



REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

BID BULLETIN NO. BAC1-2022-02-BB01

RE: Bid Project No. CTABAC1-2022-02
**"Procurement of Security Services in the CTA Compound for Three
(3) Years**

Please take notice of the following clarifications/changes in the bidding documents:

- 1) Pursuant to Article 86 of the Labor Code and the Handbook of Workers' Statutory Monetary Benefits 2020 Edition, the computation of Night Shift Differential (NSD) in the Cost Distribution, page 52 of the bidding documents, was re-computed and re-adjusted to reflect the correct amount. Thus, the monthly NSD of night guards who are required to report for duty between the hours of 10:00 in the evening and 6:00 in the morning is now One Thousand Four Hundred Forty-Eight 56/100 Pesos (₱ 1,448.56). Columns 5 and 7 of the CTA Cost Distribution are revised accordingly.

Moreover, the number of days in Column 6, Row 3, of the Cost Distribution, page 52 of the bidding documents, is amended from 313 days to 323.7 days;

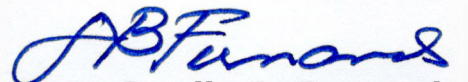
- 2) In view of the re-adjustment of the monthly Night Shift Differential of night guards, the amount to be earmarked for the salary and compensation of the security guards is accordingly re-computed and re-adjusted as well. Thus, Item 1.6 of the Terms of Reference, found in page 31 of the bidding documents, is revised to reflect the amount of **Six Million Six Hundred Seven-Three Thousand One Hundred Forty-Nine and 60/100 Pesos (₱6,673,149.60)** as the new amount to be earmarked and set aside for the salary and compensation of the security guards;
- 3) Item f. ii of the Technical Parameters, found in page 30 of the bidding documents, is deleted due to the discrepancies between the DOLE and PADPAO rates;
- 4) Item 1.13 of the Terms of Reference, page 32 of the bidding documents, is amended and shall now read as: "The Service Provider shall ensure strict compliance with any applicable provisions of law in accordance with the Labor Code of the Philippines, its Implementing Rules and Regulations and other pertinent labor issuances";
- 5) For purposes of this Bidding, the Committee resolved to set the minimum administrative fee to at least twenty percent (20%) of the total contract cost. The said rate was determined after due consideration of the costs or market price of the service itself, and/or incidental expenses, which are factors or cost components, in

determining the pertinent amount of the "Approved Budget for the Contract" or ABC [Refer to Section 2 of the Manual of Procedures for the Procurement of Goods and Services (Volume 2)]. The same rate is affirmed as the market price and as covering the incidental expenses, by the prospective bidders, who attended the Pre-Bid Conference held last March 11, 2022; and by Section 4.b of DOLE Department Order No. 150-16, series of 2016;

- 6) For purposes of this bidding, prospective bidders who will submit a Bid containing an administrative fee of less than twenty percent (20%) of the total contract cost shall be automatically disqualified in the bidding;
- 7) For purposes of this bidding, the Committee resolved that giving of discount is not allowed;
- 8) In case there will be a tie in the Bids offered by prospective bidders, the tie-breaking method to be employed is by raffle using a raffle drum (tambolo) and Ping-Pong balls in the presence of the representatives of the post-qualified bidders.

In view of the foregoing changes, a new CTA Cost Distribution, found in page 52 of the bidding documents, a new Technical Parameters, found in pages 29 and 30 of the bidding documents, and a new Term of References, found in pages 30 to 35, are hereto attached for your reference.

Please be guided accordingly.


