

LOCAL FINANCE CIRCULAR NO. 1-09

SUBJECT: GUIDELINES IN THE ELIGIBILITY/PRE-QUALIFICATION
OF PRIVATE PRINTERS FOR THE PRINTING OF
STANDARD, CUSTOMIZED AND ACCOUNTABLE
FORMS OF LOCAL GOVERNMENT UNITS

DATE : January 29, 2009

WHEREAS, pursuant to Section 33(1) and (2) of Executive Order No. 292, series of 1987, otherwise known as the "Administrative Code of 1987", as well as Section 43 of Executive Order No. 127, Reorganizing the Ministry of Finance, the Bureau of Local Government Finance (BLGF) shall (a) assist in the formulation of policies on local government administration and fund management and xxx (e) exercise administrative and technical supervision and coordination over the treasury and assessment operations of local government."

WHEREAS, Section 1 of Executive Order No. 378 states that:

*"SEC. 1. The NPO shall continue to provide printing services to government agencies and instrumentalities as mandated by law. **However, it shall no longer enjoy exclusive jurisdiction over the printing services requirements of the government over standard and accountable forms. It shall have to compete with the private sector,** except in the printing of election paraphernalia which could be shared with the Bangko Sentral Ng Pilipinas, upon the discretion of the Commission on Elections consistent with the provisions of the Election Code of 1987 (underscore supplied)",*

WHEREAS, pursuant thereto and in response to the National Printing Office's continued failure to print and deliver the official accountable forms urgently required by the LGUs, Department Order No. 1-09 dated January 6, 2009, was issued allowing the LGUs to tap private printing companies to print their accountable forms.

WHEREAS, pursuant to its mandate, there is a need for BLGF to assume the role of granting eligibility to private security printers for the printing of LGU standard, customized and accountable forms, for proper monitoring and safeguarding of the finances of the LGUs, as well as to ensure that the LGUs are dealing with legitimate service providers, and thus prevent the proliferation of fake receipts;

NOW, THEREFORE, the following guidelines in the eligibility/pre-qualification of private printers for the printing of standard/customized accountable forms are hereby promulgated and issued:

1. All private security printers seeking eligibility shall submit the following eligibility/prequalification requirements to the Bureau of Local Government Finance (BLGF) Pre-qualification Committee, for review and verification:

A. LEGAL DOCUMENTS

- a. *Registration with the Department of Trade and Industry (DTI), and/or SEC as may be appropriate under existing laws of the Philippines.*
- b. *Valid and current Mayor's permit.*
- c. *BIR Registration Certification, which contains the Taxpayer's Identification Number, BIR VAT Registration and Tax Clearance.*
- d. *Statement under oath of prospective bidder that it is not "blacklisted" or barred from bidding by the Government or any of its agencies, offices, corporations of LGUs, including non-inclusion in the Consolidated Blacklisting Report issued by the Government Procurement Policy Board (GPPB) or GAAP.*
- e. *Articles of Incorporation, Partnership or Corporation, whichever is applicable, including amendments thereto; if any, Certificate of Ownership/Proprietorship.*
- f. *Valid joint venture agreement, in case of a joint venture.*
- g. *Letter authorizing the BLGF Pre-Qualification Committee or its Authorized representative/s to verify any or all of the documents submitted for eligibility check.*
- h. *Certification under oath that each of the documents submitted in satisfaction of the eligibility requirements is an authentic and original copy, or a true and faithful reproduction of the original, complete, and that all statements and information provided therein are true and correct.*

B. TECHNICAL DOCUMENTS

- a. *Statement of ongoing and similar completed government and private contracts during the last three (3) years.*
- b. *Copies of at least five (5) end-user's acceptance letters for completed contracts.*

C. FINANCIAL DOCUMENTS

- a. *Audited financial statements for the last three (3) years, stamped "received" by the BIR or its duly accredited and authorized institutions, showing among others the total assets and liabilities.*
- b. *Computation of Net Financial Contracting Capacity (NFCC)*

