EXPANDED DOF ENTERPRISE RESOURCE PLANNING (EXPANDED DOF-ERP) SYSTEM PROJECT

November 2017
ITB NO. 2017-29-G
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Section I. Invitation to Bid
INVITATION TO BID FOR THE EXPANDED DOF ENTERPRISE RESOURCE PLANNING (EXPANDED DOF-ERP) SYSTEM PROJECT

1. The DEPARTMENT OF FINANCE (DOF), through the Department of Finance, has received a Grant from the MITHI, intends to apply the sum of FOURTEEN MILLION PESOS (PhP 14,000,000.00) being the Approved Budget for the Contract (ABC) as payments under the contract for the Expanded DOF Enterprise Resource Planning (Expanded DOF-ERP) System Project (the “Project”). Bids received in excess of the ABC shall be automatically rejected at bid opening.

2. The DOF, through its Bids and Awards Committee (BAC), now invites bids for Expanded DOF Enterprise Resource Planning (Expanded DOF-ERP) System Project. Bidders should have completed, within five (5) years from the date of submission and receipt of bids, a contract similar to the Project which is equivalent to fifty percent (50%) of the ABC. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II. Instructions to Bidders.

3. Bidding will be conducted through open competitive bidding procedures using a non-discretionary “pass/fail” criterion as specified in the 2016 Revised Implementing Rules and Regulations (R-IRR) of Republic Act (RA) No. 9184, otherwise known as the “Government Procurement Reform Act”.

Bidding is restricted to Filipino citizens/sole proprietorships, partnerships, or organizations with at least sixty percent (60%) interest or outstanding capital stock belonging to citizens of the Philippines, and to citizens or organizations of a country the laws or regulations of which grant similar rights or privileges to Filipino citizens, pursuant to RA 5183.

4. Interested bidders may obtain further information from the BAC Secretariat and inspect the Bidding Documents at the address given below during office hours 8:00 am – 5:00 pm.

5. A complete set of Bidding Documents may be acquired by interested Bidders starting on November 23, 2017 up to December 14, 2017 at the BAC Secretariat Procurement Management Division, 7th Floor, EDPC Building, BSP Complex, Pablo Ocampo Sr. Street corner Roxas Blvd., Manila and upon payment of a nonrefundable fee for the Bidding Documents, in the amount of Fourteen Thousand Pesos (Php14,000.00), pursuant to the latest Guidelines issued by the GPPB.

It may also be downloaded free of charge from the website of the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the
DOF, provided that the Bidders shall pay the non-refundable fee for the Bidding Documents not later than the submission of their bids.

6. The schedule of bidding activities is as follows:

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<td>November 23, 2017</td>
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<tr>
<td>Issuance and Availability of Bid Documents</td>
<td>starting November 23, 2017</td>
</tr>
<tr>
<td>Pre-Bid Conference</td>
<td>December 1, 2017, 11:00 am</td>
</tr>
<tr>
<td>Request for Clarification</td>
<td>December 4, 2017 (by email)</td>
</tr>
<tr>
<td>Issuance of Supplemental Bid Bulletin</td>
<td>December 7, 2017</td>
</tr>
<tr>
<td>Deadline for Submission of Bids</td>
<td>December 14, 2017, 9:45 am</td>
</tr>
<tr>
<td>Opening of Bids</td>
<td>December 14, 2017, 11:00 am</td>
</tr>
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</table>

7. Bids must be delivered to the BAC Secretariat, Procurement Management Division, 7th Floor EDPC Building, BSP Complex, P. Ocampo Sr., Street corner Roxas Boulevard, Manila on or before December 14, 2017, 9:45 am. The bidders shall drop their duly accomplished eligibility requirements, technical and financial proposals in two (2) separate envelopes in the bid box located at the abovementioned address. All the bids must be accompanied by a bid security in any of the acceptable forms and in the amount stated in the Instructions to Bidders (ITB) Clause 18.

8. Bid opening shall be on the date indicated above at the DFG Conference Room, 4th Floor DOF Building. Bids will be opened in the presence of the Bidders’ representatives who choose to attend. LATE BIDS SHALL NOT BE ACCEPTED.

9. The DOF reserves the right to accept or reject any and all bids, to annul the bidding process, and to reject all bids at any time prior to contract award, without thereby incurring any liability to the affected bidder or bidders. In instances, that may arise and not specifically mentioned herein, the DOF shall resolve bidding issues by resorting to and applying the pertinent provisions of RA 9184 and its Revised Implementing Rules and Regulations.

10. For further information, please refer to:

Ms. Liceria A. Te  
Department of Finance  
BAC Secretariat, Procurement Management Division  
7th Floor EDPC Building, BSP Complex  
P. Ocampo Sr., Street corner Roxas Boulevard, Manila  
Telefax No.: 526-4786  
Email Address: lte@dof.gov.ph / matienza@dof.gov.ph

GIL S. BELTRAN  
Undersecretary and  
DOF-BAC Chairman
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A. General

1. Scope of Bid

1.1. The Procuring Entity named in the BDS invites bids for the supply and delivery of the Goods as described in Section VII. Technical Specifications.

1.2. The name, identification, and number of lots specific to this bidding are provided in the BDS. The contracting strategy and basis of evaluation of lots is described in ITB Clause 28.

2. Source of Funds

The Procuring Entity has a budget or has received funds from the Funding Source named in the BDS, and in the amount indicated in the BDS. It intends to apply part of the funds received for the Project, as defined in the BDS, to cover eligible payments under the contract.

3. Corrupt, Fraudulent, Collusive, and Coercive Practices

3.1. Unless otherwise specified in the BDS, the Procuring Entity as well as the bidders and suppliers shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the Procuring Entity:

(a) defines, for purposes of this provision, the terms set forth below as follows:

(i) “corrupt practice” means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in RA 3019.

(ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive
the Procuring Entity of the benefits of free and open competition.

(iii) “collusive practices” means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.

(iv) “coercive practices” means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;

(v) “obstructive practice” is

(aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or

(bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.

(b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

3.2. Further, the Procuring Entity will seek to impose the maximum civil, administrative, and/or criminal penalties available under applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in ITB Clause 3.1(a).

3.3. Furthermore, the Funding Source and the Procuring Entity reserve the right to inspect and audit records and accounts of a bidder or supplier in the bidding for and performance of a contract themselves or through independent auditors as reflected in the GCC Clause 0.

4. Conflict of Interest
4.1. All Bidders found to have conflicting interests shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events described in paragraphs (a) through (c) below and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (g) below:

(a) A Bidder has controlling shareholders in common with another Bidder;
(b) A Bidder receives or has received any direct or indirect subsidy from any other Bidder;
(c) A Bidder has the same legal representative as that of another Bidder for purposes of this bid;
(d) A Bidder has a relationship, directly or through third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder or influence the decisions of the Procuring Entity regarding this bidding process;
(e) A Bidder submits more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid;
(f) A Bidder who participated as a consultant in the preparation of the design or technical specifications of the Goods and related services that are the subject of the bid; or
(g) A Bidder who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project, if the personnel would be involved in any capacity on the same project.

4.2. In accordance with Section 47 of the Revised IRR of RA 9184, all Bidding Documents shall be accompanied by a sworn affidavit of the Bidder that it is not related to the Head of the Procuring Entity (HoPE), members of the Bids and Awards Committee (BAC), members of the Technical Working Group (TWG), members of the BAC Secretariat, the head of the Project Management Office (PMO) or the end-user unit, and the project consultants, by consanguinity or affinity up to the third civil degree. On the part of the Bidder, this Clause shall apply to the following persons:

(a) If the Bidder is an individual or a sole proprietorship, to the Bidder himself;
(b) If the Bidder is a partnership, to all its officers and members;
(c) If the Bidder is a corporation, to all its officers, directors, and controlling stockholders;

(d) If the Bidder is a cooperative, to all its officers, directors, and controlling shareholders or members; and

(e) If the Bidder is a joint venture (JV), the provisions of items (a), (b), (c), or (d) of this Clause shall correspondingly apply to each of the members of the said JV, as may be appropriate.

Relationship of the nature described above or failure to comply with this Clause will result in the automatic disqualification of a Bidder.

5. Eligible Bidders

5.1. Unless otherwise provided in the BDS, the following persons shall be eligible to participate in this bidding:

(a) Duly licensed Filipino citizens/sole proprietorships;

(b) Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;

(c) Corporations duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;

(d) Cooperatives duly organized under the laws of the Philippines; and

(e) Persons/entities forming themselves into a Joint Venture (JV), i.e., a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that Filipino ownership or interest of the JV concerned shall be at least sixty percent (60%).

5.2. Foreign bidders may be eligible to participate when any of the following circumstances exist, as specified in the BDS:

(a) When a Treaty or International or Executive Agreement as provided in Section 4 of RA 9184 and its IRR allow foreign bidders to participate;

(b) Citizens, corporations, or associations of a country, the laws or regulations of which grant reciprocal rights or privileges to citizens, corporations, or associations of the Philippines;

(c) When the Goods sought to be procured are not available from local suppliers; or
(d) When there is a need to prevent situations that defeat competition or restrain trade.

5.3. Government owned or -controlled corporations (GOCCs) may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not attached agencies of the Procuring Entity.

5.4. Unless otherwise provided in the BDS, the Bidder must have completed a Single Largest Completed Contract (SLCC) similar to the Project and the value of which, adjusted, if necessary, by the Bidder to current prices using the Philippine Statistics Authority (PSA) consumer price index, must be at least equivalent to a percentage of the ABC stated in the BDS.

For this purpose, contracts similar to the Project shall be those described in the BDS, and completed within the relevant period stated in the Invitation to Bid and ITB Clause 12.1(a)(ii).

5.5. The Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC), which must be at least equal to the ABC to be bid, calculated as follows:

$$\text{NFCC} = [(\text{Current assets} - \text{current liabilities}) - 15\%]\text{ minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started, coinciding with the contract to be bid.}$$

The values of the domestic bidder’s current assets and current liabilities shall be based on the latest Audited Financial Statements submitted to the BIR.

For purposes of computing the foreign bidders’ NFCC, the value of the current assets and current liabilities shall be based on their audited financial statements prepared in accordance with international financial reporting standards.

If the prospective bidder opts to submit a committed Line of Credit, it must be at least equal to ten percent (10%) of the ABC to be bid. If issued by a foreign universal or commercial bank, it shall be confirmed or authenticated by a local universal or commercial bank.