Atty. Danilo B. Fernando
BAC 1, Chairperson

COST DISTRIBUTION

	5 Days 8 hrs (DS) w/ 1hr OT	5 Days 8 hrs (DS) w/ 2hr OT	6 Days 8 hrs (DS)	6 Days 8 hrs (NS)	6 Days 12hrs (DS)	6 Days 12hrs (NS)
No. of Days/Year (NDpY)	261	261	323.7	323.7	323.7	323.7
Amount to Guard						
New Daily Wage (DW)	537.00	537.00	537.00	537.00	537.00	537.00
Ave. Pay/Month	11,679.75	11,679.75	14,485.58	14,485.58	14,485.58	14,485.58
Night Differential Pay	-	-	-	1,448.56	-	1,448.56
13th Month Pay	1,361.15	1,361.15	1,361.15	1,361.15	1,361.15	1,361.15
5 Days Incentive Pay	227.92	227.92	227.92	227.92	227.92	227.92
Uniform Allowance (R.A. 5487)	100.00	100.00	100.00	100.00	100.00	100.00
Overtime	<u>1,916.42</u>	<u>3,832.84</u>	-	-	<u>9,120.05</u>	<u>10,032.06</u>
	15,285.23	17,201.65	16,174.64	17,623.20	25,294.69	27,655.25
Amount to Gov't In Favor of Guard						
Retirement Benefit (R.A. 7641)	1,006.88	1,006.88	1,006.88	1,006.88	1,006.88	1,006.88
SSS Premium	1,347.50	1,475.00	1,390.00	1,517.50	2,155.00	2,155.00
Philhealth Contribution	233.60	233.60	289.71	289.71	289.71	289.71
State Insurance Fund	30.00	30.00	30.00	30.00	30.00	30.00
Pag-Ibig Fund	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>
	2,717.97	2,845.47	2,816.59	2,944.09	3,581.59	3,581.59
A. Total Amount to Guard & Gov't	18,003.20	20,047.12	18,991.22	20,567.58	28,876.27	31,236.84
B. Agency Fee (Admin. Overhead and Margin) *Must not be less than 20% of the total contract cost						
C. Value Added Tax (VAT)						
Minimum Contract Rate/guard						

Conforme : _____

Technical Parameters

	<u>Minimum Requirement</u>	<u>Statement of Compliance*</u>
a. Stability		
i. Years of Experience	5 years	_____
ii. Liquidity of the Contractor	Current Ratio (2:1)**	_____
iii. Organizational set-up	Organizational Chart	_____
b. Resources (based on CTA requirements)		
i. List of Licensed Firearms (Must be submitted/included in their Bid proposal)		_____
ii. List of Number and Kind of Communication Devices (Must be submitted/included in their Bid proposal)		_____
NTC Certificate of Registration for Telecommunication Equipment (Must be submitted/included in their Bid proposal)		_____
iii. List of Licensed Guards (Must be submitted/included in their Bid proposal)		_____
c. Security Plan		
i. Deployment of Security Personnel		_____
ii. CCTV Camera Installations (Must be submitted/included in their Bid proposal the requirements under Attachment "1" and "2")		_____
d. Other Factors		
i. Recruitment and Selection Criteria (Must be submitted/included in their Bid proposal the requirements under Attachment "3")		_____
ii. Completeness of Uniform and other Paraphernalia (Must be submitted/included in their Bid proposal the requirements under Attachment "4")		_____
iii. Evaluation Form (Must be submitted/included in their Bid proposal the requirements under Attachment "5")		_____
e. Comprehensive Security Survey		
(Must be submitted/included in their Bid proposal the Comprehensive Security Survey)		_____
f. Compliance requirement		
Certificate of Undertaking to pay the security guards the prescribed benefits, pursuant to Section 7.2 DOLE Department Order No. 150-16 (Series of 2016)		_____

(Must be submitted/included in their Bid proposal the Certificate of Undertaking)

****Current ratio** is also known as liquidity ratio and working capital ratio. It shows the proportion of current assets of a business in relation to its current liabilities. The formula in computing current ratio is:

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

A current ratio of 2:1 means that the current assets of a company are sufficient to cover for twice the amount of a company's short term liabilities (12 month period).

