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Visayas State University
Visca, City of Baybay, Leyte 6521 A
Philippines

**Office of the Secretary of the University
And of the Board of Regents**

Republic of the Philippines
VISAYAS STATE UNIVERSITY
Visca, City of Baybay, Leyte

BOR RESOLUTION NO. 119, s. 2016

A RESOLUTION APPROVING THE PROPOSAL TO CREATE A SEPARATE BIDS AND AWARDS COMMITTEE (BAC) FOR EXTERNALLY-FUNDED RESEARCHES AND FOR THE EXTERNAL CAMPUSES

WHEREAS, Republic Act 9158 converted the then Visayas State College of Agriculture (ViSCA) into a state university, the Leyte State University, on 11 August 2001 and was later renamed Visayas State University (VSU) by virtue of R.A. 9437;

WHEREAS, Section 7 of R.A. 9158 specifically empowers the Board of Regents of the University to “*exercise all the powers granted to the Board of Directors of a corporation under Section 36 of Batas Pambansa Blg. 68, otherwise known as the Corporate Code of the Philippines*”;

WHEREAS, Section 7, Paragraph (a) of R.A. 9158 empowers the Governing Board “*to enact rules and regulations, not contrary to law, as may be necessary to carry out the purposes and functions of the University*”;

WHEREAS, Section 2 of the IRR of RA 9184 provides: “*It is the policy of the GOP that procurement of infrastructure projects, goods and consulting services shall be competitive and transparent and, therefore, shall go through public bidding, except as otherwise provided for in the IRR*”;

WHEREAS, the workload of the existing Bids and Awards Committee of the University is very heavy due to the sheer number of items needed by the University for its operations to be efficient and optimal;

WHEREAS, there is a need to distribute the procurement load of the existing BAC for reasons of economics and improved efficiency and effectiveness;

WHEREAS, the existing BAC will continue to take charge of all procurement activities of the Main Campus – *infrastructure, office supplies, construction materials, and equipment* – charged to the GAA including the infrastructure of the four (4) External Campuses;

WHEREAS, the new BAC will take care of the procurement of all equipment, supplies and materials for externally-funded Researches and all the procurement needs of the External Campuses;

WHEREAS, the proposal was discussed by the University Administrative Council (UADCO) on the occasion of the 122nd UADCO Meeting held last 01 December 2016 at the 2nd Floor, Center for Continuing Education (CEC) Building, VSU Main Campus, City of Baybay, Leyte and is strongly endorsing the proposal to the VSU Board of Regents for APPROVAL, as presented.

THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED to approve the proposal to create a separate Bids and Awards Committee for Externally-Funded Researches and for the External Campuses, as proposed.

IN WITNESS of our approval thereof, we hereby affix our signatures this 14th day of December 2016 at CHED Central Office, C.P. Garcia Avenue, UP Diliman, Diliman, Quezon City.

VSU BOARD OF REGENTS



HON. PROSPERO E. DE VERA III
CHED Commissioner and Chairperson
VSU-Board of Regents

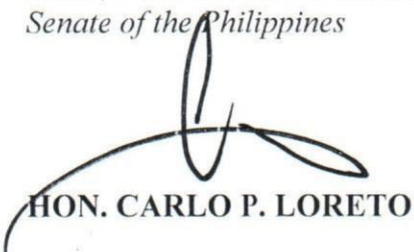


HON. EDGARDO E. TULIN
Vice Chairman and President, VSU

HON. PAOLO BENIGNO A. AQUINO IV
Chair, Committee on Education, Arts & Culture
Senate of the Philippines

HON. ANN K. HOFER
Chair, Committee on Higher & Tech. Educ.
House of Representatives

Represented by:



HON. CARLO P. LORETO

HON. BONIFACIO G. UY
Regional Executive Director
National Economic & Dev. Authority-RO8
Gov't. Center, Palo, Leyte

HON. U-NICOLS A. MANALO
Regional Executive Director
Department of Agriculture-RO8
Tacloban City