6. **Bidder’s Responsibilities**

6.1. The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in Section VIII. Bidding Forms as required in ITB Clause 12.1(b)(iii).

6.2. The Bidder is responsible for the following:
(a) Having taken steps to carefully examine all of the Bidding Documents;

(b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;

(c) Having made an estimate of the facilities available and needed for the contract to be bid, if any;

(d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin(s) as provided under ITB Clause 10.4.

(e) Ensuring that it is not “blacklisted” or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;

(f) Ensuring that each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

(g) Authorizing the HoPE or its duly authorized representative/s to verify all the documents submitted;

(h) Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary’s Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;

(i) Complying with the disclosure provision under Section 47 of RA 9184 and its Revised IRR in relation to other provisions of RA 3019;

(j) Complying with existing labor laws and standards, in the case of procurement of services; Moreover, bidder undertakes to:

(i) Ensure the entitlement of workers to wages, hours of work, safety and health and other prevailing conditions of work as established by national laws, rules and regulations; or collective bargaining agreement; or arbitration award, if and when applicable.

In case there is a finding by the Procuring Entity or the DOLE of underpayment or non-payment of workers’ wage and wage-related benefits, bidder agrees that the performance security or portion of the contract amount
shall be withheld in favor of the complaining workers pursuant to appropriate provisions of Republic Act No. 9184 without prejudice to the institution of appropriate actions under the Labor Code, as amended, and other social legislations.

(ii) Comply with occupational safety and health standards and to correct deficiencies, if any.

In case of imminent danger, injury or death of the worker, bidder undertakes to suspend contract implementation pending clearance to proceed from the DOLE Regional Office and to comply with Work Stoppage Order; and

(iii) Inform the workers of their conditions of work, labor clauses under the contract specifying wages, hours of work and other benefits under prevailing national laws, rules and regulations; or collective bargaining agreement; or arbitration award, if and when applicable, through posting in two (2) conspicuous places in the establishment’s premises; and

(k) Ensuring that it did not give or pay, directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

6.3. The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents.

6.4. It shall be the sole responsibility of the Bidder to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to the contract to be bid, including: (a) the location and the nature of this Project; (b) climatic conditions; (c) transportation facilities; and (d) other factors that may affect the cost, duration, and execution or implementation of this Project.

6.5. The Procuring Entity shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective or eligible bidder out of the data furnished by the procuring entity. However, the Procuring Entity shall ensure that all information in the Bidding Documents, including bid/supplemental bid bulletin/s issued, are correct and consistent.
6.6. Before submitting their bids, the Bidder is deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect this Project in any way.

6.7. The Bidder shall bear all costs associated with the preparation and submission of his bid, and the Procuring Entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

6.8. The Bidder should note that the Procuring Entity will accept bids only from those that have paid the applicable fee for the Bidding Documents at the office indicated in the Invitation to Bid.

7. **Origin of Goods**

Unless otherwise indicated in the BDS, there is no restriction on the origin of goods other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, subject to ITB Clause 27.1.

8. **Subcontracts**

8.1. Unless otherwise specified in the BDS, the Bidder may subcontract portions of the Goods to an extent as may be approved by the Procuring Entity and stated in the BDS. However, subcontracting of any portion shall not relieve the Bidder from any liability or obligation that may arise from the contract for this Project.

8.2. Subcontractors must submit the documentary requirements under ITB Clause 12 and comply with the eligibility criteria specified in the BDS. In the event that any subcontractor is found by the Procuring Entity to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.

8.3. The Bidder may identify the subcontractor to whom a portion of the Goods will be subcontracted at any stage of the bidding process or during contract implementation. If the Bidder opts to disclose the name of the subcontractor during bid submission, the Bidder shall include the required documents as part of the technical component of its bid.

**B. Contents of Bidding Documents**

9. **Pre-Bid Conference**

9.1. (a) If so specified in the BDS, a pre-bid conference shall be held at the venue and on the date indicated therein, to clarify and address the Bidders’ questions on the technical and financial components of this Project.
(b) The pre-bid conference shall be held at least twelve (12) calendar days before the deadline for the submission and receipt of bids, but not earlier than seven (7) calendar days from the posting of the invitation to bid/bidding documents in the PhilGEPS website. If the Procuring Entity determines that, by reason of the method, nature, or complexity of the contract to be bid, or when international participation will be more advantageous to the GOP, a longer period for the preparation of bids is necessary, the pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids, as specified in the BDS.

9.2. Bidders are encouraged to attend the pre-bid conference to ensure that they fully understand the Procuring Entity’s requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to know the changes and/or amendments to the Bidding Documents as recorded in the minutes of the pre-bid conference and the Supplemental/Bid Bulletin. The minutes of the pre-bid conference shall be recorded and prepared not later than five (5) calendar days after the pre-bid conference. The minutes shall be made available to prospective bidders not later than five (5) days upon written request.

9.3. Decision of the BAC amending any provision of the bidding documents shall be issued in writing through a Supplemental/Bid Bulletin at least seven (7) calendar days before the deadline for the submission and receipt of bids.

10. Clarification and Amendment of Bidding Documents

10.1. Prospective bidders may request for clarification on and/or interpretation of any part of the Bidding Documents. Such request must be in writing and submitted to the Procuring Entity at the address indicated in the BDS at least ten (10) calendar days before the deadline set for the submission and receipt of Bids.

10.2. The BAC shall respond to the said request by issuing a Supplemental/Bid Bulletin, to be made available to all those who have properly secured the Bidding Documents, at least seven (7) calendar days before the deadline for the submission and receipt of Bids.

10.3. Supplemental/Bid Bulletins may also be issued upon the Procuring Entity’s initiative for purposes of clarifying or modifying any provision of the Bidding Documents not later than seven (7) calendar days before the deadline for the submission and receipt of Bids. Any modification to the Bidding Documents shall be identified as an amendment.

10.4. Any Supplemental/Bid Bulletin issued by the BAC shall also be posted in the PhilGEPS and the website of the Procuring Entity concerned, if available, and at any conspicuous place in the premises of the Procuring Entity concerned. It shall be the responsibility of all Bidders
who have properly secured the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, Bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with ITB Clause 23.

C. Preparation of Bids

11. Language of Bids

The eligibility requirements or statements, the bids, and all other documents to be submitted to the BAC must be in English. If the eligibility requirements or statements, the bids, and all other documents submitted to the BAC are in foreign language other than English, it must be accompanied by a translation of the documents in English. The documents shall be translated by the relevant foreign government agency, the foreign government agency authorized to translate documents, or a registered translator in the foreign bidder’s country; and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign bidder’s affairs in the Philippines. The English translation shall govern, for purposes of interpretation of the bid.

12. Documents Comprising the Bid: Eligibility and Technical Components

12.1. Unless otherwise indicated in the BDS, the first envelope shall contain the following eligibility and technical documents:

(a) Eligibility Documents –

Class “A” Documents:

(i) PhilGEPS Certificate of Registration and Membership in accordance with Section 8.5.2 of the R-IRR, except for foreign bidders participating in the procurement by a Philippine Foreign Service Office or Post, which shall submit their eligibility documents under Section 23.1 of the R-IRR, provided, that the winning bidder shall register with the PhilGEPS in accordance with section 37.1.4 of the R-IRR.

(ii) Statement of all its ongoing government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid; and Statement of the Bidder’s SLCC similar to the contract to be bid, in accordance with ITB Clause 5.4, within the relevant period as provided in the BDS.
The two statements required shall indicate for each contract the following:

(ii.1) name of the contract;
(ii.2) date of the contract;
(ii.3) contract duration;
(ii.4) owner’s name and address;
(ii.5) kinds of Goods;
(ii.6) For Statement of Ongoing Contracts - amount of contract and value of outstanding contracts;
(ii.7) For Statement of SLCC - amount of completed contracts, adjusted by the Bidder to current prices using PSA’s consumer price index, if necessary for the purpose of meeting the SLCC requirement;
(ii.8) date of delivery; and
(ii.9) end user’s acceptance or official receipt(s) or sales invoice issued for the contract, if completed, which shall be attached to the statements.

(iii) NFCC computation in accordance with ITB Clause 5.5 or a committed Line of Credit from a universal or commercial bank.

Class “B” Document:

(iv) If applicable, the Joint Venture Agreement (JVA) in case the joint venture is already in existence, or duly notarized statements from all the potential joint venture partners in accordance with Section 23.1(b) of the Revised IRR.

(b) Technical Documents –

(i) Bid security in accordance with ITB Clause 18. If the Bidder opts to submit the bid security in the form of:

(i.1) a bank draft/guarantee or an irrevocable letter of credit issued by a foreign bank, it shall be accompanied by a confirmation from a Universal or Commercial Bank; or

(i.2) a surety bond, it shall be accompanied by a certification by the Insurance Commission that the
surety or insurance company is authorized to issue such instruments;

(ii) Conformity with technical specifications, as enumerated and specified in Sections VI and VII of the Bidding Documents; and

(iii) Sworn statement in accordance with Section 25.3 of the IRR of RA 9184 and using the form prescribed in Section VIII. Bidding Forms.

(iv) For foreign bidders claiming eligibility by reason of their country’s extension of reciprocal rights to Filipinos, a certification from the relevant government office of their country stating that Filipinos are allowed to participate in their government procurement activities for the same item or product.

13. Documents Comprising the Bid: Financial Component

13.1. Unless otherwise stated in the BDS, the financial component of the bid shall contain the following:

(a) Financial Bid Form, which includes bid prices and the applicable Price Schedules, in accordance with ITB Clauses 15.1 and 15.4;

(b) If the Bidder claims preference as a Domestic Bidder, a certification from the DTI issued in accordance with ITB Clause 27, unless otherwise provided in the BDS; and

(c) Any other document related to the financial component of the bid as stated in the BDS.

13.2. (a) Unless otherwise stated in the BDS, all bids that exceed the ABC shall not be accepted.

(b) Unless otherwise indicated in the BDS, for foreign-funded procurement, a ceiling may be applied to bid prices provided the following conditions are met:

(i) Bidding Documents are obtainable free of charge on a freely accessible website. If payment of Bidding Documents is required by the procuring entity, payment could be made upon the submission of bids.

(ii) The procuring entity has procedures in place to ensure that the ABC is based on recent estimates made by the responsible unit of the procuring entity and that the estimates reflect the quality, supervision and risk and
inflationary factors, as well as prevailing market prices, associated with the types of works or goods to be procured.

