



28 MAR 2017

Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
OFFICE OF THE SECRETARY  
Manila

097.03 APWH  
03-29-2017

DEPARTMENT ORDER )  
NO. **41** )  
Series of 2017 )

**SUBJECT: Modified Guidelines on the Assigned Functions of the Special Action Committee (SAC) and Verification of Bonds, etc.**

In the exigency of the service and in order to improve efficiency and rationalize the assignment of functions of the Special Action Committee (SAC) to proper offices, the following offices shall have the following functions:

1. Procurement Service (PrS) - Shall be responsible for the verification of the genuineness of all bidders/performance/surety bonds, letters of credit, bank guarantees and Contractors All Risks Policies submitted by the contractors. Upon receipt of confirmation from the issuing bank, PrS shall forward to the implementing office the said confirmation together with the original copy of the bid/performance securities.
2. Implementing Office (IO) - Shall be responsible for the safekeeping of the original bid/performance securities and shall take immediate steps to require the contractor to renew their bonds, letters of credit which are due to expire before the completion of their projects or the full repayment of their advance payments. In case of terminated contract, the IO shall report it to the Legal Service for its appropriate action.
3. Legal Service (LS) - Shall initiate legal action for the forfeiture of the performance/surety bonds and the collection of its money value and the recoupment of unliquidated advance payments or partial payments of materials for all terminated or rescinded contracts of contractors as reported by the IO.

The assignments of the above named offices are applicable only to centrally procured infrastructure projects, consulting services and goods. However, all the functions and responsibilities defined above shall be undertaken by the Procurement Unit of the Regional Offices and District Engineering Offices.

This Order supersedes Department Order No. 229 Series of 2016 and shall take effect immediately.

**RAFAEL C. YABUT**  
Senior Undersecretary  
Officer-in-Charge

Department of Public Works and Highways  
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