

DPWH-13
9-18-89



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
MANILA

August 10 1989

DEPARTMENT ORDER)

SUBJECT : CREATION OF DPWH
DISPOSAL COMMITTEES
AND OTHER RELATED MATTERS

NO. **137** *h*
Series of 1989 *9/18*

Pursuant to the provisions of Executive Order No. 888 dated March 18, 1983, amended by Executive Order No. 285 dated July 25, 1987 and in accordance with the provisions of Department Order No. 112, dated November 21, 1988, the following Disposal Committees are hereby created in this Department to effect the speedy disposal of DPWH unserviceable or no longer needed properties, to wit:

A. CENTRAL DISPOSAL COMMITTEE FOR HEAVY CONSTRUCTION AND MAINTENANCE EQUIPMENT INCLUDING MATERIALS

- Undersecretary Jose F. Mabanta - - - - - Chairman
- Representative, Department of Budget and Management - - - - - Member
- Representative, Commission on Audit - - - - - Member

B. CENTRAL DISPOSAL COMMITTEE FOR UNSERVICEABLE OFFICE EQUIPMENT AND PROPERTY

- Undersecretary Gregorio S. Alvarez - - - - - Chairman
- Representative, Department of Budget and Management - - - - - Member
- Representative, Commission on Audit - - - - - Member

C. DISPOSAL COMMITTEES IN THE REGIONAL OFFICES

- 1. DPWH Regional Director - - - - - Chairman
- 2. Representative, Department of Budget & Management Regional Office - - - - - Member
- 3. Representative, COA Regional Office - - - - - Member

D. DUTIES AND DELINEATION OF THE DISPOSAL COMMITTEES

The Committees shall establish their respective standard operating procedures to govern their respective actions subject to guidelines developed by the Systems Procedures Bureau of the Department of Budget & Management and other relevant rules and regulations.

The Central Disposal Committees shall perform the following functions:

- 1. Inspect or authorize the personnel of the Department to inspect the unserviceable equipment and property in order to verify justification for disposal;

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2. Set the final appraised value of all disposable DPWH properties considering obsolescence, market demand, physical condition and result of previous biddings for similar properties;
3. Recommend to the Secretary for approval, the manner of disposal taking into consideration the pertinent provisions of the Revised Administrative Code and the National Auditing Code; and,
4. Conduct public biddings for the sale of disposable property on an "AS IS", "WHERE IS" basis and to recommend corresponding award.

The Central Disposal Committee for Heavy Construction and Maintenance Equipment Including Materials shall have jurisdiction over the disposal of unserviceable heavy equipment and no longer needed materials directly connected with the implementation of infrastructure projects of the Department.

The Central Disposal Committee for Unserviceable Office Equipment and Property shall have jurisdiction over the disposal of supplies, equipment and materials which are directly connected with the day to day operations of different offices and which are considered obsolete, forfeited, abandoned and/or surplus to the needs of the Department.

The DPWH Regional Disposal Committee shall have jurisdiction over disposable properties of the Department located within their respective regions and are hereby clothed with same authority and charged with the same functions as the Central Office Disposal Committees provided that all recommendations shall be subject to final approval of the Secretary.

E. BASIC DISPOSAL PROCEDURES AND DOCUMENTS

Accountable officials in possession of unserviceable equipment or property shall submit to the Disposal Committee, thru their respective heads of office, an Inventory and Inspection Report (General Form no. 17-A) supported by individual equipment or property survey report and current photographs (two views each). Heads of offices, in the case of DPWH, shall include District/City Engineers, Regional Directors, Project Managers (with portfolio), Bureau Directors, Assistant Secretaries, and Undersecretaries. In the case of waste materials and worn-out and obsolete spare parts, the Waste Material Report, (General Form No. 64-A) shall be used. The Head of the Office concerned, after processing such reports, shall refer same to the Disposal Committee, concerned as the case may be, with their recommendations. The Secretary shall then approve/disapprove the disposal thru the recommendation of the committee.

F. MODES OF DISPOSAL

Any one of the following modes of disposal, whichever is most appropriate, shall be considered:

1. Sale thru Public Bidding. The sale shall be widely publicized and the Committee appraised value which shall be the minimum selling price should be at realistic levels considering market demand, physical condition, obsolescence and all other relevant factors;
2. Should the sale thru public bidding be unsuccessful, the Committee may recommend disposal at any manner deemed most advantageous to the Government, including thru barter or negotiated sale at not less than the Committee appraised value; or,
3. Barter with other government agencies and government owned or controlled corporation.

G. SECRETARIAT

Each Chairman is hereby authorized to create a Secretariat, to handle all the Committee's technical and administrative matters as well as safekeeping and systematic filing of Committee documents and records, composed of at least one representative from the following offices:

Central Office Secretariat:

Administrative & Manpower
Management Service

Comptrollership & Financial
Management Service

Bureau of Equipment
Office Concerned.

