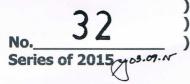


Republic of the Philippines DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS OFFICE OF THE SECRETARY

Bonifacio Drive, Port Area, Manila



DEPARTMENT ORDER



SUBJECT: GUIDELINES IN PACKAGING AND EVALUATION OF BIDS FOR GOODS BY ITEM OR BY LOT

To provide for efficient, transparent, and competitive procurement of goods in accordance with the provisions of Republic Act No. 9184 and its Implementing Rules and Regulations, the following guidelines are hereby prescribed in the packaging and evaluation of bids for goods by item or by lot.

- a. An item is defined as the individual good being procured. A lot is defined as the quantity and number of items that will be included in a single contract.
- b. Lots should be composed of items that are likely to attract maximum competition.
- c. Packaging of items into a single lot may be adopted in any of the following cases:
 - i. The items comprising the lot will not be commercially or functionally attractive to prospective bidders if procured individually, especially small low-cost items. These include items that are rarely procured over three or more years, e.g., special laboratory equipment which can be included in a lot of common-use laboratory supplies.
 - ii. Award by lot to a single supplier/contractor will ensure compatibility of functionally interrelated items comprising the lot.
- d. The concerned Bids and Awards Committee (BAC) shall in consultation with the enduser office of the goods during the pre-procurement conference - select one of the following options for packaging and award of contracts and prescribe the selected option in the Bidding Documents for the goods:

<u>Option 1</u> - Different items can stand alone individually and be awarded as separate contract packages.

<u>Option 2</u> - All items to be grouped to form one complete lot that will be awarded to one Bidder as one contract package.

<u>Option 3</u> - Similar items to be grouped together to form several lots that shall be awarded as separate contract packages.

e. Under the option prescribed by the BAC, Bidders may submit bids on any or all contract packages - within the limits of their eligibility - and the BAC shall undertake the evaluation of bids and recommend award on a per package basis. For a particular contract package for which a bidder is eligible and intends to submit a bid, the bidder must quote bids for the complete package, i.e., <u>all</u> items in that package must be priced. If the bidder offers a particular item for free, it must put "0" in the bid price

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column and not leave it blank. Any violation of the rules under this item e shall render the bid as non-complying.

f. The Approved Budget for the Contract (ABC) shall be established for each contract package as the ceiling for award. Thus, if the procurement is to be done by item as a contract package, the ABC shall set for that item; if the procurement is to be done for a lot as a contract package, the ABC shall set for that lot.

Heads of Implementing Offices shall see to it that this Order is strictly enforced. Failure to do so shall, after due process, make the erring officials/employees involved liable to the penalties for violation of reasonable office rules and regulations prescribed under Section 52, C(3) of Civil Service Resolution No. 991936 dated August 31, 1999, otherwise known as the Uniform Rules on Administrative Cases in the Civil Service – i.e.: 1st offense – Reprimand; 2nd offense – Suspension for 1-30 days; and 3rd offense – Dismissal the from service.

This Order takes effect immediately.

RØGELIO NGSON

Secretary

4.7.2 JABS/MGNO

Department of Public Works and Highways Office of the Secretary