CONTRACT FOR SECURITY SERVICES

KNOW ALL MEN BY THESE PRESENTS:

This Contract is entered into this <u>5th</u> day of <u>January</u> 2018 at <u>Jaguig City</u>, by and between the:

TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY (**TESDA**), a national government agency created under Republic Act No. 7796, with office address at TESDA Complex, East Service Road, South Luzon Expressway, Taguig City, Metro Manila, herein represented by its Director General/Secretary, **GUILING A. MAMONDIONG**, and hereinafter referred to as the "**AUTHORITY**";

and -

VARIANCE SECURITY AGENCY CORP., a private corporation duly organized and existing by virtue of the laws of the Philippines, with business address at Violeta Complex I, A. Felix Avenue, Corner London St., Cypress Village, Cainta, Rizal, represented by its President/Managing Director, MR. SEVERO V. CARIÑO, herein referred to as the "AGENCY";

WITNESS THAT:

WHEREAS, the AUTHORITY intends to apply the sum of Twenty-Two Million Sixty-Six Thousand Nine Hundred Forty-Nine Pesos and 52/100 (Php22,066,949.52) being the total Approved Budget for the Contract (ABC) for CY 2018 for the Provision of Security Services Requirements for TESDA Central Office (January 1, 2018 – December 31, 2018);

WHEREAS, the AUTHORITY advertised the Invitation to Bid for the Provision of Security Services Requirements for TESDA Central Office (January 1, 2018 – December 31, 2018) in two (2) newspapers of general circulation and posted the same in the PhilGEPS on 27 October 2017;

WHEREAS, responding to the abovementioned Invitation to Bid, only Variance Security Agency Corp. signified its interest to participate in said bidding process by purchasing bidding documents;

WHEREAS, the submission of bids and bid opening were held on 22 November 2017, 10:27 a.m. at the CSA Conference Room, 2nd Floor of TESDA Administration Building in Taguig City;

WHEREAS, only the AGENCY was declared eligible pursuant to Sections 23 and 25 of Rule VIII of the Revised Implementing Rules and Regulations of Republic Act No. 9184;

WHEREAS, accordingly, a Technical Evaluation Group (TEG) was created to assist the Bids and Awards Committee (BAC) in evaluating the eligibility, technical and financial requirements submitted by the **AGENCY** during the bid opening;

WHEREAS, in view of the TEG report, the AGENCY had been found to be the Single Calculated and Responsive Bid pursuant to Section 36 (a) of the Revised Implementing Rules and Regulations of Republic Act No. 9184;

WHEREAS, the recommendation to award the contract in favor of the AGENCY through BAC Resolution No. 63-2017 on 07 December 2017 had been elevated by the Director General to the TESDA Board for approval;

WHEREAS, the TESDA Board approved the award of contract to Variance Security Agency Corporation in the amount of Twenty-Two Million Sixty-Six Thousand Nine Hundred Forty-Nine Pesos and 52/100 (Php22,066,949.52) through Board Resolution No. 2017-46 issued on 18 December 2017;

NOW, THEREFORE, for and in consideration of the foregoing, this Agreement is entered by and between the **AUTHORITY** and the **AGENCY** with the following covenants, to wit:

A. PERFORMANCE BY THE AGENCY

- The AGENCY shall provide the AUTHORITY with security services to guard and protect its properties from theft, arson, pilferage, trespass, robbery, destruction or damage and other unlawful acts by strangers or third persons, maintain peace and order in and around the AUTHORITY's premises as well as protect its officials, employees, visitors and guests from assault, harassment, threat or intimidation, and other criminal acts and to enforce and implement rules, policies and regulations of the AUTHORITY aimed at maintaining security and safety at its premises.
- The AGENCY will provide the AUTHORITY with the necessary number of security guards who are qualified, competent, uniformed armed and bonded in accordance with Republic Act No. 5487 as amended as well as other related laws and regulations with the following qualifications, among others, to wit:
 - a. Filipino citizen;
 - b. At least a high school graduate;
 - c. Physically and mentally fit;
 - d. At least 5'4" tall;
 - e. At least twenty-three (23) years old but not more than fifty (50) years old;
 - f. Must be of good moral character, duly licensed and properly screened and cleared by the PNP, NBI and other government offices issuing clearances for employment and without previous record of any or conviction of criminal offense involving moral turpitude;
 - g. Must be in proper uniform and properly equipped while on tour of duty;
 - h. Must possess such other qualifications required by Republic Act No. 5487, as amended.

