

TERMS OF REFERENCE

Security Services for DTI IV-A Regional and Provincial Offices for CY 2021 (1 Lot – Short of Award)

I. Rationale

The DTI Region IV-A intends to hire the services of a security agency to protect its employees and clients, physical area, materials, equipment, and financial assets.

II. Scope and Coverage

The engagement shall be for the provision of continuous security measures by seven (7) security guards who shall be assigned in respective DTI Offices in CALABARZON Region.

The security services are needed for the protection and securing of properties of the DTI Region IV-A from theft, robbery, arson, destruction or damage as well as protecting its officials, employees, visitors, guests and the transacting public from assault, harassment, threat or intimidation through enforcement and implementation of plans, policies, rules and regulations relative to security and safety.

III. Duration of Agreement

The Service Agreement shall be for a period of one (1) year. The agreement shall be effective on January 1 – December 31, 2021.

IV. Approved Budget for the Contract (ABC)

The ABC is **One Million Nine Hundred Twelve Thousand Pesos (Php 1,912,000.00)**, inclusive of all applicable taxes and service charges. The bid amount of interested bidders must not exceed the ABC of the respective DTI Offices.

	DTI Office	Amount
1.	DTI IV-A Regional Office	Php 512,000.00
2.	DTI Cavite Provincial Office	Php 256,000.00
3.	DTI Laguna Provincial Office	Php 217,000.00
4.	DTI Batangas Provincial Office	Php 372,000.00
5.	DTI Rizal Provincial Office	Php 299,000.00
6.	DTI Quezon Provincial Office	Php 256,000.00
Total		Php 1,912,000.00

V. Qualification Requirements of the Service Provider

The Service Provider shall have the necessary experience and expertise in providing security services. For this purpose, the Service Provider must submit, as part of the legal, technical, and financial requirements, the following documents:

A. Legal Documents

1. Valid PhilGEPS Registration Certification Certificate (Platinum Membership)
 - Registration certificate from Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives or its equivalent document.
 - Mayor's or Business permit issued by the city or municipality where the principal place of business of the prospective bidder is located, or the equivalent document for Exclusive Economic Zones or Areas; and
 - Tax clearance per E.O. No. 398, s. 2005, as finally reviewed and approved by the Bureau of Internal Revenue (BIR).

B. Technical Documents

1. Statement of bidder's all on-going government and private contracts covering the period 2017-present.
2. Statement of Single Largest Completed Contract with similar contract of at least 50% of the ABC (Php 956,000.00).
3. Bid security payable to or in favor of "Department of Trade and Industry Region IV-A (DTI IV-A)" in any of the following forms:
 - At least 2% of the ABC (Php 38,240.00) if bid security is in cash, cashier's/manger's check, bank draft/guarantee or irrevocable letter of credit
 - 5% of the ABC if bid security is in Surety Bond
 - Bid Securing Declaration (BSD) pursuant to provisions under GPPB Resolution No. 15-2014
4. Conformity with the Technical Specifications
5. Omnibus Sworn Statement in accordance with Sec. 25.3 of the IRR of RA 9184 and accompanied by any of the following supporting documents, whichever is applicable:
 - Duly notarized Special Power of Attorney
 - Duly notarized Board/Partnership Resolution
 - Duly notarized Secretary's Certificate

C. Financial Documents

1. Audited financial statement, showing, among others, the service provider's total and current assets and liabilities, stamped "received" by the BIR or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission.
2. Computation of Net Financial Contracting Capacity (NFCC) must be
 - At least equal to or greater than the ABC or
 - Credit Line Commitment (CLC) of at least equal to 10% of the ABC for this project
3. Joint Venture Agreement (JVA) or the Duly Notarized Statement in accordance with Sec. 23.1(b) of the IRR, if applicable

