

## CONTRACT FOR SECURITY SERVICES

### KNOW ALL MEN BY THESE PRESENTS:

This Contract is entered into this 04 FEB 2021, 2020 at Baguio City, by and between the:

**TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY**, an agency of the national government created by virtue of Republic Act No. 7796 with office address at East Service Road, South Luzon Expressway (SLEX) Fort Bonifacio, Taguig City, represented herein by its **DIRECTOR GENERAL SECRETARY ISIDRO S. LAPEÑA, Phd., CSEE**, hereinafter referred to as the “**AUTHORITY**”.

-and-

**BAGUIO'S FINEST SECURITY AGENCY**, a private corporation duly organized and existing by virtue of the laws of the Philippines, with business address at DOTC-TELOF Building, Post Office Loop, Session Road, Baguio City, represented by its Proprietor/Security Director, **MR. KARL B. GABAEN**, hereinafter referred to as the “**AGENCY**”;

### WITNESSETH THAT:

**WHEREAS**, the **AUTHORITY** intends to apply the sum of **Four Million Two Hundred Thirty Six Thousand Four Hundred Eighty Pesos (Php 4,236,480.00)** being the total Approved Budget for the Contract (ABC) for CY 2021 for the provision of Security Services for January 01, 2021-December 31, 2021;

**WHEREAS**, the mode of procurement used is Open Competitive Bidding using a non-discretionary “pass/fail” criterion as specified in the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9194;

**WHEREAS**, the BAC convened on 02 October 2020 to conduct a pre-procurement conference with the end user and the TWG representatives;

**WHEREAS**, TESDA-CAR advertised the Invitation to Bid for the provision of Security Services Requirements for TESDA-CAR for FY 2021 in the websites of the Philippine Government Electronic Procurement System (PhilGEPS) and TESDA and posted the same at the bulletin board of TESDA-CAR Regional office, TESDA RTC, and the Baguio City School of Arts & Trade (BCSAT) on October 13, 2020;

**WHEREAS**, the BAC invited several observers to attend the pre-bid conference on 19 October 2020 and the opening of bids on 04 November 2020 for purposes of transparency and good governance pursuant to Section 13 of the RIRR of Republic Act no. 9184;

**WHEREAS**, responding to the abovementioned Invitation to Bid, only the Baguio's Finest Security Agency signified its interest to participate in the bidding process by purchasing bidding documents;

**WHEREAS**, the Pre-Bid Conference was held on 19 October 2020;



**WHEREAS**, the submission of bids and bid opening were held on 04 November 2020 at TESDA CAR Multipurpose Hall, Loakan, Baguio City;

**WHEREAS**, during the bid evaluation conducted on 04 November 2020, the submitted bid price of the **AGENCY** is found to be within the Approved Budget for the Contract;

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

**WHEREAS**, on 10 November 2020, the TWG conducted post-qualification to verify, validate and ascertain all statements made and documents submitted by the bidder using non-discretionary criteria;

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

**WHEREAS**, Bids and Awards Committee (BAC) TESDA-CAR Resolution No. 019, Series of 2020 recommending the award of contract to the **AGENCY** for the provision of security services requirements for TESDA-CAR for the period 01 January 2021 to 31 December 2021 was issued and signed by the BAC members;

**WHEREAS**, the Notice of Award for the provision of security services requirements for TESDA-CAR for the period 01 January 2021 to 31 December 2021 in the amount of FOUR MILLION TWO HUNDRED THIRTY SIX THOUSAND FOUR HUNDRED AND EIGHTY PESOS AND 00/100 ( Php 4,236,480.00) was duly received by the **AGENCY** on 18 December 2020;

**WHEREAS**, the **AGENCY** posted its performance security in the form of surety bond in an amount equivalent to thirty percent (30%) of the ABC;

**WHEREAS**, the **AUTHORITY** desired to engage the services of a security guard and Investigation Agency purposely to protect and guard its properties from theft, pilferage, trespass, robbery, destruction or damage, as well as to protect its employees, visitors and guest from assault harassment, threat or intimidation and other criminal acts, maintain law and order, enforce and implement its rules, policies and regulations, and maintain security, safety, cleanliness and orderliness of the Regional Office and premises located at Loakan Road, Baguio City and its Provincial Offices and Training Centers/Institutions;