For this purpose, the **AGENCY** shall furnish upon the demand of the **AUTHORITY** through the Director IV of CSA, AS, a complete list of the names of security guards it will assign, indicating the respective bio-data subscribed and sworn to and the results of the psychological and drug tests and other related documents to support the minimum qualification requirements. In case of any change in the security force assigned to the **AUTHORITY**, the **AGENCY** shall immediately inform the latter thereof and shall submit the aforecited data.

- 3. The AGENCY shall provide the necessary firearms and ammunitions to the guards assigned to the AUTHORITY as well as VHF radio communications and metal detectors and other security equipment and shall see to it that when on duty, they are in prescribed uniform with complete accouterments.
- 4. That the AGENCY shall provide the AUTHORITY motor vehicles for roving purposes based on the requirements of the AGENCY.
- 5. The AGENCY shall conduct physical inspection of all properties that go in and out of the premises and enforce strict control of all entrances and exits.
- 6. As required by the AUTHORITY, the security force to be established by the AGENCY shall consist of seventy-seven (77) security guards, three (3) of whom shall be Shift-In-Charge, one (1) shall serve as Deputy Detachment Commander and one (1) shall serve as Detachment Commander who shall render service everyday including Saturdays, Sundays and Holidays. This number may be increased or decreased depending upon the exigency of the service or the need of the security situation at the post as may be determined by the AUTHORITY.
- 7. The AGENCY shall deploy its security personnel in the following shifting schedules, namely;

First Shift Second Shift Third Shift Sub-Total	6:00 A.M. – 2:00 P.M. 2:00 P.M. – 10:00 P.M. 10:00 P.M. – 6:00 A.M.	 - 33 Security Guards - 23 Security Guards - <u>16 Security Guards</u> 72 Security Guards 3 Shift-In-Charge
		1 Deputy Det. Commander 1 Det. Commander
TOTAL Security Man-Count		77

- 8. The Supervisor of the security guards shall receive instructions regularly from the AUTHORITY's representative (Director IV, CSA or his/her authorized representative for security guards assigned at the Administration Building) i.e., rotating of guards for further improvement to effectively and efficiently provide the security services for the AUTHORITY. The supervisor may likewise be replaced or subjected to rotation upon recommendation of the AUTHORITY's representative.
- The AGENCY shall exercise discipline, supervision, control and administration of over its guards in accordance with the law, ordinances and pertinent government rules and regulations as well as the rules and policies laid down by the AUTHORITY on the matter.
- 10. The AGENCY shall guarantee to the AUTHORITY for loss or damage to its property provided the same occurred within the jurisdiction of the AGENCY or any of its guards, UNLESS, it has been duly established after due investigation that said loss or damage did not principally result from the act, omission, negligence or fault of the AGENCY or any of its guards. Provided further that such loss, pilferage, breakage or damage of the properties involved is reported in writing to the AGENCY within five (5) working days from occurrence or discovery thereof. When such loss or damage is caused by force majeure or fortuitous event, the AGENCY shall not in any way be made responsible. In the event that the AGENCY is made to pay for such loss or damage, it shall be subrogated to the rights of the AUTHORITY against the party or parties responsible for such loss or damage.

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11. The **AGENCY** shall comply with all existing labor laws, i.e., minimum wage, cost of living allowance, 13th month pay, service incentives leave pay, overtime pay, night differential pay, public holiday pay, retirement benefits, SSS, PHILHEALTH, PAG-IBIG and ECC premium contributions and other mandatory benefits as provided by law. For this purpose, it shall submit monthly upon presentation of the bill, a sworn certification that it has paid wages, allowances and bonuses of its employees assigned to the **AUTHORITY** in accordance with all labor laws and adjustments mandated.

B. PERFORMANCE BY THE AUTHORITY

- 1. For and in consideration of the services to be rendered by the AGENCY to the AUTHORITY, the latter obligates itself to pay and deliver to the former every month, upon the former's submission to the latter of the Statement of Account, the sum of PHILIPPINE PESOS: One Million Eight Hundred Thirty-Eight Thousand Nine Hundred Twelve Pesos and 46/100 (Php1,838,912.46) per month payable in two (2) bi-monthly payments, every fifteenth (15th) and end of each month provided however, that the above amount represents payments to the AGENCY for posting/maintaining seventy-seven (77) security guards computed at the rate of Twenty-Three Thousand Eight Hundred Eighty-One Pesos and 98/100 (Php23,881.98) per month per guard rendering eight (8) hours of work per day. It should be understood that the seventy-seven (77) security guards represent body-count/man-count. Payments made by the AUTHORITY shall be inclusive of the VALUE ADDED TAX (VAT) and subject to government accounting and auditing rules and regulations.
- The AUTHORITY undertakes to provide the security personnel of the AGENCY with specific work areas, assignment, locations and/or command post to enable the AGENCY to fully and effectively perform its functions, duties and responsibilities.
- 3. It must be understood that should the AUTHORITY require additional security guards for its needs and purpose, a written notice shall be necessary. The same shall be paid on a per security guard basis. Provided, also that should the AUTHORITY require a decrease in the number of security guards, the corresponding adjustment in payment to the AGENCY shall also be effected.

