement. Similar committees for decentralized and lower level offices may also be formed when deemed necessary by the HOPE. 

<sup>1</sup> Addressed to Honorable Manuel B. Agulto, Chancellor of the University of the Philippines Manila (UPM)

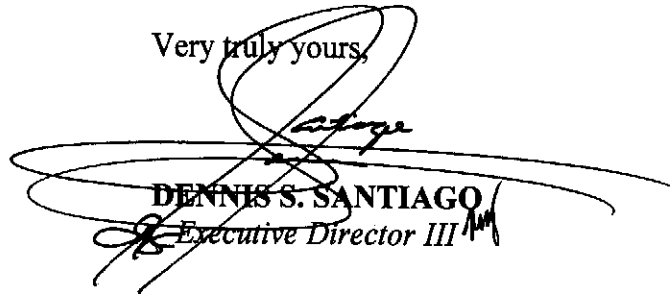
<sup>2</sup> PMO refers to Project Management Office

Additionally, for purposes of determining BAC composition and membership, the 'rank' requirement under Section 11.2.2 of RA 9184 and its revised IRR, which is based on the term *permanent*<sup>3</sup> as defined in said provision, must be complied with.

In view of the foregoing, we are of the opinion that although the general rule requires the creation of a single BAC, the establishment of separate BACs in accordance with Section 11 of the revised IRR of RA 9184 is within the discretion of the HOPE. Thus, the HOPE of UPM may validly determine and approve the creation of a separate and distinct BAC in addition to the three (3) current BACs, depending on the nature of the procurement, or the geographical location of its PMOs or end-user units.

We hope our advice provided sufficient guidance on the matter. Note that this opinion is being issued on the basis of facts and particular circumstances 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>3</sup> The term "permanent" refers to a *plantilla* position within the procuring entity concerned. Hence, the determining factor for regular membership in the BAC is not the employment status of the person but the position he is holding.