HON. MARK MICHAEL O. UNLU-CAY
Student Regent – VSU System
VSU, Visca, City of Baybay, Leyte

HON. DEOGRACIAS E. PERNITEZ
President, VSU Federated Alumni Assn.
VSU, Visca, City of Baybay, Leyte

HON. ERNESTO F. BULAYOG
Faculty Regent – VSU Faculty Association
VSU, Visca, City of Baybay, Leyte

Private Sector Representatives:

HON. ROY BERNARD C. FIEL
Ormoc City

HON. JOEL R. CAMINADE
Tacloban City



VISAYAS STATE UNIVERSITY

6521-Visca, City of Baybay, Leyte, Philippines

EXECUTIVE BRIEF

SUBJECT : Proposal to Create a Separate Bids and Awards Committee (BAC) for Research and the External Campuses.

RATIONALE : The workload of the existing Bids and Awards Committee (BAC) of VSU is tremendous. The sheer number of items needed by the University has oftentimes resulted in delays in the procurement of goods and services to the detriment of the research community and the external campuses of the University.

LEGAL BASES : Rule I, Section 2 of the IRR of RA 9184 which provides, to wit: *"It is the policy of the GOP that the procurement of infrastructure projects, goods and consulting services shall be competitive and transparent, and therefore, shall go through public bidding, except as otherwise provided by this IRR."*

Paragraph 11.1.1, Section 11, Rule V of the Revised IRR of RA 9184, which provides, to wit: *"The Procuring Entity shall establish in its Head Office, a single BAC to undertake the functions specified in Section 12 of this IRR in order to facilitate professionalization and harmonization of procedures and standards. In line with the standardization of procurement procedures and the thrust towards strengthening the procurement function to increase the operational efficiency and effectiveness, Heads of Procuring Entities shall aim to consolidate or unify all procurement activities of the organization, whether locally-funded or foreign assisted, and whether pertaining to goods, infrastructure projects, or consulting services."*

Paragraph 11.1.2, Section 11, Rule V of the Revised IRR of RA 9184, which provides, to wit: *"However, to expedite the procurement process for practical intents and purposes, the Head of the Procuring Entity may create separate BACs where the number and complexity of the items to be procured shall so warrant. The BACs may be organized either according to: (a) geographical location of the PMO 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 Head of the Procuring Entity."*

DESCRIPTION OF THE PROPOSAL:

The sheer number of items needed by the University has oftentimes resulted in delays in the procurement of goods and services to the detriment of the research community and the external campuses of the University. This has come about due to the very heavy workload of the existing Bids and Awards Committee (BAC). In order to facilitate the timely conduct of bidding activities, there is a need to distribute the procurement load of the existing BAC for reasons of economic and improved efficiency and effectiveness.

The existing BAC will continue to take charge of all procurement activities of the Main Campus (infrastructure, office supplies, construction materials, and equipment) charged to the GAA including the infrastructure of the four (4) branch campuses. On the other hand, the new BAC will take care of the procurement of all equipment, supplies and materials for externally-funded researches and all the procurements needs of the External Campuses, except infrastructure.

The proposal was discussed by the University Administrative Council (UADCO) on the occasion of the 122nd UADCO Meeting held last 01 December 2016 at the 2nd Floor, Center for Continuing Education (CEC) Building, VSU Main Campus, City of Baybay, Leyte.

In this instance, the UADCO approved the proposal and is strongly endorsing the proposal to the VSU Board of Regents for APPROVAL.

ENDORSEMENT : University Administrative Council

RECOMMENDATION OF THE PRESIDENT : The University President is strongly supporting the proposal and is endorsing the request to the Board of Regents for *Approval*.

REQUESTED BOR ACTION : APPROVAL of the Proposal to Create a Separate Bids and Awards Committee (BAC) for Research and the External Campuses.