Conforme: _____

TERMS OF REFERENCE

1.0 General Conditions:

- 1.1 The Service Provider agrees that the Court of Tax Appeals, through the Office of Administrative and Finance Services (OAFS) or duly designated unit/division, shall be in-charge of over-all supervision at all times and reserves the right to screen and accept or deny the deployment of any personnel recommended by the Service Provider.
- 1.2 The CTA has the right to effect changes in the assignment/deployment of the personnel at any time during the contract period, through a written notice to the Service Provider. Likewise, the CTA may increase or decrease the number of security guards as may be necessary and reserves the right to increase, reduce, or limit the scope of services of the Service Provider. In such event, any corresponding adjustment in the cost shall not exceed the contract price.
- 1.3 The Service Provider shall immediately make available relievers and/or replacements at all times to ensure continuous and uninterrupted service.
- 1.4 In no case shall a security guard render more than 12 hours of continuous service.
- 1.5 In no case shall the number of deployed security guards be less than the CTA's requirement under **Attachment "1"**, unless CTA exercises its right under 1.2.
- 1.6 The Service Provider shall pay its personnel not less than the minimum wage and other benefits mandated by law. The Service Provider shall comply with the laws governing labor standards and employee's compensation. A certificate of undertaking to pay the security guards the prescribed benefits shall be submitted by the Bidder, in accordance with Section 7.2 DOLE Department Order No. 150-16, Series of 2016.

The amount of *Six Million Six Hundred Seven-Three Thousand One Hundred Forty-Nine and 60/100 Pesos (P6,673,149.60)* shall be earmarked and set aside for the salary or compensation of the security guards, in accordance with Section 19, Rule IV of the Implementing Rules and Regulations of Republic Act No. 5487, as amended. (Refer also to Government Procurement Policy Board Circular No. 02-2006; and Revenue Memorandum Circular No. 39-2007 dated January 22, 2007)

- 1.7 Payment to the Service Provider shall be made upon submission of duly signed DTRs along with the monthly billing statement, receipts and prescribed reports stamped received by SSS, PhilHealth and Pag-Ibig as proof of remittances of SSS, PhilHealth and Pag-Ibig premiums of the Security Guards assigned in the CTA, and proof of remittance of BIR deductions made from the salaries of the Security Guards assigned in the CTA.
- 1.8 The Service Provider in the performance of its services shall secure, maintain at its own expense all registration, licenses or permits required by law, and shall comply with all pertinent rules and regulations. The Service Provider's personnel shall take all necessary precautions for the safety of all persons and properties at or near their

area of work and shall comply with all the standards and established safety regulations, rules, and practices.

- 1.9 The Service Provider shall provide its personnel with appropriate uniforms, protective gear, if necessary, and ensure that they observe proper personal hygiene and appear neat and clean at all times.
- 1.10 The Service Provider shall ensure that safety will be the first priority in the performance of its functions and avoid the creation of safety hazards both in the condition of the work performed and while doing the work.
- 1.11 No waiver or modifications of the terms of this TOR shall be valid unless the same is in writing and signed by the parties herein. The Contract shall automatically be terminated after three (3) years from receipt of Notice to Proceed unless extended or terminated in writing by the CTA pursuant to the General Conditions of the Contract of the bidding documents.
- 1.12 The Contract price shall not be subject to any adjustment for the duration of the Contract, except as provided by law.
- 1.13 The Service Provider shall ensure strict compliance with any applicable provisions of law in accordance with the Labor Code of the Philippines, its Implementing Rules and Regulations and other pertinent labor issuances.**
- 1.14 The CTA shall not in any case be liable for any interest or penalty for delayed payments for any loss or damage for reasons beyond the CTA's control such as force majeure.
- 1.15 Any and all taxes which may be imposed under this Contract shall be for the exclusive account of the Service Provider.
- 1.16 There shall be no employer-employee relationship between the CTA and the personnel of the Service Provider deployed in the CTA.
- 1.17 The CTA shall not be responsible for any accident, mishap, or injury of any kind or nature sustained or caused by any of the security personnel assigned by the agency including death resulting therefrom.

2.0 Additional Instructions:

Semi-annual evaluation shall be based on the Service Provider's satisfactory level of performance throughout the term of the contract based on a prescribed set of performance criteria in the Evaluation Form herein referred as **Attachment "5"**.

