

FORMS OF CORRUPTION

by Lt. Trillianes

- A. Lagay- also known as SOP, commission, porsyento, for the boys, etc. This is "grease money" given to the procurement official by the dealer to facilitate the processing of documents or as a return favor for a project given.
- B. Tong- extortion or money demanded by the procurement official to a dealer to facilitate the processing of documents.
- C. Negotiated canvass or nego- an arrangement made by the dealer and the procurement official to manipulate a canvass method of procurement to ensure that the purchase order would be "won" by the said dealer. This is done by giving all the canvass papers of a certain project to the favored dealer. Thus, effectively depriving other interested dealers.
- D. Rigged bidding or bidding-bidding- an arrangement made by the dealer and the procurement official/s to manipulate a public bidding method of procurement to ensure that the purchase order would be "won" by the said dealer. This is done by the collusion between all the attending bidders, which include the favored dealer, and the Bids and Awards Committee.
- E. Ghost delivery or conversion - the process in which government funds allocated through budget releases are "converted" into cash. This is done by preparing procurement documents taken from either a negotiated canvass or a rigged bidding, then, instead of delivering the items stated in the purchase order, the dealer would deliver the cash equivalent of the goods in the purchase order, less certain percentages for the dealer's profit.
- F. Over-pricing - to cover for the additional expenses incurred by the lagay, the dealers and procurement official mutually agree on setting the price, which are way above the authorized limits.
- G. Under delivery - again to cover for the additional expenses incurred by the lagay, the dealers and procurement official mutually agree that the quantity of the delivery will be lower than the one specified in the purchase order.
- H. Substitution - to circumvent certain prohibitions of the law, specifically the General Appropriations Act, where certain gov't agencies have no capital outlay and, therefore, cannot buy equipment, the dealer and the procurement official mutually agree to deliver items other than those stated in the purchase order.