Regional Office Secretariat:

Administrative Division

Comptrollership & Financial
Management Division.

Regional Equipment Service
Office Concerned.

The Technical Working Group of the DPWH Physical Inventory-Taking Committee, as reconstituted under Department Order No. 39, dated 19 May 1988, is hereby directed to assist the Secretariat and the Disposal Committees, upon request of the Committee Chairman Concerned.

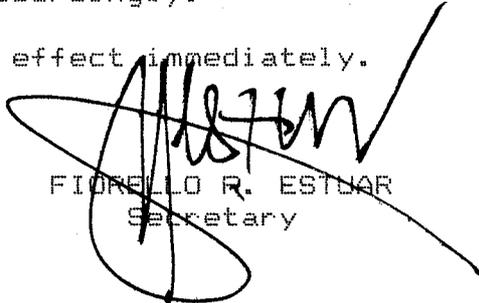
H. OTHER MISCELLANEOUS POLICIES, RULES AND REGULATIONS

1. In order to obtain optimum use and service of the Department's supplies materials and equipment, transfer with or without cost of excess or surplus property from one government office to another shall be given priority, particularly to newly created offices of the Department.

2. The heads of the different offices are hereby made responsible for the protection of DPWH properties against loss, wastage, deterioration and depreciation in value thru negligence or willful act. They shall take appropriate measures to avoid improper use and illegal disposal of government property, unauthorized dismantling of heavy and office equipment and motor vehicles without the necessary funds to repair, indiscriminate dumping of heavy equipment and motor vehicles in the open area for an indefinite period, unmonitored and extended loans of equipment to private individuals or to other government agencies, and the like.
3. Dropping from the books of accounts of disposed property shall be subject to existing accounting and auditing regulations.
4. The disposal of Department records shall be governed by other existing laws, rules and regulations not covered by this Department.

All previous Department issuances inconsistent herewith are hereby deemed modified or superseded accordingly.

This Department Order shall take effect immediately.



FIORIELLO R. ESTUAR
Secretary



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Bonifacio Drive, Port Area, Manila

December 18, 1990

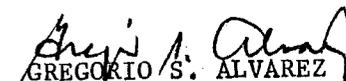
MEMORANDUM TO:

The Assistant Secretary for Administration
and Manpower Management
This Department

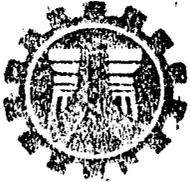
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Attached is a copy of the guidelines for the disposal of unserviceable office equipment and property, in line with Department Order No. 137, dated August 10, 1989.

Please circularize to our Regional Offices for their information and guidance.


GREGORIO S. ALVAREZ
Undersecretary

072-SP



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
MANILA

*DPWH CENTRAL DISPOSAL COMMITTEE
FOR UNSERVICEABLE OFFICE EQUIPMENT AND PROPERTY*

(Created under Department Order No. 137, dated August 10, 1989)

DISPOSAL GUIDELINES AND OTHER RELATED MATTERS

A. Scope of Jurisdiction:

In accordance with Section D of Department Order No. 137, dated August 10, 1989, the DPWH Central Disposal Committee for Unserviceable Office Equipment and Property shall have jurisdiction over the disposal of office supplies, materials and equipment which are directly connected with the day to day operation of different offices and which are considered obsolete, forfeited, abandoned and/or surplus to the needs of the Department in accordance with Section B hereof.

B. Determination of Disposable Property:

The following shall form as guides in the determination of which property should be disposed:

1. Unserviceable property which can no longer be repaired or reconditioned.
2. Unserviceable property whose maintenance costs if repaired or reconditioned more than outweighs the benefits and services that will be derived from its continued use.
3. Serviceable property that has become obsolete, or outmoded because of changes in technology.
4. Serviceable property that has become unserviceable due to change in the function of the office concerned.
5. Unused supplies, materials, and spare parts that were procured in excess of requirements, have become dangerous to use because of long storage or determined to be hazardous.

C. Request for Disposal Action:

The Central Disposal Committee's action on disposal of DPWH office equipment and property shall commence upon receipt of a request from the Chief of the Supply and Property Management Division, AMMS or any Head of Office as mentioned under Section E of Department Order No. 137, s. of 1990, thru the Technical Committee of the Central Disposal Committee.

An initial appraisal of the value of the items to be disposed shall be made by the said Technical Committee and the request for disposal together with the result of the initial appraisal of the Technical Committee shall be forwarded to the Chairman of the Disposal Committee furnishing a copy to the Systems and Procedures Bureau, DBM. The SPB-DBM shall make its own appraisal for consideration of the Disposal Committee.

