

CONTRACT FOR SECURITY SERVICES

KNOW ALL MEN BY THESE PRESENTS:

This Contract is entered into this 27th day of December 2013 at Taguig City, by and between the:

TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY, a national government agency mandated by Republic Act No. 7796 with principal place of business at TESDA Complex, East Service Road, South Luzon Expressway, Taguig City, Metro Manila, Philippines, represented in this Contract by its Director General, **SEC. EMMANUEL JOEL J. VILLANUEVA**, hereinafter referred to as the "**AUTHORITY**";

- and -

VARIANCE SECURITY AGENCY CORPORATION, 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 Million One Hundred Fifty One Thousand Six Hundred Pesos and 00/100 (Php 20,151,600.00)** being the total Approved Budget for the Contract (ABC) for CY 2014 for the provision of Security Services for TESDA Central Office for CY 2014-2016;

WHEREAS, the **AUTHORITY** advertised the Invitation to Bid for the provision of Security Services for TESDA Central Office for CY 2014-2016 in a newspaper of general circulation and posted the same in the PhilGEPS on 19 September 2013;

WHEREAS, responding to the abovementioned Invitation to Bid, four (4) prospective bidders signified their interest to participate in said bidding process by purchasing bidding documents, namely: 1) Variance Security Agency Corporation, 2) Urduja Security Services, Inc., 3) Envisage Security Agency, Inc. and 4) Saint Anthony Security and Investigation Agency;

WHEREAS, the submission of bids and bid opening were held on 11 October 2013, 2:55 p.m. at the OCSA 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 (b) 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. 16-2013 on 25 October 2013 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 Million One Hundred Fifty One Thousand Six Hundred Pesos (Php 20,151,600.00) through Board Resolution No. 2013-07 issued on 17 December 2013;

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

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 regulation of the **AUTHORITY** aimed at maintaining security and safety at its premises.
2. 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 23 years old but not more than 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, Office of the Chief of Services for Administration, 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 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 aforesaid 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** vehicles 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 seventy (70) security guards, three (3) of whom shall be Security Officers and one (1) shall serve as Detachment Commander who shall render service everyday including 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	7:00 A.M. – 3:00 P.M.	- 24 Security Guards
Second Shift	3:00 P.M. – 11:00 P.M.	- 24 Security Guards
Third Shift	11:00 P.M. – 7:00 A.M.	- 18 Security Guards
Sub-Total		66 Security Guards
		3 Security Officers
		1 Det. Commander
TOTAL Security Man-Count		70

- 8. The Supervisor of the security guards shall receive instructions regularly from the **AUTHORITY's** representative (Director, OCSA 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 guarantee 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, 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 Six Hundred Seventy Nine Thousand Three Hundred Pesos and 00/100 (Php 1,679,300.00) per month payable in two bi-monthly payments, every fifteenth and end of each month provided however, that the above amount represents payments to the **AGENCY** for posting/maintaining seventy (70) security guards computed at the rate of Twenty Three Thousand Nine Hundred Ninety Pesos and 00/100 (Php 23,990.00) per month per guard rendering eight (8) hours per day. It should be understood that the seventy (70) 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.

