

REPUBLIC OF THE PHILIPPINES  
**GOVERNMENT PROCUREMENT POLICY BOARD**  
**Technical Support Office**  
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**NPM No. 48-2004**

April 12, 2004

**HON. MA. PRESENTACION R. MONTESA**

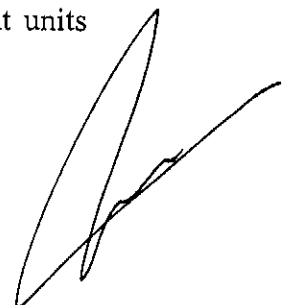
Executive Director  
Bureau of Local Government Finance  
Department of Finance  
8<sup>th</sup> Floor, EDC Building  
Roxas Blvd., Manila

**Re : Resolution No. 3 dated October 3, 2003 of the Municipal Treasurers League of Camarines Sur ("MUNTREALCAS") Requesting Clarification on the Implementation of Republic Act No. 9184 ("R.A. 9184") and its Implementing Rules and Regulations Part A ("IRR-A")**

Dear Dir. Montesa:

This refers to your letter dated November 10, 2003, which we received on December 10, 2003, addressed to Secretary Emilia T. Boncodin of the Department of Budget and Management, endorsing Resolution No. 3 dated October 3, 2003 of the MUNTREALCAS. In clarifying the issues raised in the Resolution, we were informed by Ms. Magdalena P. Calleja, Executive Vice-President of the MUNTREALCAS that the Resolution aims to inquire on the following points, to wit:

1. Whether or not Sec. 358 of Republic Act 7160 ("R.A. 7160") and Commission on Audit ("COA") Circular 92-386 are superseded by R.A. 9184;
2. Whether or not a conflict exists between R.A. 9184 or the Government Procurement Reform Act ("GPRA"), and COA Circular No. 2002-003 dated July 20, 2002, in so far as the former prescribes standard bidding forms for procurement, while the latter requires certain standard forms for the use of government accounting procedures by local government units ("LGUs").



**Section 358 of R.A. 7160 and COA Circular 92-386 are superseded by R.A. 9184 and its IRR-A**

Section 358 of Republic Act No. 7160 ("R.A. 7160") is quoted hereunder, to wit:

*Requirement of Requisition.* – Any order for supplies shall be filled by the provincial or city general services officer or the municipal or barangay treasurer, as the case may be, for any office or department of a local government unit only upon written requisition as hereinafter provided.

In this connection, we quote Section 76 of Republic Act No. 9184 ("R.A. 9184"), as well as Section 75 of its Implementing Rules and Regulations, Part A ("IRR-A"):

" x x x This law amends **Title Six, Book Two of Republic Act No. 7160**, otherwise known as the "Local Government Code of 1991" x x x."  
(Emphasis Supplied)

Considering that Title Six, Book Two of Republic Act No. 7160 ("R.A. 7160") covers **Sections 355 – 383** of the said law, pertaining to "Property and Supply Management in the LGUs," there is no question that Section 358 thereof has been expressly superseded by R.A. 9184.

With regard to COA Circular No. 92-386 dated October 20, 1992, which prescribes rules and regulations on Supply and Property Management in LGUs, pursuant to Section 383 of R.A. 7160, which has also been declared non-existent based on the aforementioned, we are of the opinion that the same has been repealed by R.A. 9184 and its IRR-A following the above citation. This is supported further by an eloquent, although silent statement under Sections 76 and 75 of R.A. 9184 and its IRR-A, respectively, quoted hereunder, to wit:

"x x x Any other law, presidential decree or issuance, executive order, letter of instruction, administrative order, proclamation, charter, **rule or regulation and/or parts thereof contrary to or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.**"  
(Emphasis Supplied)

**Standard Bidding Forms under R.A. 9184, Not in Conflict with the Manual on the New Government Accounting System ("NGAS") under COA Circular No. 2002-003**

As part of the procurement reforms introduced by R.A. 9184 and its IRR-A, the use of standard bidding documents ("SBDs") and forms, once issued by the Government Procurement Policy Board ("GPPB") becomes a mandate for all government agencies and its instrumentalities, pursuant to Section 6 thereof. The SBDs are designed for the use of prospective bidders in the submission of their respective bids. On the other hand, COA Circular No. 2002-003 prescribes various accounting books, records, forms and reports to be prepared and used by the procuring LGU itself, not by its bidders.

Moreover, while, the SBDs are utilized in the procurement stage; the forms and records required by COA Circular No. 2003-003 are needed for the proper accounting of all

financial transactions in LGUs. As such, we do not see any conflict in using the aforementioned SBDs and accounting forms since these documents and forms are intended for different purposes and prescribed by distinct set of rules and procedures. However, notwithstanding our view on the matter, we suggest that MUNTREALCAS address the issue to COA, since it is the relevant government authority that can provide appropriate answers for all questions that may arise from the circulars issued pursuant to its exclusive authority to promulgate accounting and auditing rules and regulations in the use of government funds, under Article IX-D, Section 2 (2) of the 1987 Constitution.

In this connection also, we would like to inform you that the Government Procurement Policy Board ("GPPB") is still in the process of developing the SBDs to be issued to all government agencies. Accordingly, in order to prevent delay, inconvenience or hiatus in the procurement activities, pending the issuance of the SBDs, government agencies may use existing bidding documents as long as it is in compliance with R.A. 9184 and its IRR-A. For this purpose, agencies may refer to Rule VI of the IRR-A of R.A. 9184 in the preparation of their bidding documents.

With the foregoing, we trust that our opinion provided clarification on the issues raised by MUNTREALCAS in its Resolution No. 3 dated October 3, 2003.

Please note that this opinion is being rendered on the basis of the facts and particular circumstances as represented. It may not necessarily be applicable upon a different set of facts and circumstances.

Very truly yours,



**JOSE MARTIN C. SYQUIA**  
Executive Director

Copy furnished:

**BERNARDO O. PRILA**  
President, MUNTREALCAS  
Camarines Sur

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