



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

12-2430
097.13-DPWH
02.03.2021

JAN 20 2021

DEPARTMENT ORDER)

NO. 12)

SERIES OF 2021: 2/3/2021

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

In 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 functions on centrally-procured civil works, consulting services and goods shall be performed by the herein listed offices:

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 Risk 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 In case of terminated or rescinded contracts, the Implementing Office (IO) shall report it to the Legal Service for its appropriate action.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money value and the recoupment of unliquidated advanced payments or partial payments of materials for all terminated or rescinded contracts of contractors, as reported by the IO.

Concerning Regional Offices (ROs) and District Engineering Offices (DEOs), all the above-mentioned functions and responsibilities shall be undertaken by their Procurement Units.

Furthermore, the IOs, LS, and the Procurement Units of the ROs and DEOs are reminded, to strictly ensure the forfeiture of the performance/surety bonds and the collection of its money value and the recoupment of advance payments or partial payments of materials, in cases of terminated or rescinded contracts of contractors.

The IOs and LS, in cases of centrally procured infrastructure projects, consulting services, and goods, shall closely coordinate on terminated/rescinded contracts and the appropriate legal action to be taken.

You are to submit a report to the Office of the Secretary within seven (7) days from receipt of this Department Order, of the actions pursuant thereto.

This supersedes Department Order No. 41, series of 2017 and shall take effect immediately.



MARK A. VILLAR
Secretary

Department of Public Works and Highways
Office of the Secretary



WIN1A04286

1.1 RGVS/ESR