Failure to satisfy the performance evaluation shall be a basis for termination of Contract. Two counts of violation of the same offense under this Terms of Reference within the contract period shall also be a ground for termination of Contract.

As quoted from "APPENDIX 23 Guidelines on the Procurement of Security and Janitorial Services" of the Revised IRR of R.A. 9184, Section 5.0 Multi – Year Contracts;

- "5.5. Before end of each year, procuring entities shall conduct an assessment or evaluation of the performance of the service provider/contractor based on the set of performance criteria prescribed under Section VII. Technical Specifications. (listed above)

- 5.6. Based on its assessment, the procuring entity may pre-terminate the contract for failure by the service provider/contractor to perform its obligations thereon following the procedure prescribed under the Guidelines on Termination of Contracts issued by the Government Procurement Policy Board under Resolution No. 018-2004 dated 22 December 2004.”

Under the above-quoted Section 5.5, the Security Services Unit under the supervision of the General Services Division of the Procuring Entity shall conduct the assessment/evaluation of the performance of the service provider thirty (30) days before the end of the first and second year, if applicable.

In case of pre-termination of the Contract pursuant to the above-mentioned provisions, the service provider may be required to render services on a periodic month to month basis not to exceed an aggregate period of six (6) months, as may be approved by the Government Procurement Policy Board (GPPB).

3.0 Obligations of the Service Provider:

The availability of all requirements and delivery thereof shall be the sole responsibility of the Service Provider.

The Service Provider shall submit the duly signed daily time records (DTRs), certified photocopies of actually signed payrolls and payslip showing the gross amount earned, deductions made, employers contribution and the net amount received by the personnel in compliance with existing labor laws, and proof of remittances to PAG-IBIG, PhilHealth, SSS and BIR for the deductions made from the salaries of the personnel deployed in the CTA and duly acknowledged by said agencies.

All entries in the DTR must be made through the use of time clock (Bundy). Manual entries shall not be honored unless countersigned by the assigned CTA official/personnel of the HRD.

Payment of the salaries of the personnel shall be made through Automated Teller Machines (ATM), otherwise payment of the salaries of the personnel deployed in the CTA shall be made at the CTA, to be witnessed by a representative of the General Services Division of the CTA.

The Service Provider shall provide additional security guard(s) upon request by the CTA whenever the exigency of service so requires and the necessary expenditure for the employment of such additional guards shall be paid by the CTA in accordance with the terms of the Contract.

The Service Provider shall provide at least two (2) female security personnel to be deployed to the CTA particularly one (1) at the Lobby of CTA Bldg. I and one (1) at the Lobby of CTA Bldg. II.

On the commission of the following violation/deficiencies, the CTA shall have the right to demand the removal of a guard from deployment in the court premises, and under the same grounds recommend the termination of the guard, to wit:

- a. Smoking while on duty;
- b. Reading newspaper and other unofficial reading materials while on duty;
- c. Sporting beard/moustache, non-regulation haircut, or not in proper uniform while on duty;
- d. Engaging in prolonged or unnecessary conversation with employees/visitors or over the telephone while on duty;

- e. Using cellphone/electronic gadgets while on duty;
- f. Abandonment of post;
- g. Drunkenness, drinking intoxicating liquor or found under the influence of prohibited drug/s while on duty;
- h. Providing confidential information to unauthorized person(s);
- i. Causing alarm or scandal or disorderly conduct within the premises of the CTA on or off-duty;
- j. Discourtesy or failure to render appropriate respect to CTA officials, employees and visitors, or to superiors within the guard's organizational structure;
- k. Sleeping on duty;
- l. Failure to report to duty without prior notice; and
- m. Attending to unauthorized functions or activity/ies while on duty.