D. Other Documentary Requirements

1. Certificate of Membership issued by the Philippine Association of Detective and Protective Agency Operations, Inc. (PADPAO) or other associations recognized by the PNP-CSG-SOSIA, and License to Operate issued by the latter;
2. Certificate of pending or no pending labor standards violation case/s issued by the National Labor Relations Commission (NLRC) and Department of Labor and Employment (DOLE)
3. Certificate of Registration from Social Security System (SSS)
4. Certificate of Registration from Pag-IBIG
5. Certificate of Registration from PhilHealth

VI. Duties and Responsibilities of the Service Provider

The Service Provider shall discharge their duties and responsibilities as prescribed under pertinent rules and regulations embodied in various DTI Office Circulars, Special Orders and Memoranda. The Service Provider shall:

- A. Provide DTI Region IV-A with seven (7) qualified and trained security guards who will work on the following schedules to maintain security and safeguard the building and properties within the premises of respective DTI Offices, as well as provide protection for its employees, visitors, guests and transacting public:

	Place of Assignment	No. of Security Guards	Schedule
1.	DTI IV-A Regional Office 3/F Marcelita Building, National Highway, Brgy. Real, Calamba City, Laguna	2	7:00AM – 7:00PM 12 hours 5 days in a week
2.	DTI Cavite Provincial Office 2/F Government Center Building, Capitol Compound, Trece Martires City, Cavite	1	7:00AM – 7:00PM 12 hours 5 days in a week
3.	DTI Laguna Provincial Office Varimco Building, Brgy. Banca-Banca, Victoria, Laguna	1	7:00AM – 7:00PM 12 hours 5 days in a week
4.	DTI Batangas Provincial Office NACIDA Building, Old City Hall Compound, B. Morada Ave., Lipa City, Batangas	1	7:00PM – 7:00AM 12 hours 7 days in a week
5.	DTI Rizal Provincial Office 2/F Altica Arcade, 83 Circumferential Road, Brgy. San Jose, Antipolo City, Rizal	1	7:00AM – 7:00PM 12 hours 6 days in a week
6.	DTI Quezon Provincial Office 2/F Grand Central Terminal, Ilayang Dupay, Lucena City, Quezon	1	7:00AM – 7:00PM 12 hours 5 days in a week

- B. Deploy personnel not less than 21 or not more than 45 years of age, at least 5 feet and 5 inches in height, male, with at least three (3) years of experience as duly licensed security guard, and must have completed at least high school or vocational course. The Service Provider shall also

submit the following documentary requirements of agency or of each security personnel prior to posting:

1. NBI Clearance;
 2. PNP Clearance;
 3. Barangay Clearance;
 4. Physical/Medical/Health Certificate;
 5. Psychoneurotic Test;
 6. Drug Test; and
 7. Personal Data Sheet
- C. Provide their security personnel with appropriate uniforms including acceptable footwear and ensure that said personnel are well groomed and in proper/neat attire at all times.
- D. Pay, on its own account, the salaries, wages and other monetary benefits mandated by law of all its security personnel assigned to DTI Region IV-A. For this purpose, the Service Provider shall arrange with any servicing commercial bank for the enrollment of the personnel assigned in DTI Region IV-A to payroll account and the issuance of automated teller machine (ATM) cards.
- E. Provide, at its own expense, all the necessary firearms, supplies and equipment required to perform the works as follows:
1. firearms (9mm pistol with ammunition);
 2. communication equipment;
 3. flash lights;
 4. medical kit;
 5. truncheons;
 6. police whistles;
 7. night sticks; and
 8. traffic vest
- F. Include in its Administrative Overhead Operations Costs such as licenses (local and national), supervision, training, insurances, and other incidental expenses relative to security guarding.
- G. Secure all necessary government permits and licenses for the performance of its services.
- H. Be civilly liable, after due process, for any loss or damage to property committed through theft or other surreptitious means or as a result of fault or negligence of the security personnel, which loss or damage is suffered by DTI Region IV-A or any of its guests within the client's premises during the tour of duty of the security personnel without prejudice to criminal liability of the security personnel, if any. The loss or damage shall be reported to the Service Provider thru DTI Region IV-A within 72 hours from discovery thereof.
- I. Be liable to DTI Region IV-A and its clients for any interruption in the services to be provided due to labor problems or other causes other than fortuitous events.