(iii) The procuring entity has trained cost estimators on estimating prices and analyzing bid variances.

(iv) The procuring entity has established a system to monitor and report bid prices relative to ABC and engineer’s/procuring entity’s estimate.

(v) The procuring entity has established a monitoring and evaluation system for contract implementation to provide a feedback on actual total costs of goods and works.

14. Alternative Bids

14.1 Alternative Bids shall be rejected. For this purpose, alternative bid is an offer made by a Bidder in addition or as a substitute to its original bid which may be included as part of its original bid or submitted separately therewith for purposes of bidding. A bid with options is considered an alternative bid regardless of whether said bid proposal is contained in a single envelope or submitted in two (2) or more separate bid envelopes.

14.2 Each Bidder shall submit only one Bid, either individually or as a partner in a JV. A Bidder who submits or participates in more than one bid (other than as a subcontractor if a subcontractor is permitted to participate in more than one bid) will cause all the proposals with the Bidder’s participation to be disqualified. This shall be without prejudice to any applicable criminal, civil and administrative penalties that may be imposed upon the persons and entities concerned.

15. Bid Prices

15.1. The Bidder shall complete the appropriate Schedule of Prices included herein, stating the unit prices, total price per item, the total amount and the expected countries of origin of the Goods to be supplied under this Project.

15.2. The Bidder shall fill in rates and prices for all items of the Goods described in the Schedule of Prices. Bids not addressing or providing all of the required items in the Bidding Documents including, where applicable, Schedule of Prices, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a zero (0) or a dash (-) for the said item would mean that it is being offered for free to the Government, except those required by law or regulations to be accomplished.
15.3. The terms Ex Works (EXW), Cost, Insurance and Freight (CIF), Cost and Insurance Paid to (CIP), Delivered Duty Paid (DDP), and other trade terms used to describe the obligations of the parties, shall be governed by the rules prescribed in the current edition of the International Commercial Terms (INCOTERMS) published by the International Chamber of Commerce, Paris.

15.4. Prices indicated on the Price Schedule shall be entered separately in the following manner:

(a) For Goods offered from within the Procuring Entity’s country:

(i) The price of the Goods quoted EXW (ex works, ex factory, ex warehouse, ex showroom, or off-the-shelf, as applicable);

(ii) The cost of all customs duties and sales and other taxes already paid or payable;

(iii) The cost of transportation, insurance, and other costs incidental to delivery of the Goods to their final destination; and

(iv) The price of other (incidental) services, if any, listed in the BDS.

(b) For Goods offered from abroad:

(i) Unless otherwise stated in the BDS, the price of the Goods shall be quoted DDP with the place of destination in the Philippines as specified in the BDS. In quoting the price, the Bidder shall be free to use transportation through carriers registered in any eligible country. Similarly, the Bidder may obtain insurance services from any eligible source country.

(ii) The price of other (incidental) services, if any, listed in the BDS.

(c) For Services, based on the form which may be prescribed by the Procuring Entity, in accordance with existing laws, rules and regulations

15.5. Prices quoted by the Bidder shall be fixed during the Bidder’s performance of the contract and not subject to variation or price escalation on any account. A bid submitted with an adjustable price quotation shall be treated as non-responsive and shall be rejected, pursuant to ITB Clause 24.
All bid prices for the given scope of work in the contract as awarded shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances. Upon the recommendation of the Procuring Entity, price escalation may be allowed in extraordinary circumstances as may be determined by the National Economic and Development Authority in accordance with the Civil Code of the Philippines, and upon approval by the GPPB. Nevertheless, in cases where the cost of the awarded contract is affected by any applicable new laws, ordinances, regulations, or other acts of the GOP, promulgated after the date of bid opening, a contract price adjustment shall be made or appropriate relief shall be applied on a no loss-no gain basis.

16. Bid Currencies

16.1. Prices shall be quoted in the following currencies:

(a) For Goods that the Bidder will supply from within the Philippines, the prices shall be quoted in Philippine Pesos.

(b) For Goods that the Bidder will supply from outside the Philippines, the prices may be quoted in the currency(ies) stated in the BDS. However, for purposes of bid evaluation, bids denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate as published in the Bangko Sentral ng Pilipinas (BSP) reference rate bulletin on the day of the bid opening.

16.2. If so allowed in accordance with ITB Clause 16.1, the Procuring Entity for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to Philippine Pesos at the foregoing exchange rates.

16.3. Unless otherwise specified in the BDS, payment of the contract price shall be made in Philippine Pesos.

17. Bid Validity

17.1. Bids shall remain valid for the period specified in the BDS which shall not exceed one hundred twenty (120) calendar days from the date of the opening of bids.

17.2. In exceptional circumstances, prior to the expiration of the bid validity period, the Procuring Entity may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. The bid security described in ITB Clause 18 should also be extended corresponding to the extension of the bid validity period at the least. A Bidder may refuse the request without forfeiting its bid security, but his bid shall no longer be considered for further evaluation and
award. A Bidder granting the request shall not be required or permitted to modify its bid.

18. **Bid Security**

18.1. The Bidder shall submit a Bid Securing Declaration or any form of Bid Security in the amount stated in the **BDS**, which shall be not less than the percentage of the ABC in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Form of Bid Security</th>
<th>Amount of Bid Security (Not Less than the Percentage of the ABC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Cash or cashier’s/manager’s check issued by a Universal or Commercial Bank.</td>
<td></td>
</tr>
<tr>
<td>For biddings conducted by LGUs, the Cashier’s/Manager’s Check may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</td>
<td></td>
</tr>
<tr>
<td>(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.</td>
<td>Two percent (2%)</td>
</tr>
<tr>
<td>For biddings conducted by LGUs, Bank Draft/Guarantee, or Irrevocable Letter of Credit may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</td>
<td></td>
</tr>
<tr>
<td>(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.</td>
<td>Five percent (5%)</td>
</tr>
</tbody>
</table>
The Bid Securing Declaration mentioned above is an undertaking which states, among others, that the Bidder shall enter into contract with the procuring entity and furnish the performance security required under ITB Clause 33.2, within ten (10) calendar days from receipt of the Notice of Award, and commits to pay the corresponding amount as fine, and be suspended for a period of time from being qualified to participate in any government procurement activity in the event it violates any of the conditions stated therein as provided in the guidelines issued by the GPPB.

18.2. The bid security should be valid for the period specified in the BDS. Any bid not accompanied by an acceptable bid security shall be rejected by the Procuring Entity as non-responsive.

18.3. No bid securities shall be returned to Bidders after the opening of bids and before contract signing, except to those that failed or declared as post-disqualified, upon submission of a written waiver of their right to file a request for reconsideration and/or protest, or upon the lapse of the reglementary period to file a request for reconsideration or protest. Without prejudice on its forfeiture, bid securities shall be returned only after the Bidder with the Lowest Calculated Responsive Bid (LCRB) has signed the contract and furnished the performance security, but in no case later than the expiration of the bid security validity period indicated in ITB Clause 18.2.

18.4. Upon signing and execution of the contract pursuant to ITB Clause 32, and the posting of the performance security pursuant to ITB Clause 33, the successful Bidder’s bid security will be discharged, but in no case later than the bid security validity period as indicated in the ITB Clause 18.2.

18.5. The bid security may be forfeited:

(a) if a Bidder:

(i) withdraws its bid during the period of bid validity specified in ITB Clause 17;

(ii) does not accept the correction of errors pursuant to ITB Clause 28.3(b);

(iii) has a finding against the veracity of any of the documents submitted as stated in ITB Clause 29.2;

(iv) submission of eligibility requirements containing false information or falsified documents;

(v) submission of bids that contain false information or falsified documents, or the concealment of such information in the bids in order to influence the outcome
of eligibility screening or any other stage of the public bidding;

(vi) allowing the use of one’s name, or using the name of another for purposes of public bidding;

(vii) withdrawal of a bid, or refusal to accept an award, or enter into contract with the Government without justifiable cause, after the Bidder had been adjudged as having submitted the LCRB;

(viii) refusal or failure to post the required performance security within the prescribed time;

(ix) refusal to clarify or validate in writing its bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification;

(x) any documented attempt by a Bidder to unduly influence the outcome of the bidding in his favor;

(xi) failure of the potential joint venture partners to enter into the joint venture after the bid is declared successful; or

(xii) all other acts that tend to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding, submitting late Bids or patently insufficient bid, for at least three (3) times within a year, except for valid reasons.

(b) if the successful Bidder:

(i) fails to sign the contract in accordance with ITB Clause 32; or

(ii) fails to furnish performance security in accordance with ITB Clause 33.

19. Format and Signing of Bids

19.1. Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in Section VIII. Bidding Forms on or before the deadline specified in the ITB Clauses 21 in two (2) separate sealed bid envelopes, and which shall be submitted simultaneously. The first shall contain the technical component of the bid, including the eligibility requirements under ITB Clause 12.1, and the second shall contain the financial component of the bid. This shall also be observed for each lot in the case of lot procurement.
19.2. Forms as mentioned in ITB Clause 19.1 must be completed without any alterations to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.

19.3. The Bidder shall prepare and submit an original of the first and second envelopes as described in ITB Clauses 12 and 13. In addition, the Bidder shall submit copies of the first and second envelopes. In the event of any discrepancy between the original and the copies, the original shall prevail.

19.4. Each and every page of the Bid Form, including the Schedule of Prices, under Section VIII hereof, shall be signed by the duly authorized representative/s of the Bidder. Failure to do so shall be a ground for the rejection of the bid.

19.5. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.

20. Sealing and Marking of Bids

20.1. Bidders shall enclose their original eligibility and technical documents described in ITB Clause 12 in one sealed envelope marked “ORIGINAL - TECHNICAL COMPONENT”, and the original of their financial component in another sealed envelope marked “ORIGINAL - FINANCIAL COMPONENT”, sealing them all in an outer envelope marked “ORIGINAL BID”.

20.2. Each copy of the first and second envelopes shall be similarly sealed duly marking the inner envelopes as “COPY NO. ___ - TECHNICAL COMPONENT” and “COPY NO. ___ - FINANCIAL COMPONENT” and the outer envelope as “COPY NO. ___”, respectively. These envelopes containing the original and the copies shall then be enclosed in one single envelope.

20.3. The original and the number of copies of the Bid as indicated in the BDS shall be typed or written in ink and shall be signed by the Bidder or its duly authorized representative/s.