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**PROPOSAL TO CREATE SEPARATE BIDS AND AWARDS COMMITTEE (BAC) IN
ACCORDANCE WITH THE PROVISIONS OF RULE I, Section 2 on Declaration of Policy
AND PARAGRAPH 11.1.2 OF Section 11, RULE V OF THE REVISED
IRR OF RA 9184**

The DECLARATION OF POLICY in Section 2 of the IRR of RA 9184 provides that " it is the policy of the GOP that procurement of infrastructure projects, good and consulting services shall be competitive and transparent, and therefore shall go through public bidding, except as otherwise provided by this IRR. (a)."

In paragraph 48.2 of Section 48, Rule XVI, it provides that "as a general rule, the Procuring Entities shall adopt public bidding as the general mode of procurement and shall see to it that the procurement program allows sufficient lead time for such public bidding. Alternative methods shall be resorted to only in the highly exceptional cases provided for in this Rule."

As shown above, the normal and general mode of procurement should be public bidding since alternative methods can be resorted to only in highly exceptional cases. The allowable alternative method includes:

1. Shopping which can only be employed in any of the following cases:
 - a) When there is an unforeseen contingency requiring immediate purchase: Provided, however, that the amount shall not exceed the thresholds prescribed in Annex "H" of this IRR.
 - b) Procurement of ordinary or regular office supplies and equipment not available in the Procurement Service involving an amount not exceeding the thresholds prescribed in Annex "H" of this IRR.(a)
2. Limited source bidding - is a method of procurement of goods and consulting services that involves direct invitation to bid by the procuring entity from the list of pre-selected suppliers or consultants⁴⁹ with known experience and proven capability on the requirements of the particular contract. This alternative method of procurement may be employed under any of the following conditions:
 - a. Procurement of highly specialized types of goods (e.g. , sophisticated defense equipment, complex air navigation systems, coal) and consulting services where only a few suppliers or consultants are known to be available, such that resorting to the public bidding method will not likely result in any additional suppliers or consultants participating in the bidding; or
 - b. Procurement of major plant components where it is deemed advantageous to limit the bidding to known qualified bidders in order to maintain uniform quality and performance of the plant as a whole.(a)
3. Negotiated procurement – only after two failed biddings, emergency cases, take over of contracts, adjacent or contiguous, agency to agency, procurement agent (no guidelines yet), highly technical consultants, community participation (no guidelines yet), defense cooperation agreement, small value procurement, leave of real property (no guidelines yet), & United Nation agencies.

As shown above, the workload of the existing BAC is tremendous . In order to facilitate the timely conduct of bidding activities, there is a need to distribute the procurement load of the existing BAC for reasons of economic and improved efficiency and effectiveness, when allowable.

Quoted below are the provisions of Section 11.1.1 and 11.1.2 of Rule V of the IRR of the Procurement Law to wit:

- "11.1.1. Each procuring entity shall establish in its head office a single BAC to undertake the functions specified in Section 12 of this IRR in order to facilitate

professionalization and harmonization of procedures and standards. In line with the standardization of procurement procedures and the thrust towards strengthening the procurement function to increase operational efficiency and effectiveness, Heads of Procuring Entities shall aim to consolidate or unify all procurement activities of the organization, whether locally-funded or foreign assisted, and whether pertaining to goods, infrastructure projects, or consulting services.(a)

"11.1.2. However, to expedite the procurement process for practical intents and purposes, the Head of the Procuring Entity may create separate BACs where the number and complexity of the items to be procured shall so warrant. The BACs may be organized either according to: (a) geographical location of PMO 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 Head of the Procuring Entity. (a)

It is therefore proposed to create the following alternate BAC for the purchase of all equipment, supplies and materials for externally funded researches and for the four branch campuses for all its procurement needs except infrastructure.

The existing BAC will continue to take charge of all procurement activities of the main campuses (infrastructure, office supplies, construction materials and equipment) charged to the GAA including infrastructure of the four branch campuses.

In order to ensure compliance with the PhilGEPs requirement, a procurement office should be created in accordance with the National Budget Circular No. 2015-558 dated June 6, 2015. The staffing requirement of said office shall follow the standard as indicated in said circular.