- J. Ensure on-time payment of salaries to its security personnel. Failure to pay salaries on time within this time period and throughout the entire duration of the agreement and the contract will be considered as a basis for the pre-termination of the existing contract and the entire agreement.
- K. Comply with existing applicable labor laws, rules and regulations and warrant the payment of salaries and allowances to its security personnel within legal rates provided for under DOLE Department Order No. 150-16 Section 7.5 and other related legislated laws and mandatory remittances to government institution in accounting rules and regulations.
- L. Assume full responsibility for any and all claims of its security personnel relative to their employment with the Service Provider and that, in case of accident, injury or illness incurred in the line of duty, DTI Region IV-A should not in any way be made liable by the Service Provider.
- M. Be responsible in the filing of report to the police or appropriate authority for any incidents involving police matters (e.g., theft, robbery), copy furnished DTI Region IV-A.
- N. Provide for additional security guard as required by DTI Region IV-A as need arises within twenty-four (24) hours upon receipt of notice.
- O. In case of negligence/misconduct/inappropriate behavior, the Service Provider shall change or relieve security personnel assigned to DTI Region IV-A within twenty-four (24) hours from receipt of the notification.
- P. Turn over to DTI Region IV-A all logbooks upon termination of their contract.
- Q. Submit bi-monthly (fifteen-day period) billing statements to respective DTI Offices with the attached copy of payments for the security personnel and mandatory contributions to SSS, PhilHealth, PagIBIG, among others, for the previous billing period.

VII. Duties and Responsibilities of the Security Personnel

- A. Conduct inspection, detection and investigation of all security related incidents, including commission of crimes against person or property and to submit the same report to appropriate authorities and DTI Region IV-A Management within 24 hours.
- B. Maintain records of security related activities and relevant inward and outward movements of personnel, visitors and property. Records shall be made available for inspection by DTI authorized representatives.
- C. The security personnel shall at all times be polite, courteous, respectful and responsive to officers, employees and guests.
- D. Undertake regular rounds in the DTI premises, at least every four hours interval, even after office hours and non-working days.
- E. Prevent entry of unauthorized personnel after office hours and non-working days, including Saturdays, Sundays and holidays, unless duly authorized by DTI Region IV-A Management.

- F. Ensure the CCTV cameras are not obstructed.
- G. Assist in the analysis of recorded CCTV footage involving security-related issues.
- H. Switch off the lights, air conditioners, etc. and ensure that windows and doors are closed after office hours. Politely call the attention of employees who have left their offices without ensuring that the lights and other electronic items are switched off, to instill shared responsibility among all DTI Region IV-A employees in an effort to conserve energy/resources.

VIII. Duties and Responsibilities of DTI Region IV-A

The DTI Region IV-A shall:

- A. Monitor the implementation of the security services in accordance with the specifications and conditions of the contract.
- B. Recommend appropriate measures and improvements in the provision of Security Services by the Service Provider based on the feedback received.
- C. Require for additional security guard as the need arises to effect within twenty-four (24) hours from Service Provider's receipt of the notification.
- D. Recommend for the change or relieve of security personnel assigned with due notice to the Service Provider, which the latter agrees to effect within twenty-four (24) hours from receipt of the notification.
- E. Process payment to the service provider within ten (10) working days upon receipt of billing statement and required supporting documents.

IX. Payment Scheme

Payment by DTI Region IV-A to the Service Provider shall be on a bi-monthly (fifteen-day period) basis upon submission of billing statement to respective DTI Offices with the attached copy of payments for the security guards and mandatory contributions to SSS, PhilHealth, PagIBIG, among others.