In accordance with COA Circular No. 89-296, dated January 27, 1989, a copy of the request for disposal action together with the initial appraisal of the Technical Committee shall be forwarded to the Resident COA Auditor who shall, in turn, refer the documents to a Technical Property Inspector assigned to his office, if any, or to the TSO in the COA Central Office, for inspection and appraisal of the property.

The request for disposal action may be in the form of a simple letter or memorandum transmitting any or all of the following properly accomplished forms and their supporting documents:

1. Inventory and Inspection (I & I) Report (Gen. Form 17-A)

This form covers semi-expendable materials and non-expendable equipment and should be accompanied by any of the following as the case may be:

- Individual Survey Report, duly certified by the Supply Officer and Head of Agency;
- Current Photographs in two (2) positions;
- List of missing spare parts, duly certified by the Supply Officer and head of Agency; or,
- Stencils of chassis and engine numbers of motor vehicles.

2. Waste Material Report (WMR, of General Form No. 64-A)

This form covers semi-expendable materials and supplies, including spare parts, empty containers, remnants from destroyed or damaged fixed assets, etc. This must be accompanied by current onsite photograph in two (2) positions.

3. Invoice Receipt for Property (IRP, or General Form No. 30-A)

This form covers government property transferred from another agency which has become unserviceable and duly recommended for disposal by the head of the office concerned.

D. Conduct of Actual Physical Inspection

A date for inspection shall be set to identify the items reported for disposal and to determine their actual physical condition. Inspection may be done separately by each member of the Disposal Committee or as a group, where practicable.

The objective of this process is to supplement theoretical computations of value with first-hand observation of the physical and operational condition and marketability of the item or its ability to attract prospective buyers.

In connection with the ocular inspection of the property to be disposed, the following activities shall be performed where applicable:

1. Verify stated serial number, motor number, property number, and other technical specifications necessary for establishing correct identification of the property.
2. Determine the quality, degree and extent of maintenance and repair done on equipment, and the relative additional investment required to have it operational and the cost associated with its upkeep, for consideration on the mode of disposal.
3. Check the physical condition/general appearance of the property which reflects in a way the degree of utilization; determine whether operational, economically repairable or otherwise; determine the availability of spare parts and the general obsolescence of the equipment relative to product developments, change of attitude and preferences of the market, for consideration in estimating the appraised value of the property.
4. In cases of junk (no-expendable)/semi-expendable items, usually indicated in the WMR/I&I Report, the total estimated weight per lot should be determined to form as basis of appraisal. The cost per unit of weight of the equipment/junk materials will depend on the kind of material appraised.

E. Modes of Disposal:

Once a property has been determined suitable for disposal, the mode of its disposal shall be decided by the members of the Central Disposal Committee for Unserviceable Office Equipment and Property, bearing in mind the objective of yielding the most benefit to the government.

Property may be disposed in any of the following modes:

1. Public Auction:

As a general rule, unserviceable and obsolete government property shall be disposed of through public auction as prescribed under Section F hereof.

2. Private Sale

Disposal through private sale shall be conducted by the members of the Disposal Committee in accordance with the provisions of Section F hereof, and subject to the approval of the Commission on Audit pursuant to Section 79 of P.D. 1445.

3. Barter:

Barter with other government agencies and government-owned and/or controlled corporations is permissible under existing laws, rules and regulations.

4. Donation of Property:

Property recommended for disposal may be donated to charitable, scientific, educational or cultural associations on exceptional and meritorious cases with the approval of the (Office of the President and the Commission on Audit upon recommendation of the Department of Budget and Management) Committee Chairman with the recommendation of its member.

5. Transfer of Property:

Property recommended for disposal may be transferred to other DPWH offices or to other government agencies upon initiative of the owning agency or upon submission of request to the head of the owning agency. Transfer shall be done either with or without cost pursuant to Section 76 of P.D. 1445. The owning agency prepares an Invoice Receipt for Property (IRP, or General Form No. 3-A) and transmits this with the property to the recipient agency. The transfer shall be approved by the Disposal Committee Chairman.

6. Destruction of Property:

If found to be valueless or unsaleable, the Disposal Committee may recommend for the destruction of property in lieu of sale/transfer. The property should be destroyed by pounding, burning or throwing to the deep sea beyond retrieval in the presence of the members of the Disposal Committee and COA representative.

F. Procedures/Requirements in Disposal Through Public Auction:

The following outlines the general procedures in the conduct of public auction for property recommended for disposal:

1. Setting of Minimum Value:

1.1 Once all the items listed in the I & I Report, WMR or IRP have been computed, and the Total Appraised Value is determined, the I & I Report, WMR or IRP is attached to the Appraisal Report duly signed by the Disposal Committee Chairman.

1.2 In case of individual appraisal and there is conflict in appraisal, the Central Disposal Committee shall deliberate on the appropriate appraised value that the government shall set as the minimum bid price with COA appraised value as point of reference. If the Committee cannot arrive at a consensus, the Chairman shall adopt an appraised value which he deems most advantageous to the government.