D. CAPITALIZATION

- a. *₱50 million paid up capital*
- b. *Credit line from any banking financial institution of not less than ₱10 million or average monthly balance certification from depository bank of at least ₱5 million*

E. ORGANIZATION PROFILE

- a. *Organizational Chart*
- b. *List of Officials/Board of Directors/Owners*
- c. *Number and list of personnel employed in the security printing*

F. LIST OF PRINTING MACHINES WITH SPECIFICATION FOR PRE-PRESS, PRESS AND FINISHING, SUCH AS BUT NOT LIMITED TO:

- a. *Electronic Typesetting Machine – at least 1 unit*
- b. *Camera and complete plate making facilities*
- c. *Offset machine with numbering with counter – at least 5 units*
- d. *Continuous Form machine with numbering with counter – at least 2 units*
- e. *Crash numbering – at least 1 unit*
- f. *Color press machine – at least 3 units*
- g. *Automatic counter – at least 1 unit*
- h. *Ultra-violet rays equipment*
- i. *Finishing equipment: perforating machine, stitching machine, cutting machine collator – at least 4 units*

j. Modulus numbering and Bar Coding equipment

G. PLANT LAYOUT

- a. *Must have a minimum floor area of 2,000 sq.meters with concrete enclosure*
- b. *Printing Plant Requirements*
 - *Must have a warehouse or vault for security materials and finished forms with padlock and keys*
 - *All Pre-press, Press and Finishing equipment must be inside the exclusive printing area or building*
 - *Box-container for spoilages with padlocks and keys*
 - *Must have an area where representatives of BLGF and concerned requisitioning agencies or possibly COA representative can stay during the printing of accountable forms*
 - *Entrance and exit gates must be provided with security guards so as to prevent access of unauthorized person to the operational areas*

H. PROPERLY LABELED PICTURES OF PLANT/BUILDING, SIGNBOARD WITH COMPANY NAME AND ALL MACHINERIES FOR PRINTING

I. IN CASES OF RENEWAL, CLEARANCE FROM THE BLGF ACCREDITATION COMMITTEE AND LGU BAC THAT THERE ARE NO PENDING UNRESOLVED OR UNACTED CASE(S) FOR VIOLATION OF GUIDELINES, RULES AND THE LAW BEFORE THESE COMMITTEES.

J. OTHER REQUIREMENTS

- a. *Sufficient delivery equipment, delivery vehicle of at least 1 unit, and forklift handler*

The above documents, submitted in ten (10) sets, shall be chronologically arranged, paged and securely bound to prevent any loss.

2. Upon receipt of the complete documents, the BLGF Pre-qualification Committee shall accordingly review and conduct

verification, including but not limited to the conduct of plant visits to confirm authenticity and correctness of the documents submitted.

3. Upon satisfactory compliance of the requirements and recommendation of the BLGF Pre-qualification Committee, a Certificate of Eligibility will be issued to the compliant private printer. Said eligibility shall be valid for a period of two (2) years, renewable upon satisfactory evaluation of performance by the BLGF Pre-qualification Committee.
4. For purposes of renewing its eligibility, the pre-qualified private printer should file its application for renewal, three (3) months before the date of expiration.
5. Grounds for Disqualification/Non-renewal/Revocation of Eligibility:
 - *Private printer does not meet specified requirements*
 - *Falsification/misrepresentation of documents submitted*
 - *Pending/unresolved criminal case or private printer is blacklisted*
 - *Unsatisfactory performance*

The BLGF shall immediately create a Pre-qualification Committee and Technical Working Group as its support staff, which shall immediately convene and oversee the eligibility/pre-qualification process of interested private printers, as well as prepare the specific guidelines in the printing of specialized/customized accountable forms.

In the meantime, and pending the pre-qualification process, all local treasurers may continue to tap the services of private printers listed under Department Order No. 1-09 dated January 6, 2009 until June, 2009. Thereafter, all local treasurers should source their treasury and assessment forms only from printers duly pre-qualified by BLGF.

This Circular shall take effect immediately.

Signed
MARGARITO B. TEVES
Secretary