20.4. All envelopes shall:

(a) contain the name of the contract to be bid in capital letters;

(b) bear the name and address of the Bidder in capital letters;

(c) be addressed to the Procuring Entity’s BAC in accordance with ITB Clause 1.1;

(d) bear the specific identification of this bidding process indicated in the ITB Clause 1.2; and
(e) bear a warning “DO NOT OPEN BEFORE…” the date and time for the opening of bids, in accordance with ITB Clause 21.

20.5. Bid envelopes that are not properly sealed and marked, as required in the bidding documents, shall not be rejected, but the Bidder or its duly authorized representative shall acknowledge such condition of the bid as submitted. The BAC or the Procuring Entity shall assume no responsibility for the misplacement of the contents of the improperly sealed or marked bid, or for its premature opening.

D. Submission and Opening of Bids

21. Deadline for Submission of Bids

Bids must be received by the Procuring Entity’s BAC at the address and on or before the date and time indicated in the BDS.

22. Late Bids

Any bid submitted after the deadline for submission and receipt of bids prescribed by the Procuring Entity, pursuant to ITB Clause 21, shall be declared “Late” and shall not be accepted by the Procuring Entity. The BAC shall record in the minutes of bid submission and opening, the Bidder’s name, its representative and the time the late bid was submitted.

23. Modification and Withdrawal of Bids

23.1. The Bidder may modify its bid after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Bidder shall not be allowed to retrieve its original bid, but shall be allowed to submit another bid equally sealed and properly identified in accordance with ITB Clause 20, linked to its original bid marked as “TECHNICAL MODIFICATION” or “FINANCIAL MODIFICATION” and stamped “received” by the BAC. Bid modifications received after the applicable deadline shall not be considered and shall be returned to the Bidder unopened.

23.2. A Bidder may, through a Letter of Withdrawal, withdraw its bid after it has been submitted, for valid and justifiable reason; provided that the Letter of Withdrawal is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Letter of Withdrawal must be executed by the duly authorized representative of the Bidder identified in the Omnibus Sworn Statement, a copy of which should be attached to the letter.

23.3. Bids requested to be withdrawn in accordance with ITB Clause 23.1 shall be returned unopened to the Bidders. A Bidder, who has acquired the bidding documents, may also express its intention not to participate
in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of bids. A Bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.

23.4. No bid may be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Financial Bid Form. Withdrawal of a bid during this interval shall result in the forfeiture of the Bidder’s bid security, pursuant to ITB Clause 18.5, and the imposition of administrative, civil and criminal sanctions as prescribed by RA 9184 and its Revised IRR.

24. Opening and Preliminary Examination of Bids

24.1. The BAC shall open the bids in public, immediately after the deadline for the submission and receipt of bids, as specified in the BDS. In case the Bids cannot be opened as scheduled due to justifiable reasons, the BAC shall take custody of the Bids submitted and reschedule the opening of Bids on the next working day or at the soonest possible time through the issuance of a Notice of Postponement to be posted in the PhilGEPS website and the website of the Procuring Entity concerned.

24.2. Unless otherwise specified in the BDS, the BAC shall open the first bid envelopes and determine each Bidder’s compliance with the documents prescribed in ITB Clause 12, using a non-discretionary “pass/fail” criterion. If a Bidder submits the required document, it shall be rated “passed” for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as “failed”. Otherwise, the BAC shall rate the said first bid envelope as “passed”.

24.3. Unless otherwise specified in the BDS, immediately after determining compliance with the requirements in the first envelope, the BAC shall forthwith open the second bid envelope of each remaining eligible bidder whose first bid envelope was rated “passed”. The second envelope of each complying bidder shall be opened within the same day. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the ABC unless otherwise provided in ITB Clause 13.2, the BAC shall rate the bid concerned as “failed”. Only bids that are determined to contain all the bid requirements for both components shall be rated “passed” and shall immediately be considered for evaluation and comparison.

24.4. Letters of Withdrawal shall be read out and recorded during bid opening, and the envelope containing the corresponding withdrawn bid shall be returned to the Bidder unopened.
24.5. All members of the BAC who are present during bid opening shall initial every page of the original copies of all bids received and opened.

24.6. In the case of an eligible foreign bidder as described in ITB Clause 5, the following Class “A” Documents may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned, which shall likewise be uploaded and maintained in the PhilGEPS in accordance with Section 8.5.2 of the Revised IRR:

(a) Registration certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or CDA for cooperatives;

(b) Mayor's/Business permit issued by the local government where the principal place of business of the bidder is located; and

(c) Audited Financial Statements showing, among others, the prospective bidder’s total and current assets and liabilities stamped “received” by the Bureau of Internal Revenue or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two years from the date of bid submission.

24.7. Each partner of a joint venture agreement shall likewise submit the requirements in ITB Clause 12.1(a)(i). Submission of documents required under ITB Clauses 12.1(a)(ii) to 12.1(a)(iii) by any of the joint venture partners constitutes compliance.

24.8. The Procuring Entity shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price (per lot, if applicable, and/or including discount, if any), bid security, findings of preliminary examination, and whether there is a withdrawal or modification; and (b) attendance sheet. The BAC members shall sign the abstract of bids as read.

24.9. The bidders or their duly authorized representatives may attend the opening of bids. The BAC shall ensure the integrity, security, and confidentiality of all submitted bids. The Abstract of Bids as read and the minutes of the bid opening shall be made available to the public upon written request and payment of a specified fee to recover cost of materials.

24.10. To ensure transparency and accurate representation of the bid submission, the BAC Secretariat shall notify in writing all bidders whose bids it has received through its PhilGEPS-registered physical address or official e-mail address. The notice shall be issued within seven (7) calendar days from the date of the bid opening.
E. Evaluation and Comparison of Bids

25. Process to be Confidential

25.1. Members of the BAC, including its staff and personnel, as well as its Secretariat and TWG, are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of their bids until the issuance of the Notice of Award, unless otherwise allowed in the case of ITB Clause 26.

25.2. Any effort by a bidder to influence the Procuring Entity in the Procuring Entity’s decision in respect of bid evaluation, bid comparison or contract award will result in the rejection of the Bidder’s bid.

26. Clarification of Bids

To assist in the evaluation, comparison, and post-qualification of the bids, the Procuring Entity may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the Procuring Entity shall not be considered.

27. Domestic Preference

27.1. Unless otherwise stated in the BDS, the Procuring Entity will grant a margin of preference for the purpose of comparison of bids in accordance with the following:

(a) The preference shall be applied when the lowest Foreign Bid is lower than the lowest bid offered by a Domestic Bidder.

(b) For evaluation purposes, the lowest Foreign Bid shall be increased by fifteen percent (15%).

(c) In the event that the lowest bid offered by a Domestic Bidder does not exceed the lowest Foreign Bid as increased, then the Procuring Entity shall award the contract to the Domestic Bidder at the amount of the lowest Foreign Bid.

(d) If the Domestic Bidder refuses to accept the award of contract at the amount of the Foreign Bid within two (2) calendar days from receipt of written advice from the BAC, the Procuring Entity shall award to the bidder offering the Foreign Bid, subject to post-qualification and submission of all the documentary requirements under these Bidding Documents.

27.2. A Bidder may be granted preference as a Domestic Bidder subject to the certification from the DTI that the Bidder is offering unmanufactured articles, materials or supplies of the growth or production of the
Philippines, or manufactured articles, materials, or supplies manufactured or to be manufactured in the Philippines substantially from articles, materials, or supplies of the growth, production, or manufacture, as the case may be, of the Philippines.

28. Detailed Evaluation and Comparison of Bids

28.1. The Procuring Entity will undertake the detailed evaluation and comparison of bids which have passed the opening and preliminary examination of bids, pursuant to ITB Clause 24, in order to determine the Lowest Calculated Bid.

28.2. The Lowest Calculated Bid shall be determined in two steps:

(a) The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and

(b) The ranking of the total bid prices as so calculated from the lowest to the highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.

28.3. The Procuring Entity’s BAC shall immediately conduct a detailed evaluation of all bids rated “passed,” using non-discretionary pass/fail criteria. The BAC shall consider the following in the evaluation of bids:

(a) Completeness of the bid. Unless the BDS allows partial bids, bids not addressing or providing all of the required items in the Schedule of Requirements including, where applicable, Schedule of Prices, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a zero (0) or a dash (-) for the said item would mean that it is being offered for free to the Procuring Entity, except those required by law or regulations to be provided for; and

(b) Arithmetical corrections. Consider computational errors and omissions to enable proper comparison of all eligible bids. It may also consider bid modifications. Any adjustment shall be calculated in monetary terms to determine the calculated prices.

28.4. Based on the detailed evaluation of bids, those that comply with the above-mentioned requirements shall be ranked in the ascending order of their total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, to identify the Lowest Calculated Bid. Total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, which exceed the ABC shall not be considered, unless otherwise indicated in the BDS.
28.5. The Procuring Entity’s evaluation of bids shall be based on the bid price quoted in the Bid Form, which includes the Schedule of Prices.

28.6. Bids shall be evaluated on an equal footing to ensure fair competition. For this purpose, all bidders shall be required to include in their bids the cost of all taxes, such as, but not limited to, value added tax (VAT), income tax, local taxes, and other fiscal levies and duties which shall be itemized in the bid form and reflected in the detailed estimates. Such bids, including said taxes, shall be the basis for bid evaluation and comparison.

28.7. If so indicated pursuant to ITB Clause 1.2, Bids are being invited for individual lots or for any combination thereof, provided that all Bids and combinations of Bids shall be received by the same deadline and opened and evaluated simultaneously so as to determine the Bid or combination of Bids offering the lowest calculated cost to the Procuring Entity. Bid prices quoted shall correspond to all items specified for each lot and to all quantities specified for each item of a lot. Bid Security as required by ITB Clause 18 shall be submitted for each contract (lot) separately. The basis for evaluation of lots is specified in BDS Clause 28.3.

29. Post-Qualification

29.1. The BAC shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid complies with and is responsive to all the requirements and conditions specified in ITB Clauses 5, 12, and 13.

29.2. Within a non-extendible period of five (5) calendar days from receipt by the bidder of the notice from the BAC that it submitted the Lowest Calculated Bid, the Bidder shall submit its latest income and business tax returns filed and paid through the BIR Electronic Filing and Payment System (eFPS) and other appropriate licenses and permits required by law and stated in the BDS.