**WHEREAS**, the **AGENCY** has offered to provide the **AUTHORITY** with the services of security guards for the purpose of protecting and guarding its properties at abovementioned Offices and Institutions from theft, pilferage, trespass, robbery and destruction or damage, as well as protect the employees, visitors and guest from assault, harassment, threat or intimidation and other criminal acts, maintain law and order, enforce and implement its rules, policies and regulations, maintain security, safety, cleanliness and orderliness of the said Offices, Vehicles and Institutions;

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

**A. PERFORMANCE BY THE AGENCY**

1. 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.

2. The **AGENCY** will provide the **AUTHORITY** with 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 high school graduate;
  - c) Physically and mentally fit;
  - d) At least 5'4" tall;
  - e) At least 21 years old but not more than 50 years;
  - f) Must be certified on Security Services NC II;
  - g) 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 attitude;
  - h) Must be in proper uniform and properly equipped while on tour of duty.
  - i) Must possess such other qualifications required by Republic Act No. 5487, as amended;

For this purpose, the **AGENCY** shall initially furnish upon the demand of the **AUTHORITY** through the Office of the Chief, Finance and Administrative Services Division (FASD), 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 psychological 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 TESDA-CAR thereof and shall submit the aforementioned 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 mobile cellular phone 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 a vehicle for roving purposes.
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 nineteen (19) security guards, located in the following; six (6) at Regional Office & Regional Training Center, Loakan, Baguio City; two (2) Provincial Office, Luna, Apayao; three (3) Provincial Office, La Trinidad, Benguet; two (2) Provincial Office & Training Center, Pidigan, Abra; two (2) Provincial Office and Provincial Training Center, Lagawe, Ifugao; two (2) Provincial Office and Provincial Training Center Tabuk, Kalinga; two (2) Provincial Training Center, Sabangan, Mt. Province, who shall render service everyday including Sundays and Holidays;



7. The AGENCY shall deploy its security personnel in the following shifting schedules, namely;

First Shift	7:00 A.M. – 3:00 P.M.
Second Shift	3:00 P.M. – 11:00 P.M.
Third Shift	11:00 P.M.- 7:00 A.M.

8. The Supervisor of the Security Guards shall receive instructions regularly from the **AUTHORITY's** representative (Chief, FASD or his/her authorized representative for security guards assigned at the Administration Building) i.e., rotating of guards areas 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.
9. The **AGENCY** shall exercise discipline, supervision, control and administration of over its guards in accordance with the law, ordinances and pertinent governmental rules and regulations as well as the rules and policies laid down by the **AUTHORITY** on the matter.
10. The **AGENCY** shall be liable to the **AUTHORITY** for loss or damage to its property provided the same occurred within the jurisdiction of the **AGENCY** or its guard, **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 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 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.
11. The **AGENCY** shall comply with all existing labor laws, i.e., minimum wage, cost of living allowance, 13<sup>th</sup> month pay, service incentives leave pay, SSS/Medicare/ED 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: Three Hundred Fifty Three Thousand Forty Pesos and 00/100 Only (Php 353,040.00)** per month payable in two-bi-monthly payments, every fifteen and end of each month provided however, that the above amount represent payments to the **AGENCY** for posting/maintaining nineteen (19) security guards computed at the rate of **Eighteen Thousand Eight Hundred Twelve Pesos and 00/100 Only (Php 18,812.00) per month per guard** for Baguio City, Tabuk City, Kalinga & La Trinidad, Benguet and **Eighteen Thousand Two Hundred Sixty Three pesos Only (PhP. 18,263.00)** for the Province of Abra, Apayao, Ifugao and Mt. Province for other rendering eight (8) hours per day. It should be understood that the nineteen (19) security guards represent body-count/man-count. Payments made by the **AUTHORITY** shall be inclusive of the **VALUE ADDED TAX (VAT)**.




