

Republika ng Pilipinas  
(Republic of the Philippines)  
KAGAWARAN NG EDUKASYON, KULTURA AT ISPORTS  
(DEPARTMENT OF EDUCATION, CULTURE AND SPORTS)  
Manila

December 18, 1989

DECS O R D E R  
No. 115, s. 1989

REVISING THE LEVELS OF AUTHORITY ON APPROVAL  
OF GOVERNMENT CONTRACTS

To: Undersecretaries  
Assistant Secretaries  
Bureau Directors/Cultural Agency Directors  
Regional Directors  
Chiefs of Services and Heads of Units/Centers  
Schools Superintendents  
Presidents, State Colleges and Universities  
Vocational School Superintendents/Administrators

1. Inclosed is a copy of Executive Order No. 380 of the Office of the President, "Revising the Levels of Authority on Approval of Government Contracts", which is self-explanatory.
2. Immediate dissemination of this Order to all departments and government-owned or controlled corporations is desired.

(SGD.) LOURDES R. QUISUMBING  
Secretary

Incl.:  
As stated

References: DECS Orders: Nos. 85, s. 1987  
and 21, s. 1988

Allotment: 1-2-3--(M.O. 1-87)

To be indicated in the Perpetual Index  
under the following subjects:

AUTHORITY  
BUREAUS & OFFICES  
LEGISLATION  
OFFICIALS

(Inclosure to DECS Order No. 115, s. 1989)

MALACANANG  
MANILA

EXECUTIVE ORDER NO. 388

REVISING THE LEVELS OF AUTHORITY ON APPROVAL OF GOVERNMENT  
CONTRACTS

WHEREAS, there is an urgent need to expedite the implementation of the developmental projects of the government;

WHEREAS, in line with the government's policy of decentralization and administrative delegation of functions, the various departments and government-owned or controlled corporations may be provided with greater authority and responsibility in the approval of contracts;

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

SECTION 1. Removal of ceilings for bidded infrastructure contracts and revising the ceilings for negotiated infrastructure contracts. Pursuant to Section 2 of Executive Order No. 164, S. of 1987, the ceilings of approving authority for government infrastructure contracts are hereby revised by authorizing the Secretaries of all Departments and the governing boards of government-owned or controlled corporations:

1. To enter into infrastructure contracts awarded through public bidding regardless of the amount involved;

2. To enter into negotiated infrastructure contracts involving not more than one hundred million pesos (P100 million) in the case of the Department of Transportation and Communications and the Department of Public Works and Highways, and not more than fifty million pesos (P50 million) in the case of the other Departments and government corporations; Provided, That contracts exceeding the said amounts shall only be entered into upon prior authority from the Office of the President; and Provided, Further, That said contracts shall only be awarded in strict compliance with Section 3 of Executive Order No. 164, S. of 1987.

Infrastructure projects shall mean construction, improvement or rehabilitation of roads and bridges, railways, airports, seaports, communication facilities, irrigation, flood control and drainage, water supply and sewerage systems, shore protection, power facilities, national buildings, school buildings, hospital buildings, and other related construction projects that form part of the government capital investment.

SECTION 2. Removal of ceilings for non-infrastructure contracts. Department Secretaries and governing boards of government-owned or controlled corporations are hereby authorized to enter into bidded or negotiated contracts of any amount for the procurement of supplies, materials, equipment and public services; Provided, That said negotiated contract is justified under any of the grounds provided for in Section 1 of Executive Order No. 301, S. of 1987; and, Provided, Further, That this Executive Order shall not be interpreted to amend or modify any issuance relative to the privatization of government assets.

SECTION 3. Applicability of Presidential Decree No. 1594, Executive Order No. 164, and Executive Order No. 301. The provisions of Presidential Decree No. 1594 and its Implementing Rules and Regulations, Executive Order No. 164 and Executive Order No. 301, both S. of 1987, shall, except as modified in this Executive Order, continue to be applicable.

SECTION 4. Repealing Clause. This Executive Order supersedes the ceilings for infrastructure contracts provided for in Section 1 of Executive Order No. 164, as well as the ceilings for other contracts provided for in Letter of Instructions No. 620, and the Memoranda of the Executive Secretary dated June 4, 1986, March 4, 1987 and August 27, 1986.

SECTION 5. Effectivity. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 27th day of November, in the year of OUR Lord, nineteen hundred and eighty-nine.

(SGD.) CORAZON C. AQUINO

By the President:

(SGD.) CATALINO MACARAIG, JR.  
Executive Secretary

A true copy