



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

NPM No. 121-2012

8 October 2012

Received Copy
Jeluz
10/9/12

MR. ROMEO N. NACES, CESO IV
Vice President for Administration
Chairman, Land Purchase Negotiation Committee
MINDANAO UNIVERSITY OF SCIENCE AND TECHNOLOGY (MUST)
(Formerly Minadano Polytechnic State College)
Lapasan, Cagayan de Oro City

Re: Acquisition of Real Property

Dear Director Naces:

This is in response to your letter dated 24 April 2012, which we received on 4 July 2012, requesting our opinion on the appropriate procedures and requirements for the acquisition of lots adjacent to the main campus of MUST.

It is represented that MUST intends to purchase lots adjacent to its main campus in order to more effectively carry out its mandate to serve its students through the well-planned construction of more classrooms, laboratories, and various school facilities. It is likewise represented that the expansion of the seven (7) hectare main campus is necessary in order to accommodate the proposed infrastructure development and expansion in MUST. It is in this context that you are seeking our opinion on the appropriate requirements and procedures in the acquisition of additional lots for the main campus of MUST.

Please be informed that the acquisition of real property shall be governed by Republic Act (RA) 8974¹, and not by RA 9184 and its revised Implementing Rules and Regulations (IRR). Since the acquisition of real property is not within the ambit of RA 9184 and its IRR, this office would not be in a position to properly advise you on the purchase by MUST of additional lots for the main campus. Thus, it would be prudent for MUST to study and examine its charter *vis-a-vis* to RA 8974 and its IRR.

However, should MUST eventually acquire additional lots for the main campus, the construction of classrooms, laboratories, and various school facilities over the same, as well as the acquisition of items, materials, and supplies, shall be governed by RA 9184 and its IRR. Under RA 9184, the Procuring Entity (PE) shall adopt competitive bidding as the primary mode of procurement. Alternative methods of procurement are resorted to only in highly exceptional cases set forth in Sections 48-54 of RA 9184 and its IRR². Moreover, in

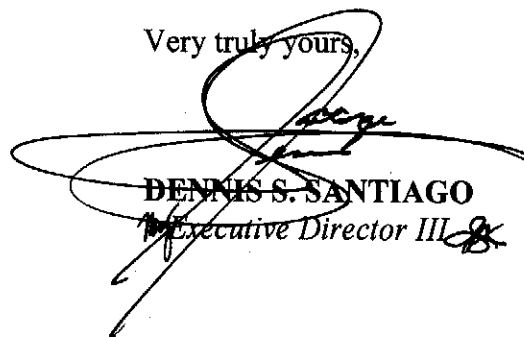
¹ "An Act to Facilitate the Acquisition of Right-of-Way Site or Location for National Government Infrastructure Projects and for Other Purposes".

² Section 10 of RA 9184 and its IRR; Section 48.2 of the IRR of RA 9184.

all instances, the PE shall ensure that the most advantageous price for the Government is obtained³.

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 given 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

WsdI

³ Section 48.1 of the IRR of R.A. 9184.