2. 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 and to evaluate the performance of the Security Guard posted at the TESDA-CAR every six (6) months.

### C. WARRANTIES

The **AGENCY** hereby warrants that it has not given or promised to give money, 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

1. It is expressly understood that the **AUTHORITY** and **AGENCY** have entered into contract good for Twelve (12) months from January 01, 2021 - December 31, 2021 subject to the following:
  - a) The Approved Budget for the Contract (ABC) which is Four Million Two Hundred Thirty Six Thousand Four Hundred Eighty Pesos & 00/100 Only (Php 4,236,480.00) is good for January 2021 to December 2021 only;
  - b) The ABC as reflected may be changed upon the issuance of a new Wage Order, or increase in tax rates as the case may be;
  - 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 pre-terminate it.
2. It is expressly understood and agreed that for all legal intents and purposes, all the guards of the **AGENCY** employed under this Contract shall not be considered employees of the **AUTHORITY** and as such the **AUTHORITY** shall not be liable for the salaries, wages and other remunerations and benefits as provided under the Philippine Labor Code, Social Security Law and other labor standards issuances. **AGENCY** commits that all its security guards to be assigned for the **AUTHORITY** are registered and covered under an active life and medical insurance plans.



Furthermore, since no employer-employee relationship shall exist between the **AUTHORITY** and the guards of the **AGENCY**, the services that shall be rendered by these guards shall in no case be credited as government service. Hence, they shall not be entitled to the benefits being enjoyed by the employees of the **AUTHORITY** such as but not limited to PERA, ACA and RATA. It shall also be understood that the **AGENCY** would only be interested in the results to be achieved under this agreement with the **AUTHORITY** without exercising direct control with the manner in which said result is to be achieved. The **AGENCY** is also not considered an agent of the **AUTHORITY** for any intent or purpose.

- **NON-DISCLOSURE:** The **AGENCY** shall diligently and faithfully serve the best interests of the **AUTHORITY** in rendering its services and shall not, during the period of this contract or at any time thereafter, use or disclose to any unauthorized person, firm or entity, any classified information concerning the business affairs of the **AUTHORITY** which any member of the security force of the **AGENCY** may have acquired by reasons of such contractual relationship;



- **PULL-OUT AND REVAMP:** the **AUHORITY** shall have the right to screen, select, accept and/or reject **AGENCY's** individual guards in accordance with the **AUTHORITY's** present criteria. Whenever the **AUTHORITY** informs **AGENCY** in writing that any contracted guard, in its finding and/or opinion is undesirable, the **AGENCY** shall within twenty –four (24) hours from notice, relieve the employee and never again be assigned to the **CLIENT's** premises mentioned herein, or to any other **AUTHORITY's** installation, and if any reason which it deems necessary to protect its interest. The **AUTHORITY** shall request in writing the revamp of the entire security force, **AGENCY** shall effect the same without additional cost on the part of the **AUTHORITY**;
- **NON DELAY IN PAYMENT OF SALARIES AND REMITTANCE OF BENEFITS:** The **AGENCY** hereby guarantees that the salaries of the guards detailed with the **AUTHORITY** shall be paid in full and on time, subject to lawful deductions. Any unjustified delay for at least two (2) months in the payment of their salaries, or failure to remit their SSS, Philhealth and Pag-ibig Contributions, the cause of which is attributable to the **AGENCY**, shall be sufficient ground for the **AUHORITY** to undertake direct payment of their wages or remittance, or to pre-terminate this service contract;
- **OTHER GROUNDS TO PRE-TERMINATE THE CONTRACT:** When **AGENCY** guard has willfully and intentionally or otherwise through negligence, caused the death of or inflicted any form of physical injury to the person of, or caused the loss or destruction of the property or belonging of the **AUTHORITY's** personnel, employees or officers or any of its guests, while inside the client's premises or while on official duty, it shall be a sufficient ground for the **AUTHORITY** to undertake direct payment of their wages or remittance, or to pre-terminate this service contract;
- In Addition, when **AGENCY** guard has willfully and intentionally or otherwise through negligence caused irreparable damage to the prestige or any vital interest of the **AUTHORITY**, great destruction of **AUTHORITY's** properties and equipment, great economic loss of the **AUTHORITY** on account of **AGENCY's** personnel participation or the non-performance of his duties and responsibilities, it shall also be a sufficient ground for the **AUTHORITY** to pre-terminate this service contract.
- **RATE ADJUSTMENT POLICY:** It is expressly understood that the **AUTHORITY** and **AGENCY** have entered into a contract good for TWELVE (12) months only covering the Year 2021. 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 government wage order issued after date of bidding or increase in taxes.

