



Republic of the Philippines
GOVERNMENT PROCUREMENT POLICY BOARD
TECHNICAL SUPPORT OFFICE



NPM No. 95-2015

13 October 2015



Re: Source of Honoraria

Dear :

We respond to your electronic mail dated 24 September 2015 inquiring whether the slippage fee can be used as honoraria.

For your guidance, please refer to the Department of Budget and Management (DBM) Budget Circular (BC) Nos. 2004-5A¹ and 2007-3,² dated 23 March 2004 and 29 November 2007, respectively, which provide the guidelines on the grant of honoraria to government personnel involved in government procurement consistent with Republic Act (RA) No. 9184 and its revised Implementing Rules and Regulations.

Based on the foregoing Circulars, the sources for the grant of honoraria are limited to the following, to wit:

- (1) Collections from successfully completed procurement projects limited, however, to activities prior to awarding of contracts to winning bidders, viz.:
 - (a) Proceeds from the sale of bidding documents;
 - (b) Fees from the contractor/supplier registry;
 - (c) Fess for the copies of the minutes of bid openings, Bids and Awards Committee (BAC) Resolutions, and other BAC documents;
 - (d) Protest Fees; and
 - (e) Proceeds from the bid security forfeiture; and

- (2) Savings realized from the current year specific budget of the agency under the General Appropriations Act for National Government Agencies, savings from the DBM-approved corporate operating budgets for Government-Owned and/or Controlled Corporations, or savings from the local budgets approved by their respective Sanggunian subject to the pertinent provisions of RA 7160 (Local Government Code of 1991) in the case of Local Government Units.

¹ Issued on 7 October 2005.

² Issued on 29 November 2007.

Applying the Latin maxim *expressio unius est exclusio alterius*, a rule in statutory construction, which means the express mention of one person, thing or consequence, implies the exclusion of all others, honoraria cannot be sourced from other means apart from those enumerated in DBM BC Nos. 2004-5A and 2007-3.

In conclusion, it is our considered view that any monetary amount acquired by the procuring entity due to the slippage incurred by the contractor cannot be a source of honoraria to government personnel involved in government procurement.

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

(sgd.)

DENNIS S. SANTIAGO
Executive Director V

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