2. Pre-bidding Requirements:

2.1 Preparation of the Invitation to Bid (ITB)

The ITB should clearly state or describe those items or lots that are to be sold through public bidding on an "As Is And Where is Basis"; this should include among others:

- The name of the owning agency
- Date, time, and place of bidding
- Sufficient descriptive information of the items/lots for bidding, including specifications where necessary
- The general information on bidding requirements such as accomplishment of the bid tender, bid bonds, payment and claims, among others.

2.2 The ITB shall be confirmed and signed by the Chairman of the Disposal Committee.

2.3 Publication of ITB in a newspaper of general circulation if the value of the property so warrants as determined by the Disposal Committee. Otherwise, substitute publication may be availed of, by posting copies of the ITB in conspicuous public places in the area where the property is located or where the bidding will be conducted. Copies of the ITB may also be sent to interested prospective bidders within the locality.

2.4 Bidding shall be scheduled on a date not less than seven (7) working days from date of issuance/publication/posting of the ITB.

3. Accomplishment and Submission of Bids:

3.1 Preparation of the Bid Tender

The Bid Tender should clearly indicate those items/lots specified in the ITB. This should include among others:

- The description of the items/lots with its corresponding bid offer
- The amount in words of the bid offer
- The name and signature of the bidder

- The business license number or Residence Certificate number of the bidder
- Tax Account Number
- Terms and Conditions regarding bidder's bond, payment, default and delivery.

3.2 A bidder shall accomplish the Bid Tender in at least three (3) copies, preferably typewritten. Bid Tenders should be properly signed and submitted to the Chairman of the Disposal Committee not later than the time of opening of

the bids. The envelope containing the bid tender should be sealed and addressed properly and correctly.

- 3.3 The amount of the offer shall be clearly indicated in figures and in words.
- 3.4 Erasures or interlineations should be avoided or duly initialed by the bidder.
- 3.5 The Disposal Committee members or their duly authorized members shall open all bids with the assistance of the Committee Secretariat at the time, date and place set in the ITB to determine if it was complying.
- 3.6 The Bid Tender shall be initialed/signed by the members of the Disposal Committee, the Committee Secretariat members, and the COA representative immediately after they are opened and announced in order to confirm compliance with the requirements of the bidding.
- 3.7 The Bid Tenders are filed for safekeeping by the Secretariat of the Disposal Committee.

4. Bid Bond and Payment

- 4.1 Bid bonds per lot should be at least 10% of the minimum price established by the government, or as prescribed by the Disposal Committee.
- 4.2 Bid bonds should be in the form of cash, manager's check, or cashier's check acquired from a reputable Bank within the area where the bidding is to be held.
- 4.3 Upon determination of the awardee, his corresponding bid bond may be considered as his initial payment and the difference between such payment and offered bid price shall be paid in the form of cash, cashier's or manager's check of a bank within the area where the bidding was held, immediately upon the issuance of the notice of award. Bid Bonds of losing bidders will be returned to those concerned.
- 4.4 Bids without bid bond are automatically disqualified from the bidding.
- 4.5 In case of unjustifiable refusal and/or failure of the winning bidder to accept the award or to pay the balance of the award price within five (5) days from the Notice of Award, the bid bond posted shall be forfeited in favor of the government.

5. Withdrawal of Bids:

A bidder may be allowed to withdraw a bid tender before the time of opening of the bids. His bid shall be returned unopened.

After the opening of the bids, no bidder shall be allowed to withdraw his offer unless the following conditions are met:

- 5.1 There is a mistake in the offer.
- 5.2 If the mistake refers to the object or principal conditions of the proposal.
- 5.3 The reason for such mistake must be conclusive and convincing.
- 5.4 The withdrawal of the bid tender has been communicated in writing to the head of the agency or his authorized representative before the award is made, but not more than three (3) working days after the opening of bids.
- 5.5 Defective Bids. Bids that are not in the prescribed form and/or unsigned bids are considered defective bids.

Defective bids are automatically disqualified if there is successful bidding. However, exceptional cases may occur where a defective bid may be favorably considered by the Disposal Committee, such as when the complying bidders failed to meet the minimum government appraised value of the items/lots. The defective bid may then be rectified in the presence of the bidders and members of the Disposal Committee.

6. The Abstract of Bids:

An Abstract of Bids in triplicate shall be prepared during the bidding proper showing the name of the owning agency, the date, time and place of bidding, name of bidders with their corresponding amount of bid tenders and bid bonds per item/lot, including reason for disqualification where applicable. The Abstract of Bids shall be signed by the individual bidders and the members of the Disposal Committee.

The purpose of this Abstract of Bids is to show in matrix-summary form the individual bidders, their bids and bid bonds per item/lot, and the confirmations of all concerned in the bidding process. Members of the Disposal Committee shall be provided with a copy of the Abstract of Bids.

