



Republic of the Philippines
DEPARTMENT OF JUSTICE
BUREAU OF CORRECTIONS
NBP Reservation, 1776 Muntinlupa City
TEL.NO. (02) 807-23-68



SUPPLEMENTAL/BID BULLETIN # 3

TO ALL PROSPECTIVE/INTERESTED BIDDERS FOR THE **FOOD SUBSISTENCE FOR PDL CONFINED AT NBP AND CIW 2019 (AUGUST 1, 2019 TO DECEMBER 31, 2019)**. LOT 1 (MAXIMUM SECURITY COMPOUND NORTH) **₱32,130,000.00**; LOT 2 (MAXIMUM SECURITY COMPOUND WEST) **₱39,627,000.00**; LOT 3 (MAXIMUM SECURITY COMPOUND EAST) **₱53,550,000.00**; LOT 4 (MAXIMUM SECURITY COMPOUND SOUTH) **₱74,970,000.00**;

LOT 5 (MEDIUM SECURITY CAMP, RECEPTION & DIAGNOSTIC CENTER AND MINIMUM SECURITY CAMP) **₱89,021,520.00** AND LOT 6 (CORRECTIONAL INSTITUTION FOR WOMEN) **₱34,272,000.00**. TOTAL APPROVED BUDGET FOR THE CONTRACT (ABC) OF **THREE HUNDRED TWENTY-THREE MILLION FIVE HUNDRED SEVENTY THOUSAND FIVE HUNDRED TWENTY PESOS ONLY (₱323,570,520.00)**

PLEASE BE INFORMED THAT THE SUBMISSION AND OPENING OF BIDS IS SCHEDULED ON **JULY 8, 2019 (10:00 A.M.) SAME VENUE**. PLEASE SEE LETTER ADDRESSED TO THE GOVERNMENT PROCUREMENT POLICY BOARD (GPPB) DATED 27 JUNE 2019 (HERETO ATTACHED AS "**ANNEX A**") AS THE ANSWER TO THE LETTER REQUEST FOR CLARIFICATIONS FROM MANG KIKO CATERING SERVICES INC. DATED 25 JUNE 2019.

FOR FURTHER INQUIRIES, PLEASE CONTACT THE BUCOR-BAC CHAIRMAN OR BUCOR-BAC HEAD SECRETARIAT AT TELEPHONE NO. (02) 478-09-07/772-27-18/809-85-87 (e-mail at bucorbacsec@gmail.com)

ISSUED THIS 28TH DAY OF JUNE 2019 AT MUNTINLUPA CITY.


OTCSUPT. MA LOURDES M. RAZON, M.D.
BUCOR-BAC CHAIRPERSON



Republic of the Philippines
DEPARTMENT OF JUSTICE
BUREAU OF CORRECTIONS
NBP Reservation, 1776 Muntinlupa City



27 June 2019

ATTY. ROWENA CANDIZ RUIZ
Executive Director V
Government Procurement Policy Board (GPPB)
Unit 2506, Raffles Corporate Center, F. Ortigas Jr. Road
Ortigas Center, Pasig City

Dear Maam:

Greetings!

The undersigned respectfully requests your Non-Policy Memorandum (NPM) on a query raised by a bidder (*please see Request of Clarification by Mang Kiko Catering Services, Inc. hereto attached as Annex "A"*) relative to the issue on possible splitting of contracts. Also attached for your perusal is the Annual Procurement Plan FY 2019 (*hereto attached as Annex "B"*) and complete set of bidding documents (*hereto attached as Annex "C"*), relative to said procurement.

Anent the foregoing, the Bureau of Corrections would like to relay its stand that there exists no possible splitting of contracts. Commission on Audit Circular No. 76-41 dated July 30, 1976 states, to wit:

xxx

What is "Splitting"?

Splitting, in its literal sense, means dividing or breaking up into separate parts or portions, or an act resulting in a fissure, rupture, breach. Within the sphere of government procurement, splitting is associated with requisitions, purchase orders, deliveries and payments.

Forms of Splitting:

- 1) *Splitting of Requisitions consists in the non-consolidation of requisitions for one or more items needed at or about the same time by the requisitioner.*
- 2) *Splitting of Purchase Orders consists in the issuance of two or more purchase orders based on two or more requisitions for the same or at about the same time by different requisitioners; and*

- 3) *Splitting of Payments consists in making two or more payments for one or more items involving one purchase order.*

The above-enumerated forms of splitting are usually resorted to in the following cases:

- 1) *Splitting of requisitions and purchase orders to avoid inspection of deliveries;*
- 2) *Splitting of requisitions and purchase orders to avoid action, review or approval by higher authorities; and*
- 3) *Splitting of requisitions to avoid public bidding. Xxx*

Additionally, per NPM 136-2014, it had been stated that "[I]t does not follow that once a contract is divided into smaller quantities or phases, there is splitting of contract. In order to determine whether the division of the procurement project into two (2) packages amounts to splitting of contract, it must be clearly shown that the act must have been done for the purpose of circumventing or evading legal and procedural requirements, i.e., there should be a determination that, despite resorting to public bidding for both packages, the division into two (2) packages was done to circumvent or evade the legal and procedural requirements under RA 9184 and its IRR."¹

Based on the above disquisitions, it is apparent that the division of Maximum Security Compound into four (4) lots would not be detrimental to the government, as opposed to the claims of Mang Kiko, because the same is sanctioned by RA 10575 otherwise known as the "The Bureau of Corrections Act Of 2013" (please see Memoranda on Division of Maximum Security Compound hereto attached as Annex "D"). Likewise, it will not possibly result in the splitting of contracts as it does not fall under any of the circumstances mentioned in Commission on Audit Circular No. 76-41, and no provision of RA 9184 and its IRR, as well as any related law/issuance is being circumvented or evaded.

Thank you and looking forward to your positive response on the matter preferably on or before 4 July 2019, as we intend to open our bids by 8 July 2019.

For any question or query, you may reach us through our electronic e-mail account: bucorbacsec@gmail.com and through our telefax (02) 8098587/7722718.

Sincerely,


CTCSUPT. MA. LOURDES M. RAZON, MD.
Chairperson, BuCor BAC

¹https://www.gppb.gov.ph/GPPBTSO_Non-Policy/1160