Failure to submit any of the post-qualification requirements on time, or a finding against the veracity thereof, shall disqualify the bidder for award. Provided in the event that a finding against the veracity of any of the documents submitted is made, it shall cause the forfeiture of the bid security in accordance with Section 69 of the IRR of RA 9184.

29.3. The determination shall be based upon an examination of the documentary evidence of the Bidder’s qualifications submitted pursuant to ITB Clauses 12 and 13, as well as other information as the Procuring Entity deems necessary and appropriate, using a non-discretionary “pass/fail” criterion, which shall be completed within a period of twelve (12) calendar days.
29.4. If the BAC determines that the Bidder with the Lowest Calculated Bid passes all the criteria for post-qualification, it shall declare the said bid as the LCRB, and recommend to the HoPE the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower.

29.5. A negative determination shall result in rejection of the Bidder’s Bid, in which event the Procuring Entity shall proceed to the next Lowest Calculated Bid with a fresh period to make a similar determination of that Bidder’s capabilities to perform satisfactorily. If the second Bidder, however, fails the post qualification, the procedure for post qualification shall be repeated for the Bidder with the next Lowest Calculated Bid, and so on until the LCRB is determined for recommendation for contract award.

29.6. Within a period not exceeding fifteen (15) calendar days from the determination by the BAC of the LCRB and the recommendation to award the contract, the HoPE or his duly authorized representative shall approve or disapprove the said recommendation.

29.7. In the event of disapproval, which shall be based on valid, reasonable, and justifiable grounds as provided for under Section 41 of the IRR of RA 9184, the HoPE shall notify the BAC and the Bidder in writing of such decision and the grounds for it. When applicable, the BAC shall conduct a post-qualification of the Bidder with the next Lowest Calculated Bid. A request for reconsideration may be filed by the bidder with the HoPE in accordance with Section 37.1.3 of the R-IRR of RA 9184.

30. Reservation Clause

30.1. Notwithstanding the eligibility or post-qualification of a Bidder, the Procuring Entity concerned reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said Bidder, or that there has been a change in the Bidder’s capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.

30.2. Based on the following grounds, the Procuring Entity reserves the right to reject any and all bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:
(a) If there is *prima facie* evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the Bidders, or if the collusion is between or among the bidders themselves, or between a Bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;

(b) If the Procuring Entity’s BAC is found to have failed in following the prescribed bidding procedures; or

(c) For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GOP as follows:

(i) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the HoPE;

(ii) If the project is no longer necessary as determined by the HoPE; and

(iii) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.

30.3. In addition, the Procuring Entity may likewise declare a failure of bidding when:

(a) No bids are received;

(b) All prospective Bidders are declared ineligible;

(c) All bids fail to comply with all the bid requirements or fail post-qualification; or

(d) The bidder with the LCRB refuses, without justifiable cause to accept the award of contract, and no award is made in accordance with Section 40 of the IRR of RA 9184.

F. Award of Contract

31. Contract Award

31.1. Subject to ITB Clause 29, the HoPE or its duly authorized representative shall award the contract to the Bidder whose bid has been determined to be the LCRB.

31.2. Prior to the expiration of the period of bid validity, the Procuring Entity shall notify the successful Bidder in writing that its bid has been accepted, through a Notice of Award duly received by the Bidder or its
representative personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the Bidder with the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.

31.3. Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:

(a) Submission of the following documents within ten (10) calendar days from receipt of the Notice of Award:

(i) Valid JVA, if applicable; or

(ii) In the case of procurement by a Philippine Foreign Service Office or Post, the PhilGEPS Registration Number of the winning foreign Bidder;

(b) Posting of the performance security in accordance with ITB Clause 33;

(c) Signing of the contract as provided in ITB Clause 32; and

(d) Approval by higher authority, if required, as provided in Section 37.3 of the IRR of RA 9184.

31.4. At the time of contract award, the Procuring Entity shall not increase or decrease the quantity of goods originally specified in Section VI. Schedule of Requirements.

32. Signing of the Contract

32.1. At the same time as the Procuring Entity notifies the successful Bidder that its bid has been accepted, the Procuring Entity shall send the Contract Form to the Bidder, which contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.

32.2. Within ten (10) calendar days from receipt of the Notice of Award, the successful Bidder shall post the required performance security, sign and date the contract and return it to the Procuring Entity.

32.3. The Procuring Entity shall enter into contract with the successful Bidder within the same ten (10) calendar day period provided that all the documentary requirements are complied with.

32.4. The following documents shall form part of the contract:

(a) Contract Agreement;

(b) Bidding Documents;
(c) Winning bidder’s bid, including the Technical and Financial Proposals, and all other documents/statements submitted (e.g., bidder’s response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity’s bid evaluation;

(d) Performance Security;

(e) Notice of Award of Contract; and

(f) Other contract documents that may be required by existing laws and/or specified in the BDS.

33. Performance Security

33.1. To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.

33.2. The Performance Security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount not less than the percentage of the total contract price in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Form of Performance Security</th>
<th>Amount of Performance Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Cash or cashier’s/manager’s check issued by a Universal or Commercial Bank. For biddings conducted by the LGUs, the Cashier’s/Manager’s Check may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</td>
<td>Five percent (5%)</td>
</tr>
<tr>
<td>(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.</td>
<td></td>
</tr>
</tbody>
</table>
For biddings conducted by the LGUs, the Bank Draft/ Guarantee or Irrevocable Letter of Credit may be issued by other banks certified by the BSP as authorized to issue such financial instrument.

(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security. Thirty percent (30%)

33.3. Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall have a fresh period to initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the LCRB is identified and selected for recommendation of contract award. However if no Bidder passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement, if necessary.

34. Notice to Proceed

Within seven (7) calendar days from the date of approval of the contract by the appropriate government approving authority, the Procuring Entity shall issue the Notice to Proceed (NTP) together with a copy or copies of the approved contract to the successful Bidder. All notices called for by the terms of the contract shall be effective only at the time of receipt thereof by the successful Bidder.

35. Protest Mechanism

Decisions of the procuring entity at any stage of the procurement process may be questioned in accordance with Section 55 of the R-IRR of RA 9184.
Section III. Bid Data Sheet
## Bid Data Sheet

<table>
<thead>
<tr>
<th>ITB Clause</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>The Procuring Entity is the <strong>DEPARTMENT OF FINANCE</strong></td>
</tr>
</tbody>
</table>
| 1.2        | This bidding shall have one (1) lot: 
*Expanded DOF Enterprise Resource Planning (Expanded DOF-ERP) System Project.* |
| 2          | The Funding Source is: 
The Government of the Philippines (GOP), through the Department of Finance, has received a Grant from the MITHI in the amount of **FOURTEEN MILLION PESOS (PhP14,000,000.00)**. The name of the Project is Expanded DOF Enterprise Resource Planning (Expanded DOF-ERP) System Project. |
| 3.1        | No further instructions. |
| 5.1        | No further instructions. |
| 5.2        | Foreign bidders, except those falling under ITB Clause 5.2(b), may not participate in this Project. |
| 5.4        | The Bidder must have completed, within the last five (5) years, a single contract that is similar to the contract to be bid, equivalent to at least fifty percent (50%) of the Approved Budget for the Contract (ABC). The following proofs for the single largest completed contract similar to the contract to be bid must be submitted: 
1. Certificate of Satisfactory Completion or Certificate of Acceptance from the clients or Official Receipt; and 
2. Contract Agreement or Purchase Order or Job Order. For this purpose, similar contract shall refer to Expanded DOF Enterprise Resource Planning (Expanded DOF-ERP) System Project. |
<p>| 7          | No further instructions. |
| 8.1        | Subcontracting is not allowed. |
| 8.2        | Not applicable. |
| 9.1        | The Procuring Entity will hold a Pre-bid Conference for this Project on December 1, 2017, 11:00 a.m., at the DFG Conference Room, 4th Floor DOF Bldg. |
| 10.1       | The Procuring Entity's address is: |</p>
<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
</table>
| BAC Secretariat  
Department of Finance, Manila | Email address of contact: lte@dof.gov.ph / matienza@dof.gov.ph |
| 12.1(a) | No further instructions. |
| 12.1(a)(ii) | The bidder’s SLCC similar to the contract to be bid should have been completed on or before November 2017. |
| 13.1 | No additional requirements. |
| 13.1(b) | No further instructions. |
| 13.1(c) | No additional requirements. |
| 13.2 | The ABC is **FOURTEEN MILLION PESOS (PhP14,000,000.00)**. Any bid with a financial component exceeding this amount shall not be accepted. |
| 15.4(a)(iv) | Prices indicated on the Price Schedule shall show the price of the administrative costs. |
| 15.4(b) | Not applicable. |
| 16.1(b) | The Bid prices for Goods supplied from outside the Philippines shall be quoted in Philippine Pesos. |
| 16.3 | Not applicable. |
| 17.1 | Bids will be valid until one hundred twenty (120) calendar days from the bid opening. |
| 18.1 | The bid security shall be in the form of a *Bid Securing Declaration*, or any of the following forms and amounts: |
| | 1. The amount of not less than (2% of ABC), if bid security is in cash, cashier’s/manager’s check, bank draft/guarantee or irrevocable letter of credit; or |
| | 2. The amount of not less than (5% of ABC), if bid security is in Surety Bond. |
| 18.2 | The bid security shall be valid until _____ or for one hundred twenty (120) calendar days from the actual date of opening of bids, whichever is later. |
| 20.3 | Each Bidder shall submit one (1) original and two (2) photo copies of the first and second components of its bid. |
| 21 | The address for submission of bids is at the DOF-BAC Secretariat, 7th Floor EDPC Bldg., BSP Complex, Roxas Blvd., Manila.  
The deadline for submission of bids is December 14, 2017, 9:45 am at the Procurement Management Division. |
| 24.1 | The place of bid opening is at the DFG Conference Room, 4th Floor, DOF Bldg. Roxas Blvd., Manila. |
The date and time of bid opening is December 14, 2017, 11:00 am.