7. Awarding of Bids:

- 7.1 Award shall be given to the highest complying bidder. When two or more complying bidders made identical offers, the award may be divided equally as practicable among them, unless the interest of the government demands that it should be given to only one bidder as determined by the Disposal Committee.

Awarding of bid should be done immediately after the opening of bids, if practicable.

In case of deferment of award, a temporary receipt shall be issued by the agency to acknowledge submission of bid tenders. The temporary receipts shall be surrendered for the bid tenders once the Disposal Committee completes its deliberations. Losing bid tenders may be returned, as far as practicable, upon presentation of the receipt immediately after awarding of the winning bidder. Deferment of award shall not exceed five (5) calendar days from date of opening of bids.

7.2 Unsuccessful Bidding:

If the sale through public bidding is unsuccessful, a rebidding may be scheduled. In case of failure of the second bidding, the Disposal Committee may dispose the property in any manner deemed most advantageous to the government, including barter, or negotiated sale at not less than the government minimum bid price, unless otherwise deemed justified by the members of the Disposal Committee. Unsuccessful bidding may be of the following cases:

- No bidding participant
- Failure of complying bidders to meet the minimum government appraised value
- Failure of bidders to meet the bidding requirements
- Only one (1) bidder submitted a Bid Tender, or only one (1) bidder is present during the opening of bids

7.3 Claiming of Award:

- a. Claims shall be made only by the awardee, after the bid price is fully paid as evidenced by an official receipt. It shall be effected in the presence of the reporting accountable officer or his duly authorized representative and witnessed by the representatives from COA and DBM.
- b. All expenses incidental to the withdrawal of the property shall be borne, or for the account of the awardee.
- c. Claims shall be made only during official government working hours.
- d. Claims shall be made within the period fixed by the Disposal Committee and failure on the part of the awardee to claim within the stipulated period, unless justified or whose balance due is paid in full, shall have the effect of cancellation of the award/contract and the ownership of the contracted/awarded

property shall automatically revert to the government. The government shall then have the right to re-sell or dispose the property through whatever manner the Disposal Committee deems most advantageous to the government.

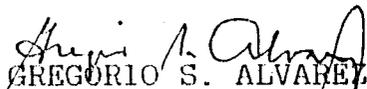
- e. Failure to withdraw or claim the subject item at the prescribed time may be charged with storage cost and other storage-related cost at a rate that shall be determined by the Committee.
- f. The officer in charge of custody of the items being disposed shall accomplish a Tally-Out Sheet as evidence of actual withdrawal/delivery. The Tally-Out Sheet shall be signed by the representative of the COA, the representative of the reporting accountable official and the awardee acknowledging receipt of the items.

7.4 Taxes, Customs Duties, Costs, or Charges:

The buyer of disposable property shall pay, in addition to the purchase price, any taxes, customs duties, costs or charges of any kind or nature whatsoever levied, or to be levied in connection with the sale of the property.

G. Dropping from the Books of Accounts:

Dropping of disposed property from the Books of Accounts shall be subject to existing accounting and auditing laws, rules and regulations.

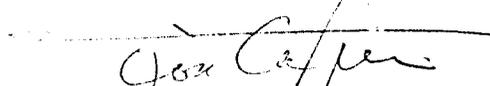

GREGORIO S. ALVAREZ
Chairman

Central Disposal Committee for
Unserviceable Office Equipment and Property

DEM's Representative:

COA's Observer/Resource Person:


JOSEFINO R. ANGELES
Director
Systems and Procedures Bureau


JOSE J. TAPIA
State Auditor IV
Commission on Audit

MALACANANG
MANILA

EXECUTIVE ORDER NO. 888

**AUTHORIZING MINISTERS AND HEADS OF MINISTRIES/AGENCIES TO
DISPOSE OF, THEIR RESPECTIVE UNSERVICEABLE EQUIPMENT AND
DISPOSABLE PROPERTY**

WHEREAS, there are now existing in the various Ministries/ Agencies of the Government and in their respective field offices throughout the country considerable quantity of un- serviceable equipment and property deteriorating and exposed to the elements;

WHEREAS, a more expeditious disposal procedure of unser- viceable equipment and property is necessary in order to check further deterioration;

WHEREAS, the defunct Ministry of Public Highways has been authorized under Presidential Decree No. 147, as amended by Presidential Decree No. 494, to dispose of all its unser- viceable equipment and property;

WHEREAS, to further facilitate disposal of unserviceable equipment and property of all Ministries/Agencies of the Government, there is a need to prescribe a uniform and expedi- tious procedure of government property disposal;

WHEREAS, to attain this objective, there is a need to authorize all Ministers and Heads of Ministry/Agency to dispose of, all their unserviceable equipment and property in the same manner that the defunct Ministry of Public Highways has been so authorized;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and ordain:

SECTION 1. Authority to Dispose - The provisions of existing laws, rules or regulations to the contrary notwith- standing the Ministers or Heads of Ministries/Agencies of the Government shall have the full and sole authority and respon- sibility to dispose of, all unserviceable equipment and property of their respective Ministries/Agencies;

SEC. 2. Disposal Committee - To expedite disposal of unserviceable equipment and property, a Disposal Committee is hereby created respectively in each Ministry and Agency, to be composed of the representatives of the following offices:

1. Owing Ministry or Agency - Chairman
2. Bureau of Supply Coordination - Member
3. Commission on Audit - Member

SEC. 3. Duties of the Disposal Committee - The Committee shall establish a standard operating procedure to govern its action and shall perform the following functions:

(1) Inspect or authorize the Ministries/Agencies field offices to inspect the unserviceable equipment and property to verify justification for disposal;

(2) Set the final appraised value of all disposable property considering obsolescence, market demand, physical condition and result of previous biddings for similar property;

(3) Recommend to the Minister or Head of Ministry/Agency for approval, the manner of disposal taking into consideration the pertinent provisions of the Revised Administrative Code and the National Auditing Code;

(4) Conduct public biddings for the sale of disposable property on an "AS IS", "WHERE IS" basis and to recommend corresponding award;

(5) The representatives of the Commission on Audit and the Bureau of Supply Coordination together with the COA Technical Staff specifically assigned to the Disposal Committee, shall be clothed with full authority to make final decisions in behalf of their respective offices in the various committee deliberations;

(6) In the case of agencies attached to certain Ministries, recommendations of the Disposal Committee is subject to the final approval of the Minister concerned.

SEC. 4. Regional Disposal Committee - To facilitate disposal of unserviceable equipment and property in the Regional field offices, the Minister concerned is hereby authorized to create Regional Disposal Committees, as he may deem necessary, in each region to conduct public biddings for the sale of these disposable property on an "AS IS", "WHERE IS" basis. The Regional Disposal Committee shall be composed of the representatives of the following offices:

1. Regional Office of the Owing Ministry or Agency - Chairman
2. COA Regional Office - Member
3. Bureau of Supply Coordination - Member

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This Regional Disposal Committee is hereby clothed with the same authority and charged with the same functions as the Disposal Committee provided that all its recommendations shall be subject to final approval of the Minister or Head of Ministry/Agency concerned.

SEC. 5. Disposal Documents - Accountable officials in possession of unserviceable equipment shall submit to the Disposal Committee thru their respective heads of appropriate office, Inventory and Inspection Report (General Form No. 17-A), supported by individual equipment survey reports and current photographs (two views each). In the case of waste materials and worn-out and obsolete spare parts, the Waste Material Report General Form No. 64-A shall be used. The heads concerned, after processing such reports, shall refer same to the Disposal Committee or the Regional Disposal Committee, as the case may be, with their recommendations.

SEC. 6. Modes of Disposal - Any one of the following modes of disposal, whichever is most appropriate, shall be considered:

(1) Sale thru public bidding. Sale shall be widely publicized and the Committee appraised value which shall be the minimum selling price should be at realistic levels considering market demand, physical condition, obsolescence and all other relevant factors;

(2) Should the sale thru public bidding be unsuccessful, the Committee may dispose these property at any manner deemed most advantageous to the government, including thru barter or negotiated sale at not less than the Committee appraised value;

(3) Barter with other government agencies and government owned or controlled corporation.

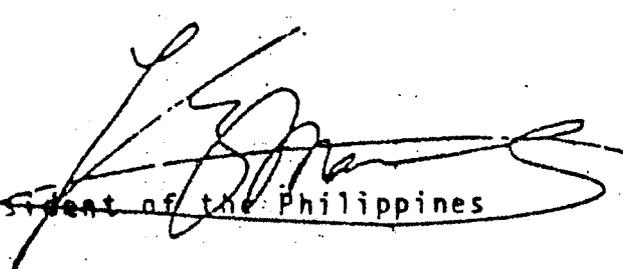
SEC. 7. Dropping from the book of accounts of disposed property shall be subject to existing accounting and auditing regulations.

SEC. 8. Secretariat - A Secretariat and technical staff to be manned from existing personnel of the Ministry/Agency concerned shall be formed to handle all the Committee's technical and administrative matters as well as the safekeeping and systematic filing of Committee documents and records.

SEC. 9. All existing Executive Orders, Letters of Instruction, Letters of Implementation, rules and regulations which are inconsistent herewith are hereby repealed, amended or modified accordingly.