#### E. EFFECTIVITY OF CONTRACT

1. This agreement shall commence from January 01, 2021 and shall continue in full force and effect until December 31, 2021 subject to the Guidelines in the Procurement of Security and Janitorial Services.
2. In case of pre-termination, the party initiating the termination shall notify the other party at least one (1) month from the date of the effectivity of termination without prejudice to the obligations already incurred. Specifically, activities that take time to finish and have already been commenced shall continue until conclusion with due consideration to the effectivity of the termination as herein contemplated.

**F. AMICABLE SETTLEMENT**

Any dispute, claim, controversy, or disagreement arising out of or in connection with this Agreement that shall be settled amicably within thirty (30) calendar days after written notice, subject to the provisions of Republic Act No. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004".

**IN WITNESS WHEREOF**, the parties hereunto signed this Agreement, this \_\_\_\_\_ day of \_\_\_\_\_ 2020 at \_\_\_\_\_.

**TECHNICAL EDUCATION AND SKILLS  
DEVELOPMENT AUTHORITY**

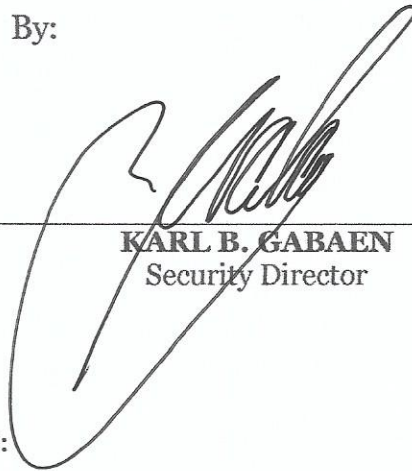
**BAGUIO'S FINEST SECURITY  
AGENCY**

By:

By:

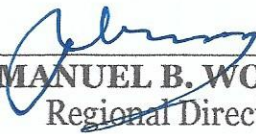


**ISIDRO S. LAPEÑA, PhD., CSEE**  
Director General/Secretary



**KARL B. GABAEN**  
Security Director

WITNESSES:



**ENGR. MANUEL B. WONG, CESO IV**  
Regional Director



**FLOR D. BANGNGAYON**

**FUNDS AVAILABLE**

  
**ANTONIO D. SALDO**  
Regional Accountant





## ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES )  
 ) S. S.  
 )  
 )

**BEFORE ME**, a Notary Public for and in the Province / City of Baguio City this  
04 FEB 2021 2020 personally came and appeared:

NAME	Government Issued ID No.	ISSUED BY
ISIDRO S. LAPEÑA		TESDA
KARL B. GABAEN	D.N. A01-02-084999	LTO

known to me and to known to be the same persons who executed the foregoing instrument consisting of eight (8) pages, including this page, which they acknowledge before me as their free and voluntary act and deed.

WITNESS MY HAND AND SEAL this 04 FEB 2021 day of 2021 at  
Baguio City

Doc No. 71  
Page No. 15  
Book No. XXXVI  
Series of 2021

**THOMAS B. PARACO**  
Notary Public  
N.A. 45-NC-20-R  
Until December 31, 2021  
PTR. No. 1076593; 01/04/21; Baguio City  
Lifetime IBP No. 1083788; 01/03/18; Baguio-Benguet  
Roll of Attorneys No. 47149; May 06, 2002  
MCLE Compliance No. VII-002593; valid until 03/06/2025  
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