<table>
<thead>
<tr>
<th>Section</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>24.2</td>
<td>No further instructions.</td>
</tr>
<tr>
<td>24.3</td>
<td>No further instructions.</td>
</tr>
<tr>
<td>27.1</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>28.3(a)</td>
<td>Partial bid is not allowed. The goods are grouped in a single lot and the lot shall not be divided into sub-lots for the purpose of bidding, evaluation, and contract award.</td>
</tr>
<tr>
<td>28.4</td>
<td>No further instructions.</td>
</tr>
</tbody>
</table>
| 29.2    | Within a non-extendible period of five (5) calendar days from receipt by the Bidder of the notice from the BAC that it submitted the LCB, the Bidder shall submit the following documentary requirements:  
(a) Latest Income Business Tax Returns filed through the Electronic Filing and Payments System (EFPS):  
   1. Annual Income Tax Return (BIR Form 1702) for CY 2015 and CY 2016; and  
   2. Proof of VAT payments filed for CY 2017:  
      - May 2550M 2017  
      - June 2550Q 2017  
      - July 2550M 2017  
      - August 2550M 2017  
      - September 2550Q 2017  
      - October 2550M 2017  
(b) Taxpayer’s Identification No. with photocopy of ID; and  
(c) BIR Tax Registration Certificate (BIR Form 2303) |
| 32.4(f) | No additional requirement. |
Section IV. General Conditions of Contract
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1. Definitions

1.1. In this Contract, the following terms shall be interpreted as indicated:

(a) “The Contract” means the agreement entered into between the Procuring Entity and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

(b) “The Contract Price” means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.

(c) “The Goods” means all of the supplies, equipment, machinery, spare parts, other materials and/or general support services which the Supplier is required to provide to the Procuring Entity under the Contract.

(d) “The Services” means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.

(e) “GCC” means the General Conditions of Contract contained in this Section.

(f) “SCC” means the Special Conditions of Contract.

(g) “The Procuring Entity” means the organization purchasing the Goods, as named in the SCC.

(h) “The Procuring Entity’s country” is the Philippines.

(i) “The Supplier” means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract and named in the SCC.

(j) The “Funding Source” means the organization named in the SCC.

(k) “The Project Site,” where applicable, means the place or places named in the SCC.

(l) “Day” means calendar day.
(m) The “Effective Date” of the contract will be the date of signing the contract, however the Supplier shall commence performance of its obligations only upon receipt of the Notice to Proceed and copy of the approved contract.

(n) “Verified Report” refers to the report submitted by the Implementing Unit to the HoPE setting forth its findings as to the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

2. Corrupt, Fraudulent, Collusive, and Coercive Practices

2.1 Unless otherwise provided in the SCC, the Procuring Entity as well as the bidders, contractors, or suppliers shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

(a) defines, for the purposes of this provision, the terms set forth below as follows:

(i) “corrupt practice” means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.

(ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.

(iii) “collusive practices” means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
(iv) “coercive practices” means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;

(v) “obstructive practice” is

(aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or

(bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.

(b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

2.2. Further the Funding Source, Borrower or Procuring Entity, as appropriate, will seek to impose the maximum civil, administrative and/or criminal penalties available under the applicable law on individuals and organizations deemed to be involved with any of the practices mentioned in GCC Clause 2.1(a).

3. **Inspection and Audit by the Funding Source**

The Supplier shall permit the Funding Source to inspect the Supplier’s accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

4. **Governing Law and Language**
4.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.

4.2. This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract exchanged by the parties shall be written in English.

5. Notices

5.1. Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the SCC, which shall be effective when delivered and duly received or on the notice’s effective date, whichever is later.

5.2. A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in the SCC for GCC Clause 5.1.

6. Scope of Contract

6.1. The Goods and Related Services to be provided shall be as specified in Section VI. Schedule of Requirements.

6.2. This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract shall be provided in the SCC.

7. Subcontracting

7.1. Subcontracting of any portion of the Goods, if allowed in the BDS, does not relieve the Supplier of any liability or obligation under this Contract. The Supplier will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Supplier’s own acts, defaults, or negligence, or those of its agents, servants or workmen.

7.2. If subcontracting is allowed, the Supplier may identify its subcontractor during contract implementation. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract. In either case, subcontractors must submit the documentary requirements under ITB Clause 12 and comply with the eligibility criteria specified in the BDS. In the event that
any subcontractor is found by the Procuring Entity to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.

8. **Procuring Entity’s Responsibilities**

8.1. Whenever the performance of the obligations in this Contract requires that the Supplier obtain permits, approvals, import, and other licenses from local public authorities, the Procuring Entity shall, if so needed by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.

8.2. The Procuring Entity shall pay all costs involved in the performance of its responsibilities in accordance with GCC Clause 6.

9. **Prices**

9.1. For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. 9184 and its IRR or except as provided in this Clause.

9.2. Prices charged by the Supplier for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with GCC Clause 29.

10. **Payment**

10.1. Payments shall be made only upon a certification by the HoPE to the effect that the Goods have been rendered or delivered in accordance with the terms of this Contract and have been duly inspected and accepted. Except with the prior approval of the President no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract. Ten percent (10%) of the amount of each payment shall be retained by the Procuring Entity to cover the Supplier’s warranty obligations under this Contract as described in GCC Clause 17.

10.2. The Supplier’s request(s) for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the SCC provision for GCC Clause 6.2, and upon fulfillment of other obligations stipulated in this Contract.

10.3. Pursuant to GCC Clause 10.2, payments shall be made promptly by the Procuring Entity, but in no case later than sixty (60) days after submission of an invoice or claim by the Supplier. Payments shall be in accordance with the schedule stated in the SCC.
10.4. Unless otherwise provided in the SCC, the currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.

10.5. Unless otherwise provided in the SCC, payments using Letter of Credit (LC), in accordance with the Guidelines issued by the GPPB, is allowed. For this purpose, the amount of provisional sum is indicated in the SCC. All charges for the opening of the LC and/or incidental expenses thereto shall be for the account of the Supplier.

11. Advance Payment and Terms of Payment

11.1. Advance payment shall be made only after prior approval of the President, and shall not exceed fifteen percent (15%) of the Contract amount, unless otherwise directed by the President or in cases allowed under Annex “D” of RA 9184.

11.2. All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.

11.3. For Goods supplied from abroad, unless otherwise indicated in the SCC, the terms of payment shall be as follows:

(a) On Contract Signature: Fifteen Percent (15%) of the Contract Price shall be paid within sixty (60) days from signing of the Contract and upon submission of a claim and a bank guarantee for the equivalent amount valid until the Goods are delivered and in the form provided in Section VIII. Bidding Forms.

(b) On Delivery: Sixty-five percent (65%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of receipt of the Goods and upon submission of the documents (i) through (vi) specified in the SCC provision on Delivery and Documents.

(c) On Acceptance: The remaining twenty percent (20%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by the Procuring Entity’s authorized representative. In the event that no inspection or acceptance certificate is issued by the Procuring Entity’s authorized representative within forty five (45) days of the date shown on the delivery receipt, the Supplier shall have the right to claim payment of the remaining twenty percent (20%) subject to the Procuring Entity’s own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the SCC provision on Delivery and Documents.

12. Taxes and Duties
The Supplier, whether local or foreign, shall be entirely responsible for all the necessary taxes, stamp duties, license fees, and other such levies imposed for the completion of this Contract.

13. **Performance Security**

13.1. Within ten (10) calendar days from receipt of the Notice of Award from the Procuring Entity but in no case later than the signing of the contract by both parties, the successful Bidder shall furnish the performance security in any the forms prescribed in the ITB Clause 33.2.

13.2. The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.

13.3. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.

13.4. The performance security may be released by the Procuring Entity and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:

   (a) There are no pending claims against the Supplier or the surety company filed by the Procuring Entity;

   (b) The Supplier has no pending claims for labor and materials filed against it; and

   (c) Other terms specified in the SCC.

13.5. In case of a reduction of the contract value, the Procuring Entity shall allow a proportional reduction in the original performance security, provided that any such reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

14. **Use of Contract Documents and Information**

14.1 The Supplier shall not, except for purposes of performing the obligations in this Contract, without the Procuring Entity’s prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Procuring Entity. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.

14.2. Any document, other than this Contract itself, enumerated in GCC Clause 0 shall remain the property of the Procuring Entity and shall be returned (all copies) to the Procuring Entity on completion of the Supplier’s performance under this Contract if so required by the Procuring Entity.
15. **Standards**

The Goods provided under this Contract shall conform to the standards mentioned in the Section VII. Technical Specifications; and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods’ country of origin. Such standards shall be the latest issued by the institution concerned.

16. **Inspection and Tests**

16.1. The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Procuring Entity. The SCC and Section VII. Technical Specifications shall specify what inspections and/or tests the Procuring Entity requires and where they are to be conducted. The Procuring Entity shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.

16.2. If applicable, the inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery, and/or at the goods’ final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Procuring Entity. The Supplier shall provide the Procuring Entity with results of such inspections and tests.

16.3. The Procuring Entity or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Clause provided that the Procuring Entity shall bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.

16.4. The Procuring Entity may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Procuring Entity, and shall repeat the test and/or inspection, at no cost to the Procuring Entity, upon giving a notice pursuant to GCC Clause 5.

16.5 The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Procuring Entity or its representative, shall release the Supplier from any warranties or other obligations under this Contract.

17. **Warranty**

17.1 The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they
incorporate all recent improvements in design and materials, except when the technical specifications required by the Procuring Entity provides otherwise.

17.2. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.

17.3. In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period specified in the SCC. The obligation for the warranty shall be covered by, at the Supplier's option, either retention money in an amount equivalent to at least one percent (1%) of every progress payment, or a special bank guarantee equivalent to at least one percent (1%) of the total Contract Price or other such amount if so specified in the SCC. The said amounts shall only be released after the lapse of the warranty period specified in the SCC; provided, however, that the Supplies delivered are free from patent and latent defects and all the conditions imposed under this Contract have been fully met.

17.4. The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period specified in the SCC and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.

17.5. If the Supplier, having been notified, fails to remedy the defect(s) within the period specified in GCC Clause 17.4, the Procuring Entity may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Procuring Entity may have against the Supplier under the Contract and under the applicable law.

18. Delays in the Supplier's Performance

18.1 Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Procuring Entity in Section VI. Schedule of Requirements.

18.2. If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, and upon causes provided for under GCC Clause 22, the Procuring Entity shall evaluate the situation and may extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.
18.3. Except as provided under GCC Clause 22, a delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 19, unless an extension of time is agreed upon pursuant to GCC Clause 29 without the application of liquidated damages.

19. **Liquidated Damages**

Subject to GCC Clauses 18 and 22, if the Supplier fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, the applicable rate of one tenth (1/10) of one (1) percent of the cost of the unperformed portion for every day of delay until actual delivery or performance. The maximum deduction shall be ten percent (10%) of the amount of contract. Once the maximum is reached, the Procuring Entity may rescind or terminate the Contract pursuant to GCC Clause 23, without prejudice to other courses of action and remedies open to it.

