

**[ ADMINISTRATIVE ORDER NO. 86, August 23, 1988 ]**

**PROVIDING FOR ONE SERVICE UNIT IN THE OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATIVE AND LEGAL AFFAIRS IN THE DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS, AND DEFINING THE FUNCTIONS THEREOF**

WHEREAS, there is a need to institute the necessary controls in the various operations of government to pursue the principle of accountability;

WHEREAS, the property and supply activities of the various units of the Department of Transportation and Communications have reached a level that requires management by a higher level organizational unit;

WHEREAS, there is a need to upgrade the Procurement and Property Management Division in the Administrative Service, Office of the Assistant Secretary for Administrative and Legal Affairs, into a service level unit in order to effectively check, if not eliminate, unnecessary disbursement of department funds; and

WHEREAS, Section 21 of Executive Order No. 125, as amended, reorganizing the Department of Transportation and Communications, authorizes changes in the organizational structure and staffing pattern therein prescribed to promote efficiency, subject to the prior approval of the President;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, do hereby order:

SECTION 1. The existing Procurement and Property Management Division in the Administrative Service, Office of the Assistant Secretary for Administrative and Legal Affairs, is hereby upgraded into a service level unit which shall henceforth be known as the Procurement Supply and Property Management Service.

SECTION 2. The Procurement Supply and Property Management Service shall be headed by a service chief to be appointed by the President upon recommendation of the Secretary of Transportation and Communications.

SECTION 3. The aforesaid service unit shall be responsible for providing the department, including sectoral and regional offices, services relating to procurement of supplies and equipment, and property utilization and disposal.

It shall have the following divisions:

1. Procurement Division;
2. Supply Division; and
3. Property Utilization and Disposal Division.