



Republic of the Philippines
Tanggapan ng Sangguniang Panlungsod
City of Naga



ORDINANCE NO. 2004-092

**AN ORDINANCE CREATING A TRUST ACCOUNT UNDER THE TRUST FUND FOR
PROCUREMENT ACTIVITIES OF THE CITY GOVERNMENT OF NAGA:-**

Sponsor: Hon. Salvador M. del Castillo

Be it ordained by the Sangguniang Panlungsod of the City of Naga, that:

SECTION 1. Title of Ordinance – This ordinance shall be known as the “PROCUREMENT TRUST FUND OF THE CITY OF NAGA.”

SECTION 2. Basis of Ordinance – This ordinance is hereby enacted pursuant to Section 15, and other pertinent provision of Republic Act No. 9184, otherwise known as the Government Procurement Reform Act.

SECTION 3. Sources of Fund – a) Eighty percent (80%) of all collections derived from a) sales of bid documents; b) fees from contractors/supplies registry; c) fees charged for copies of minutes of bid opening, Bids and Awards Committee (BAC) resolution, BAC forms and other documents; d) protest fees; e) liquidated damages; f) proceeds from forfeiture of bid performance security; and g) other fees or monies derived from procurement activities, shall be deposited by the city treasurer in a trust fund which is hereby created for the purpose.

b) The remaining Twenty percent (20%) of all collection shall accrue to the General Fund of the City of Naga;

SECTION 4. Purpose and Uses of the Fund – The fund shall be used for procurement activities of the city, which includes the necessary operating expenses and for payment of honorarium of the Bids and Awards Committee (BAC) Chair & members, the Chair & Members of the Technical Working Group (TWG) and members of the BAC Secretariat, created pursuant to the provisions of Republic Act No. 9184, in accordance with the following:

4.1 Thirty percent (30%) of the trust fund herein established shall be used for the following:

- a) procurement supplies and materials;
- b) expenses for travel, training, seminars & workshops and capability-building activities of BAC, TWG and secretariat;
- c) other operating expenses, and
- d) purchase of equipment;

4.2 Pursuant to Department of Budget and Management (DBM) Circular No. 2004-5 dated March 23, 2004, the remaining fifty percent (50%) of all such collections shall be used exclusively for the following:

a) Payment of honoraria for BAC members, TWG members and Secretariat who perform attendant procurement functions based on the following rate:

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|---|----------------------------------|
| 1. BAC Chairman | Php 3,000.00/procurement project |
| 2. BAC Members | 2,500.00/procurement project |
| 3. TWG Chair & Members
& Members of the BAC
Secretariat | 2,000.00/procurement project |

b) Payment of overtime service in lieu of honoraria for administrative staff, such as clerks, messenger, drivers supporting the BAC, TWG and Secretariat for procurement activities rendered in excess of official working hours.

SECTION 5. Guidelines for the Grant of Honoraria – The following guidelines shall be strictly observed on the grant of honoraria;

5.1. The Chairman and Members of the Bids and Awards Committee, Technical Working Group and Secretariat may be paid honoraria only for successfully completed procurement projects;

5.2 The total amount of honoraria shall not exceed twenty five percent (25%) of the basic monthly salary, in accordance with DBM Circular No. 2004-5 dated March 23, 2004;

5.3 Only those personnel duly designated as BAC Members, those who composed the TWG and Secretariat shall be entitled to collect honoraria;

5.4 Administrative staff such as clerk, messenger and drivers supporting the BAC, TWG and Secretariat who are receiving honoraria for their participation in procurement activities shall not be entitled to overtime pay for the same procurement activities rendered in excess of official working hours.

SECTION 6. Effectively – This ordinance shall take effect upon its approval.

ENACTED: September 6, 2004.

WE HEREBY CERTIFY to the correctness of the foregoing ordinance.

(Sgd.) GABRIEL H. BORDADO, JR.
City Vice Mayor & Presiding Officer

(Sgd.) FIEL L. ROSALES
Secretary to the
Sangguniang Panlungsod

APPROVED:

(Sgd.) JESSE M. ROBREDO
City Mayor