C. WARRANTIES

The **AGENCY** hereby warrants that it has not given or promised to give money and gift to any official or employee of the **AUTHORITY** to ensure contact and that any violation of this warranty shall be sufficient basis to terminate this contract.

D. MISCELLANEOUS PROVISIONS

- It is expressly understood that the AUTHORITY and AGENCY have entered into a contract good for twelve (12) months starting 16 January 2018 to 31 December 2018 subject to the following:
 - a) The bid price for a duration of twelve (12) months shall be fixed and shall not be adjusted during the contract implementation except where there is increase in the minimum wage pursuant to law or new wage order issued after date of bidding, increase in taxes and increase or decrease in the number of security guards;
 - b) The Approved Budget for the Contract (ABC) which is Twenty-Two Million Sixty-Six Thousand Nine Hundred Forty-Nine Pesos and 52/100 (Php22,066,949.52) is good for CY 2018 only;
 - c) Before end of each year, an assessment or evaluation of the performance of the service provider based on a set of performance criteria shall be made and used as basis whether to continue with the contract or preterminate it.
- 2. It is expressly understood and agreed that the AGENCY is not an agent or employee of the AUTHORITY in all intents and purpose under the contract with the AGENCY. Accordingly, the AUTHORITY shall not be responsible for any and all claims for personal injury or damage including death caused either to any of the security guards or any third person where such injury or death arises out or in the course of the lawful performance of said security guards.
- 3. The AUTHORITY reserves the right to pre-terminate the contract in case the AGENCY fails to fulfill any of the obligations set forth in this Agreement. In which case, the AUTHORITY will not in any way be liable to pay the AGENCY any amount representing the portion of the contract which has not been served due to pre-termination including penalties.

E. EFFECTIVITY OF CONTRACT

- 1. This agreement shall commence from 16 January 2018 until 31 December 2018.
- 2. In case of termination, a fifteen (15) day notice shall be made by the either party subject to the obligations already incurred.

IN WITNESS whereof, the parties hereunto signed this Agreement, this 5th dapf 2018 at Jaguig January lin TECHNICAL EDUCATION AND VARIANCE SECURITY SKILLS DEVELOPMENT AUTHORITY AGENCY CORP. By: By: GUILING "GENE" A. MAMONDIONG SEVERO V. CARIÑO Director General/Secretary President/Managing Director WITNESSES: TITO L. BARTOLOME BONIFACIÓ L. PLASTINA Chief Administrative Officer **Detachment Officer General Services Division** ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES) TAGUIG CITY) S.S.

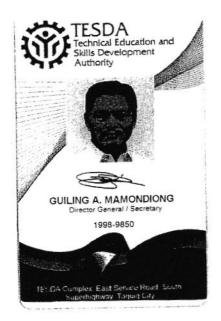
BEFORE ME, a Notary Public for and in the Province /City of JAN 0 5 2018 this TAGUIG CITY 2018 personally came and appeared:

Name	Government Issued ID No.	Issued by
GUILING A. MAMONDIONG		TESDA
SEVERO V. CARIÑO		

Known to me and to known to be the same persons who executed the foregoing instrument which they acknowledge before me as their free and voluntary act and deed.

WITNESS MY HAND AND SEAL this _ TAGUIG CITY		day of JAN 0 5 20182018 at	
	UIG CITY	20 cm	
Doc. No.	235	BASILIO B. POOTEN	
Page No.	47	Notary Purely Nor Laguig City	
Book No.	XXIII	Comm. Apt. No. 15, Expiry: 12-31-18	
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Home Address Unit 101 Roma Bldg., East Ortigas Mansion Brgy. Sta. Lucia, Pasig City Residence Tel. No. Mobile No. (0999) 564-3480 / (0917) 878-3732 Blood Type: O Birth Date : 05/13/1948 Tax Identification No. 182-819-331 GSIS Policy No. In case of Emergency, Please contact: Ruby Marmondiong Unit 101 Roma Bldg., East Ortigas Mansion Brgy. Sta. Lucia, Pasig City (0916) 275-4209 Cor Cor PILAR G. DE LEON Director IV, Chief of Services for Administration

1. RESTRICTIONS	1.
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