The Service Provider shall safeguard the procuring entity's personnel and property/ies from theft, pilferage, robbery, arson, and/or other unlawful acts of third persons, in accordance with the terms and conditions hereinafter set forth:

- a. The Service Provider shall maintain the safety and security in the premises of the procuring entity located at the CTA Compound, National Government Center, Agham Road, Diliman, Quezon City; search on the personal belongings of visitors entering Bldg. I and II, protect the procuring entity's properties from theft, pilferage, robbery, arson and/or other unlawful acts by third persons or strangers, as well as the latter's officials and employees against bodily harm and injury from strangers and third persons;
- b. The Service Provider shall post security personnel everyday including Saturdays, Sundays, and Holidays, as indicated in "**Attachment 1**" (Deployment of Security Personnel) of the Contract as of the effectivity date of this Contract.
- c. The Service Provider shall provide the CTA with the number of security personnel specified in the "Schedule of Requirements." All such personnel assigned to the CTA by the Service Provider must possess the qualifications provided in **Attachment "3"** (Recruitment and Selection Criteria).
- d. The Service Provider warrants to make available at all times duly trained and qualified relievers and/or replacements to ensure continuous and uninterrupted service in case of absence of the assigned security personnel, and to exercise the needed supervision over the work of its personnel, provided that no security guard shall serve more than eight (8) hours continuous duty in a day, except those required under **Attachment "1"**.
- e. The Service Provider shall closely monitor and check the security personnel's performance of their duties by conducting inspection any time of the night or day to ensure that they are not committing any act prejudicial to the interest of the CTA.
- f. The Service Provider shall assume any liability arising from non-observance of laws, rules and regulations and/or whatever claims, cases, either administrative, civil or criminal, arising from non-compliance with agreement or other laws, or as a result of the Contract.
- g. The Service Provider shall be responsible for any loss, through theft or robbery, and damage that may be incurred upon the CTA's properties within the guarded/secured compound left in the custody of its security personnel, provided that such loss or damage occurred while in the performance of duty of

the said security personnel and that the loss or damage clearly established the negligence of the same.

- h. Any unusual occurrence in the premises noted by the agency security personnel should be reported immediately in writing by the Service Provider to the CTA within twenty-four (24) hours from its occurrence.
- i. The loss or damage to property shall be brought to the attention of the CTA by the Service Provider within twenty-four (24) hours from its occurrence or discovery and shall be immediately acted upon by the Service Provider.
- j. The Service Provider shall indemnify the CTA for any loss, through theft or robbery, and damage to the property or properties of the latter provided that it has been established after a complete and thorough investigation that said damage was the result of the act or omission, negligence or fault of the Service Provider's security personnel on duty.

The Service Provider through its assigned agency security personnel shall:

- a. Furnish the CTA, every 15th and last day of the month, a list of all Service Provider's security personnel who will render security services for the next fifteen (15) days, including information on their posting assignments;
- b. Not change/relieve any Guard or Security Officers without prior clearance from the CTA. In case of change of Service Provider's security personnel, notify the CTA's General Services Division, indicating the name/s of the security personnel involved/affected;
- c. Record all incoming equipment, supplies and materials, and all outgoing client's equipment, supplies, materials and properties; and keep on file copies of duly approved gate pass. A written report shall be furnished to the General Services Division within twenty-four (24) hours, if any property belonging to the CTA was brought out of the premises without a duly approved gate pass;
- d. Log-in all incoming and outgoing employees and vehicles in logbooks, respectively;
- e. Allow visitors in the office premises only upon proper identification, with clearance pursuant to CTA Health and Safety Protocol and after filling out the visitor's logbook;
- f. Record all trips of CTA service vehicles;
- g. Report immediately any untoward incident occurring within the post assignment/during tour of duty to the General Services Division;
- h. Enforce and obey all orders/instructions/memoranda issued by the CTA which are relevant to their duties and responsibilities; and
- i. Turn-over all fully filled-up security logbooks to the General Services Division.

The CTA reserves the right to:

1. Check whether the salaries of agency security personnel are paid on time;
2. Demand the Service Provider to facilitate the payment of the salaries of the assigned security personnel, and all taxes payable to the government arising from this contract;

3. Demand replacement of any Service Provider's security personnel who may be found and considered by the CTA as undesirable, immediately upon receipt of the written request/notice from the CTA; and
4. Require the Service Provider's security personnel assigned to the CTA to undergo drug testing anytime.

Conforme: _____