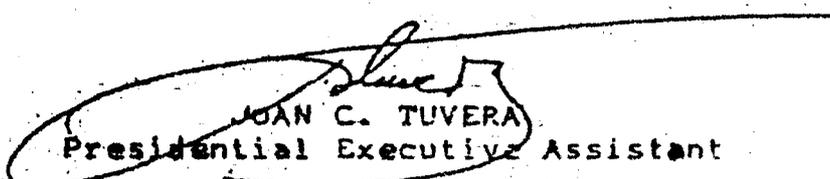
SEC. 10. This Executive Order shall take effect upon approval.

DONE in the City of Manila, this 18th day of March, in the year of Our Lord nineteen hundred and eighty three.



President of the Philippines

By the President:



JOAN C. TUVERA
Presidential Executive Assistant

MALACANANG
Manila

EXECUTIVE ORDER NO. 285

ABOLISHING THE GENERAL SERVICES ADMINISTRATION
AND TRANSFERRING ITS FUNCTIONS TO
APPROPRIATE GOVERNMENT AGENCIES

WHEREAS, it is the policy of the government to promote economy, efficiency and effectiveness in the delivery of public services;

WHEREAS, the successful performance by line departments and agencies of their mandated tasks can only be assured if auxiliary services are likewise adequately provided;

WHEREAS, in line with the principles of decentralization, autonomy and accountability, general services functions pertaining to building and real property management and supply coordination should be integrated with the regular responsibilities of government agencies having related functions;

WHEREAS, it is desirable to continue centralized coordination of records management and archival functions; and

WHEREAS, the need for an effective government printing and publication system requires the rationalization of all related existing resources of the government;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order:

Declaration of Policy. It is hereby declared a policy of the State that, in line with the principles of decentralization, autonomy, accountability and optimization of the use of existing resources of the government, the conduct of certain general administration functions be vested in the appropriate government agencies.

Part I
REORGANIZATION ACTIONS

Section 1. Abolition of the General Services Administration. The General Services Administration, hereunder referred to as the Administration, and its Building Services and Real Property Management Office and Supply Coordination Office are hereby abolished and their functions transferred to other agencies/entities in accordance with specific provisions of this Executive Order.

Such transfer shall include applicable appropriations, records, property and equipment, and such personnel as may be necessary.

Section 2. General Services Administration (Proper). The formulation, promulgation and execution of policies, rules and regulations on the performance of common administrative services, namely: building and real property management and supply coordination, are hereby transferred to the appropriate agencies specified in the succeeding sections.

Section 3. Building Services and Real Property Management Office. The functions of the Building Services and Real Property Management Office are hereby transferred, as follows:

1. To the Department of Public Works and Highways.
 - a. Overall custody and administration of government buildings, including development of criteria and standards on building services, allocation of government buildings to agency-users, and related activities;
 - b. Conduct of researches, studies and surveys to determine the space requirements of the government; need for maintenance, repair and alteration/improvement of buildings and grounds; and allocation of new buildings;
 - c. Inventory, inspection, appraisal and determination of the value of buildings owned by the national government;
 - d. Development of guidelines, criteria and standards on the reasonableness of rental rates in privately-owned buildings leased to government offices and vice-versa;
 - e. Disposal of government-owned buildings;
 - f. Determination of damage caused by natural calamities to government properties for purposes of insurance claims;
 - g. Designation of the building administrator for each government building.
2. To the Department of Environment and Natural Resources.
 - a. Custody and administration of commercial, industrial and urban properties under the management of the abolished Building Services and Real Property Management Office;

- b. Sale, lease, rental or transfer of these commercial, industrial and urban lands.
3. To the Systems and Procedures Bureau, Department of Budget and Management

Development of standards and guidelines on office space allocation and the provision of janitorial, security, messengerial and other "housekeeping" services.
4. To the Building Administrator Designated by the Department of Public Works and Highways.
(occupant or any of the occupants of the building)

Allocation of office space in the building for use by government agencies; subject to the standards and guidelines developed by the Systems and Procedures Bureau, Department of Budget and Management.
5. To the Occupants of Government Buildings.
 - a. Day-to-day custody and administration of government buildings, including allocation of office space and rental of excess office space to private users, ordinary repair and maintenance, and related activities;
 - b. Provision of janitorial, security, messengerial and other "housekeeping" services, subject to the standards and guidelines developed by the Systems and Procedures Bureau, Department of Budget and Management.

Section 4. Supply Coordination Office. The functions of the Supply Coordination Office are hereby transferred, as follows:

1. To the Procurement Service, Department of Budget and Management.
 - a. Operation of a government-wide procurement system for common-use office supplies;
 - b. Monitoring of prices for common-use supplies, materials and equipment.
2. To the Systems and Procedures Bureau, Department of Budget and Management
 - a. Development of standards and specifications for common-use supplies, materials and equipment, in coordination with the Bureau of Products Standards of the Department of Trade and Industry and the Industrial Technology Development Institute of the Department of Science

and Technology;

- b. Design of an integrated supply management system for government;
- c. Conduct of continuing studies designed to establish and maintain an improved purchasing system for government that would also serve as guide to agencies.