X. Administrative Sanctions and Penalties

A. Breach of Contract

The DTI Region IV-A Management has the right to rescind, terminate or abrogate its contract with the security provider in any of the following instances:

- a. gross and willful negligence on the part of the contracted agency resulting in material and financial losses to DTI Region IV-A;
- b. falsification of license, reports and other documents submitted;

- c. engagement/involvement in activities that are dangerous to public safety and welfare or inimical to national security;
- d. violation of any of the provisions of R.A. 5487 as amended by PD 1919;
- e. violation of the duties and responsibilities of the service provider as stated on Item VI of the TOR; and
- f. failure to pay salaries of security personnel and the mandatory contributions.

The DTI Region IV-A shall conduct spot inspections of security guards on post for the purpose of assessing individual discipline and compliance with the Implementing Rules and Regulations (IRR) of Republic Act 5487 as amended and the DTI Region IV-A rules and regulations.

B. Suspension of security personnel due to incompetence

The Service Provider shall provide a replacement guard in order not to prejudice the interests of its client in case of suspension of one or any of the contracted security guards provided, that the service of the substituted guard shall be good only during the period of such suspension.

The following shall constitute acts of incompetence such as, but not limited to:

- a. wearing of inappropriate uniforms;
- b. late or failure to maintain and/or submit records/reports;
- c. all acts prejudicial to good conduct and behavior and others similar to the foregoing pursuant to existing laws, rules and regulations;
- d. use of profane or uncouth language;
- e. exercising the profession of security personnel without first being duly licensed;
- f. violation/offenses found during inspection of guards shall be reported to the management of the contracted security services;
- g. discourtesy and conduct unbecoming a security guard resulting in conflict with government employees/agency or guests in the agency assigned;
- h. carrying personally-owned unlicensed firearms or other deadly weapons whether on duty or not;
- i. failure to notify/call the nearest PNP Station in case of disorders, riots or strikes
- j. drinking alcoholic beverages and/or taking prohibited drugs while on duty;

- k. use and/or employment of security guards for purposes of committing threats, intimidation, coercion or another crime/offense, including show of force;
- l. issuing to security personnel unlicensed firearms; and
- m. posting of unlicensed security personnel.

XI. Dispute Resolution and Amendments

- A. In the matter of dispute, should any dispute related to the Contract and/or rights of the parties arise, the same shall be submitted to mutual consultation, mediation and arbitration, in the order of application. The venue of the proceedings shall be in DTI IV-A Regional Office, Calamba City.
- B. In case of a court suit, the venue shall be the courts of competent jurisdiction in Calamba City, to the exclusion of all other courts; and
- C. Any amendment or additional terms and conditions to the Contract must be in writing, approved and signed by both Parties.

XII. Termination of Contract

The DTI Region IV-A shall have the sole option to cancel or terminate the contract at any time for violation of any of the terms and conditions thereof and/or if, in its judgement, the service that has been rendered is substandard and/or unsatisfactory. The Service Provider shall maintain satisfactory level of performance throughout the term of the contract based on the following performance criteria:

- a. quality of service delivered;
- b. time management;
- c. management and suitability of personnel; and
- d. submission of regular reports.

XIII. Adjustment on Contract Cost

All bid prices for the 1-year contract duration shall be fixed and shall not be adjusted during contract implementation, except for the following:

- a. increase in minimum daily wage pursuant to law or new wage order issued after date of bidding;
- b. increase in taxes; and
- c. if during the term of the contract the DTI Region IV-A sees the need to add number of security personnel, the resulting cost of said addition should be based on the contract unit cost.

XIV. Tie-Breaking Method

Where, after post-qualification, an occurrence of a tie takes place among bidders determined and declared as the Lowest Calculated and Responsive Bidder (LCRB), the measure to resolve the case is by "toss coin (best of 7)".

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