20. **Settlement of Disputes**

20.1. If any dispute or difference of any kind whatsoever shall arise between the Procuring Entity and the Supplier in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.

20.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.

20.4. In the case of a dispute between the Procuring Entity and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285 (“R.A. 9285”), otherwise known as the “Alternative Dispute Resolution Act of 2004.”

20.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the Procuring Entity shall pay the Supplier any monies due the Supplier.

21. **Liability of the Supplier**
21.1. The Supplier’s liability under this Contract shall be as provided by the laws of the Republic of the Philippines, subject to additional provisions, if any, set forth in the SCC.

21.2. Except in cases of criminal negligence or willful misconduct, and in the case of infringement of patent rights, if applicable, the aggregate liability of the Supplier to the Procuring Entity shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

22. Force Majeure

22.1. The Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that the Supplier’s delay in performance or other failure to perform its obligations under the Contract is the result of a force majeure.

22.2. For purposes of this Contract the terms “force majeure” and “fortuitous event” may be used interchangeably. In this regard, a fortuitous event or force majeure shall be interpreted to mean an event which the Supplier could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Supplier. Such events may include, but not limited to, acts of the Procuring Entity in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

22.3. If a force majeure situation arises, the Supplier shall promptly notify the Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the Procuring Entity in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure.

23. Termination for Default

23.1. The Procuring Entity shall terminate this Contract for default when any of the following conditions attends its implementation:

(a) Outside of force majeure, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price;

(b) As a result of force majeure, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than
sixty (60) calendar days after receipt of the notice from the Procuring Entity stating that the circumstance of force majeure is deemed to have ceased; or

(c) The Supplier fails to perform any other obligation under the Contract.

23.2. In the event the Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under GCC Clauses 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.

23.3. In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the Supplier, the Procuring Entity may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

24. Termination for Insolvency

The Procuring Entity shall terminate this Contract if the Supplier is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Supplier.

25. Termination for Convenience

25.1. The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The HoPE may terminate a contract for the convenience of the Government if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and national government policies.

25.2. The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the Supplier’s receipt of Notice to Terminate shall be accepted by the Procuring Entity at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the Procuring Entity may elect:

(a) to have any portion delivered and/or performed and paid at the contract terms and prices; and/or
(b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the Supplier.

25.3. If the Supplier suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for the Procuring Entity which cannot be sold in open market, it shall be allowed to recover partially from this Contract, on a quantum meruit basis. Before recovery may be made, the fact of loss must be established under oath by the Supplier to the satisfaction of the Procuring Entity before recovery may be made.

26. **Termination for Unlawful Acts**

26.1. The Procuring Entity may terminate this Contract in case it is determined *prima facie* that the Supplier has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract acquisition and implementation. Unlawful acts include, but are not limited to, the following:

(a) Corrupt, fraudulent, and coercive practices as defined in ITB Clause 3.1(a);

(b) Drawing up or using forged documents;

(c) Using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and

(d) Any other act analogous to the foregoing.

27. **Procedures for Termination of Contracts**

27.1. The following provisions shall govern the procedures for termination of this Contract:

(a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Implementing Unit shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;

(b) Upon recommendation by the Implementing Unit, the HoPE shall terminate this Contract only by a written notice to the Supplier conveying the termination of this Contract. The notice shall state:

(ii) that this Contract is being terminated for any of the ground(s) afore-mentioned, and a statement of the acts that constitute the ground(s) constituting the same;
(iii) the extent of termination, whether in whole or in part;

(iv) an instruction to the Supplier to show cause as to why this Contract should not be terminated; and

(v) special instructions of the Procuring Entity, if any.

(c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;

(d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Supplier shall submit to the HoPE a verified position paper stating why this Contract should not be terminated. If the Supplier fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the HoPE shall issue an order terminating this Contract;

(e) The Procuring Entity may, at any time before receipt of the Supplier’s verified position paper described in item (d) above withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Supplier’s receipt of the notice;

(f) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the HoPE shall decide whether or not to terminate this Contract. It shall serve a written notice to the Supplier of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Supplier of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate;

(g) The HoPE may create a Contract Termination Review Committee (CTRC) to assist him in the discharge of this function. All decisions recommended by the CTRC shall be subject to the approval of the HoPE; and

(h) The Supplier must serve a written notice to the Procuring Entity of its intention to terminate the contract at least thirty (30) calendar days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) calendar days after the receipt of such notice by the Procuring Entity.

28. Assignment of Rights

The Supplier shall not assign his rights or obligations under this Contract, in whole or in part, except with the Procuring Entity’s prior written consent.

29. Contract Amendment
Subject to applicable laws, no variation in or modification of the terms of this Contract shall be made except by written amendment signed by the parties.

30. Application

These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of this Contract.
Section V. Special Conditions of Contract
### Special Conditions of Contract

<table>
<thead>
<tr>
<th>GCC Clause</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1(g)</td>
<td>The Procuring Entity is the Department of Finance.</td>
</tr>
<tr>
<td>1.1(i)</td>
<td>The Supplier is _________________.</td>
</tr>
<tr>
<td>1.1(j)</td>
<td>The Funding Source is The Government of the Philippines (GOP), through the Department of Finance, has received a Grant from the MITHI in the amount of FOURTEEN MILLION PESOS (PhP14,000,000.00).</td>
</tr>
<tr>
<td>1.1(k)</td>
<td>The Project Site is the Department of Finance – Manila.</td>
</tr>
<tr>
<td>2.1</td>
<td>Highest Standard of Ethics.</td>
</tr>
<tr>
<td>5.1</td>
<td>The Procuring Entity’s address for Notices is: Undersecretary Gil S. Beltran Department of Finance Building, Roxas Blvd., Malate, Manila The Supplier’s address for Notices is: _____________________________.</td>
</tr>
<tr>
<td>10.4</td>
<td>Not Applicable.</td>
</tr>
<tr>
<td>10.5</td>
<td>No further instructions</td>
</tr>
<tr>
<td>11.3</td>
<td>Maintain the GCC Clause</td>
</tr>
<tr>
<td>13.4 (c)</td>
<td>No further instructions</td>
</tr>
<tr>
<td>17.3</td>
<td>Not applicable</td>
</tr>
<tr>
<td>17.4</td>
<td>Not applicable</td>
</tr>
<tr>
<td>21.1</td>
<td>If the Supplier is a joint venture, “All partners to the joint venture shall be jointly and severally liable to the Procuring Entity”.</td>
</tr>
</tbody>
</table>
Section VI. Schedule of Requirements
### Section VI. Schedule of Requirements

<table>
<thead>
<tr>
<th>Item Number</th>
<th>Description</th>
<th>Quantity</th>
<th>Total</th>
<th>Delivered, Weeks/Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Expanded DOF Enterprise Resource Planning (Expanded DOF-ERP) System Project</td>
<td>1 lot</td>
<td></td>
<td>4 months</td>
</tr>
</tbody>
</table>

I hereby certify to comply and deliver all the above requirements:

<table>
<thead>
<tr>
<th>Name of Company/Bidder</th>
<th>Signature Over Printed Name of Authorized representative</th>
<th>Date</th>
</tr>
</thead>
</table>
Section VII. Technical Specifications
I. BACKGROUND

The Department of Finance is currently implementing and maintaining an Enterprise Resource Planning System (DOF-ERP System) with Microsoft Dynamics NAV ver. 2016 as its platform. To further improve the service delivery to its internal and external clients, the DOF deemed it necessary to expand and enhance the existing DOF-ERP System. The existing DOF-ERP System consists of the following subsystems:

1. Procurement System
2. Human Resource System
3. Inventory System

These ERP information systems will be fully complemented and satisfied should it be expanded to include the following modules:

1. DOF Accounting System
2. DOF Budgeting System
3. DOF Contracts Management System

II. OBJECTIVES

*General Objective:*

The main objective of the Expanded DOF-ERP System Project is to have an integrated system that provides accurate, standard procedures and reports of services of the DOF which shall be used as a tool to come up with a sound strategy to support operational functions of the organization and in compliance with the Anti-Red Tape Act (ARTA).

*Specific Objectives:*

The Expanded DOF-ERP aims to provide the following:

- Executive level reports;
- Seamless and simplified organizational processes;
- Single access to information;
- Collaborative approach among units/offices;
• Complete Visibility and monitoring of business processes;
• Improved organizational efficiency; and

• Fast and real-time information

III. GENERAL REQUIREMENTS

A. The solution must enhance the existing DOF-ERP System, integrate and deploy the specific requirements detailed in the “Functional Specifications for the Expanded DOF-ERP Project’ indicated in Section IV.

B. The solution must be built on a single technology platform using Microsoft NAV version 2016.

C. The solution must run on MS SQL Server version 2014 and/or higher.

D. Application/solution program codes must be provided to DOF, including the built-in modules, and customized modules.

E. Online help (i.e. Help Links to “how-to” manuals, FAQ’s, error message prompt and validation message prompt, and the like) must be provided for both built-in modules and customized modules.

F. The SERVICE PROVIDER must be able to demonstrate “on the spot” actual MS Dynamics NAV 2016 (or higher) ability in coding and product demo.

G. The SERVICE PROVIDER must be able to deliver software licenses to DOF specified in the Software Requirements indicated in Section V.

H. The SERVICE PROVIDER must provide a list of government clients using a full version of MS Dynamics NAV.

I. The SERVICE PROVIDER must have actual experience using MS Dynamics NAV starting and must be able to show proof.

J. The SERVICE PROVIDER must have Microsoft Certified staff that will implement the Developed system in DOF.

K. The SERVICE PROVIDER must be able to provide support for the existing DOF-ERP System and must be
able to enhance the Human Resource Module, Procurement Module and Inventory Module when necessary to meet the requirements of the Expanded DOF-ERP System.

L. The SERVICE PROVIDER must have deployed IT solutions for at least three (3) Offices both private and government offices in the Philippines and the aggregate amount should be 50% of the Approved Budget for the Contract (ABC) consisting of:

   a. Design, development and deployment of Enterprise Resource Planning systems in organizations and/or agencies with at least One Thousand (1,000) employees.

   b. Systems integration/interfacing of existing system with new system.

   c. Delivery installation and testing of hardware, software tools and network systems.

   d. Training for users and technical staff.