3. To the Different Line Departments and Agencies.

- a. Procurement of supplies, materials and equipment peculiar to their operations;
- b. Disposal of supplies, equipment and materials which are obsolete, forfeited, abandoned and surplus to their needs, subject to guidelines developed by the Systems and Procedures Bureau of the Department of Budget and Management and existing laws.

The Procurement Council created under LOI 755 dated October 18, 1978 is hereby abolished. Its functions pertaining to standards setting and policy/guidelines formulation are transferred to the Systems and Procedures Bureau, Department of Budget and Management.

To expedite disposal of unserviceable equipment and property, the Disposal Committee created in each Department and agency under Executive Order No. 888, dated March 18, 1983, is hereby reconstituted, as follows:

Representatives of:

Owning Department of agency	- Chairman
Department of Budget and Management	- Member
Commission on Audit	- Member

Section 5. Records Management and Archives Office. The Records Management and Archives Office, including its applicable appropriations, personnel, equipment, property, records and archival collections, is hereby transferred and attached to the Department of Education, Culture and Sports as a cultural agency.

The Secretary of Education, Culture and Sports is hereby authorized to reorganize the Office in consultation with and subject to the approval of the Department of Budget and Management, within one hundred twenty (120) days from the approval of this Executive Order.

Section 6. Creation of the National Printing Office. There is hereby created a National Printing Office out of the merger of the Government Printing Office and the relevant printing units of the Philippine Information Agency. The Office shall have exclusive printing jurisdiction over the following:

- a. Printing, binding and distribution of all standard and accountable forms of national, provincial, city and municipal governments, including government corporations;
- b. Printing of official ballots;
- c. Printing of public documents such as the Official Gazette, General Appropriations Act, Philippine Reports, and development information materials of the Philippine Information Agency.

The Office may also accept other government printing jobs, including government publications, aside from those enumerated above, but not in an exclusive basis.

The details of the organization, powers, functions, authorities, and related management aspects of the Office shall be provided in the implementing details which shall be prepared and promulgated in accordance with Section II of this Executive Order.

The Office shall be attached to the Philippine Information Agency:

Part II MISCELLANEOUS PROVISIONS

Section 7. New Structure and Staffing Pattern. Upon approval of this Executive Order, the officers and employees of the abolished General Services Administration and its Offices shall, in a hold-over capacity pending implementation of the reorganization, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits.

The new position structure and staffing pattern relative to the transferred functions shall be approved and prescribed by the secretary of Budget and Management in consultation with the heads of the recipient agencies within one hundred twenty (120) days from the approval of this Executive Order and the authorized positions created thereunder shall be filled with regular appointments by the agency heads or by the President as the case may be. Those incumbents whose positions are not included therein or who are not reappointed shall be deemed separated from the service. Those separated from the service shall receive the retirement benefits to which they may be entitled under existing laws, rules and regulations. Otherwise, they shall be paid the equivalent of one month basic salary for every year of service, or the equivalent nearest fraction thereof favorable to them on the basis of highest salary received, but in no case shall such payment exceed the equivalent of twelve (12) months salary.

Section 8. Notice or Consent Requirement. If any organizational change herein authorized is of such substance or materiality as to prejudice third persons with rights recognized by law or contract such that notice to or consent of creditors is required to be made or obtained pursuant to any agreement entered into with any such creditors, such notice or consent requirement shall be complied with prior to the implementation of such reorganizational change.

Section 9. Prohibition Against Change. No change in the organization herein prescribed shall be valid except upon prior approval of the President for the purpose of promoting efficiency and effectiveness in the delivery of public services.

Section 10. Funding. Funds needed to carry out the provisions of this Executive Order shall be taken from funds available in the GSA and its four bureaus.

Section 11. Implementing Authority of the Secretary of Budget and Management. The Secretary of Budget and Management, in consultation with the heads of the respective agencies, shall issue such rules, regulations and other issuances as may be necessary to ensure the effective implementation of the provisions of this Executive Order.

Section 12. Separability. Any portion or provision of this Executive Order that may be declared unconstitutional shall not have the effect of nullifying other portions or provisions hereof as long as such remaining portions can still subsist and be given effect in their entirety.

Section 13. Repealing Clause. All laws, ordinances, rules, regulations, other issuances or part thereof, which are inconsistent with this Executive Order, are hereby repealed or modified accordingly.

Section 14. Effectivity Clause. This Executive Order shall take effect immediately upon its approval.

APPROVED in the City of Manila, Philippines, this 25th day of J u l y, in the year of Our Lord, Nineteen Hundred and Eighty-Seven.

(SGD) CORAZON C. AQUINO
President of the Philippines

By the President:

(SGD) JOKER P. ARROYO
Executive Secretary