M. Must have competent full-time local staff that implement and support the project. A list of these personnel and their CVs shall be submitted.

N. Notarized Certification or affidavit that bidder has not defaulted on any similar IT contract with any Philippine Government or Private Agency.

O. The SERVICE PROVIDER must be in business for at least three (3) years.

P. The SERVICE PROVIDER must have software development capability in the area of Customizing licensed software products (i.e. software packages, office customizations solutions and workflow systems, among others).

IV. FUNCTIONAL REQUIREMENTS

   A. DOF Accounting System

<table>
<thead>
<tr>
<th>MODULE</th>
<th>FUNCTIONAL REQUIREMENTS</th>
</tr>
</thead>
</table>
| General Ledger | 1. Manage flexible accounting periods - fiscal or calendar  
                  2. Calendar can be defined as uneven |
periods, adjustment periods, or to a maximum of 366 periods
3. Multi-entity financial reporting (A financial reporting entity is a business unit which can legally make financial reports). Allows intercompany accounting
4. Allows intercompany allocations
5. Allows general ledger to have 2 currencies recorded - functional and secondary currency.
6. Facilitate to perform online consolidation and elimination of different companies
7. Twelve or thirteen fiscal months
8. Organization of calendar periods determined by the user
9. Calendar may be organized in a variety of ways, supporting 999 periods in a financial year
10. The calendar can be organized in a limitless form, with up to 999 user periods, per calendar
11. Open any number of fiscal years or calendar periods at the same time
12. Companies with different regional presences may set a default currency for the financial division of each region
13. Sets reporting entity and its organizational characteristics
14. The ability to decide how to organize data when defining the organization of an enterprise's financial information
15. Distinguishes A/P transactions (of the same type) from different entities
16. Each entity's ledger can have its own calendar and chart of accounts
17. Each entity's ledger can have its own accounting periods opened and closed
18. By controlling when an account is open and closed, the posting of information in an account period can restricted.
19. User may choose between data collection and real time posting modes
20. Allows for instant processing or batch processing
21. Tracks items in the G/L and sub-ledger by quantity and value (in whichever currency is used) general ledger (G/L)
22. Maintains unit and dollar amount postings in GL and sub-ledgers
23. The ability to change the currency used in
balance sheet accounts to another currency using a default rate. It is possible to override this default rate for particular accounts. Moreover, it is possible to set different default rates for different sub-ledgers.

24. Automatic check to ensure that prior to deleting a financial record, the account balance must have been "closed out" (i.e., nets to zero)

25. Allows for set up of database log to record any changes to table information that may contain rates and information used by the system in any way; log contains before and after, change, date, and user identification

26. Flexible general ledger key with multiple dimensions

27. General ledgers are designed to present values for creating financial statements. The multiple dimensions for a ledger key means the system will have a more complex and functional key structure—one that supports a hierarchy of dimensions

28. Automatic linking and posting of control accounts from related sub-ledger accounts

29. Processes jobs in edit and update mode

30. Jobs required to include error and warning messages on reports

31. Reports to include a control report that lists pages on which errors and warnings have occurred

32. Method for verifying keying to ensure only appropriate records updated

33. The ability check data entry to make sure that only the correct records are updated

34. Must have Application and data services that provides Point and Click application definition and portability, declarative data schema and relation design, business process automation and orchestration, web-services and data/metadata API

35. Must be able to list and import/export data that supports:
   a. Import and export of lists (target lists, response lists, etc.).
   b. Bulk data import wizard that allows mapping of fields and designation of export format.
| **Ledger Development and Management** | 1. Manages disparate sets of books for each entity  
2. Should include tax, financial statements, as well as internal reporting and current cost reporting  
3. Users may manage and update a set of books for each entity's ledger  
4. A currency base and the reporting year may be determined and set for all books  
5. Base currency is the currency that is used in accounting books.  
6. Divides sub-ledger into dimensions for departments, cost centers, expense categories, projects, etc.  
7. Sequential account numbers are not required in order to subtotal accounts  
8. Accounts and groups may be subtotaled regardless of their numerical sequence.  
9. Calculates and posts expense items in accordance with an established group of allocation rules |
| **Journal Entry and Reporting** | 1. Ability to create excel templates for general journal transactions  
2. Ability to define approval workflow for general journal transactions  
3. Journal entries may be entered directly in general journals transaction  
4. Real time journal entries update ledger file and balances instantly  
5. Journal entries can be input online, with user annotations  
6. Journal entries can accommodate user comments or notes.  
7. Automatically numbers standard journal entries in sequence or as predefined (with a manual option)  
8. Automates journal entries which occur in |
each period
9. Configure multiple and recurring journals with workflow and approval hierarchy
10. Specify a journal entry as the periodic journal for repeating every period
11. Creates a journal entry by reversing an existing entry while maintaining an audit trail
12. Reversing entries in a journal is a way to track accruals and deferrals. It is the opposite of an adjusting entry.
13. Multi-entity transactions create intercompany journal entries
14. Real time comparison of journal entries (individual or batch) for validation and balancing
15. Manually entered journal entries can be modified before posting
16. Batch totals and batch checking
17. A batch total is the sum of a field used as a control, to ensure all applicable data has been entered. Batch checking detects and reports standard deviation
18. Spreads a single entry over multiple accounts by using a ledger allocation rule
19. General ledger account statement
20. Report on fixed asset depreciation capturing a gain or a loss on the asset's sale
21. Creates reports containing the summaries of inventory entries
22. Cash summary entries report
23. Report writer enables the user to design standard monthly reports as well as "one-off" reports
24. Capability for point-and-click drill down for AP data, journal entries, and other GL input
25. Translates accounts at different exchange rates--one account could be at the spot foreign exchange rate, another account could be at the historic exchange rate
26. Maintains a minimum of five years sales and expense history for creating management reports
27. Handles multicurrency and exchange adjustments
28. Add flexible year end procedures to distribute profits by dimension
29. Extensive posting control system, including validation prior to posting and posting of financial information into multiple posting layers, enabling the business to maintain a separate set of books for reporting purposes
30. Consolidate financials for multiple companies either online or through data exports and imports between companies
31. Create request for cash advance and expense reports online through a portal.

**Invoice Process and Aging**

1. Creates miscellaneous distribution lines to record charges and invoices for items that do not have POs
2. Validates vendor invoice numbers, with only valid invoices posted to the accounts payable ledger being scheduled for payment
3. Option to pay invoices immediately
4. No new vendors added at invoice entry (security)
5. A/P aging report on outstanding items
6. Inserts invoices for future periods
7. Distributes invoices to different accounts within separate companies or locations
8. "On hold" designation may be attributed to invoices in system
9. Allocates cost to projects
10. A/P system performs maintenance of all invoice information fields
11. Currency and exchange rate defaults by vendor
12. Paperless matching--match and pay without invoice
13. Increases or accumulates, over time, vouchers and receivers that are not invoiced or are not recorded as a transaction
14. Scanned invoice images available online
15. Flexible invoice processing (e.g. one check from multiple invoices or multiple checks from a single invoice)
16. Recognizes credit notes or cost adjustments made by user
17. Links cost adjustment back to original invoice and ensures adjustment is tied to check or payment of the original invoice
18. Handles a batch filing system--each invoice requires a cross reference number in the system as well as a vendor
19. Suspends, puts on hold for an individual vendor, individual invoice, and individual line
20. Audit report for any changes to the vendor master file--should show the information before the change, indicate what was changed, who changed it, and what the new information is
21. Ability to activate workflow approvals - Sends or routes invoices to various departments for approval.
22. Two-way invoicing or PO options by invoice, PO--on hold until received
23. Three-way invoicing or PO options by invoice, PO, and receiving document match
24. Overrides sales and use tax at vendor level
25. Currency and exchange rate overrides by invoice

<table>
<thead>
<tr>
<th><strong>Journal Invoice Process</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Facility to make advance payments</td>
</tr>
<tr>
<td>2. Online entry and processing of vouchers, with views for purchase order information, receiving document information, and credit memo information</td>
</tr>
<tr>
<td>3. Three-way matching for invoice, order, and receipt information (automatic and accommodates tolerances)</td>
</tr>
<tr>
<td>4. Multiple vouchers for a receiver or creditor</td>
</tr>
<tr>
<td>5. Uses classification codes to group transactions</td>
</tr>
<tr>
<td>6. Calculates purchase price variance by comparing the purchase price per item against standard cost</td>
</tr>
<tr>
<td>7. Books and reports purchase price variance in instances of discrepancy between projected and actual costs</td>
</tr>
<tr>
<td>8. Tracks and maintains vouchers that may not be discounted</td>
</tr>
<tr>
<td>9. Suspends payment for a voucher and records amount due</td>
</tr>
<tr>
<td>10. Establishes recurring voucher payments</td>
</tr>
<tr>
<td>11. Tracks payment- and discount-related information</td>
</tr>
<tr>
<td>12. Uses vouchers to select which items will be paid</td>
</tr>
<tr>
<td>13. Releases all invoices in a date range as indicated by the voucher record discount</td>
</tr>
</tbody>
</table>
14. Pays all invoices on the open item listing, or all invoices up to and including a particular voucher number for a vendor or a range of vendors
15. Facility to select vouchers for payment thru settlement function
16. Ability to create payment proposal based on parameters like due date, vendor groups
17. Debit and credit memos can be specified for an invoice or account
18. Validates account code data online
19. Provides report of each transaction by voucher
20. Reports transaction details of accounts payable invoices posted to the G/L account
21. Links invoice number to G/L voucher number
22. Designates G/L vouchers on A/P transactions
23. Ability to record intercompany payables transactions
24. Ability to manage centralized payments for other companies’ payable transactions
25. Voucher aging by voucher dates or due dates
26. Sorts open invoices by expected payment date to project cash requirements
27. Sorts open invoices by expected payment dates when the voucher is processed, and corrects discrepancies
28. Payments can be made from multiple banks

<table>
<thead>
<tr>
<th>Account Payables Management</th>
<th>Ledger Posting</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Detail or summary G/L posting review</td>
<td></td>
</tr>
<tr>
<td>2. All transactions are posted daily to the A/P ledger and are automatically posted to the G/L</td>
<td></td>
</tr>
<tr>
<td>3. G/L journal report</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Control of Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Verification to prevent a vendor with an open PO or unpaid invoice from being deleted</td>
</tr>
<tr>
<td>2. Verification to prevent a vendor active in current year from being deleted</td>
</tr>
<tr>
<td>3. Negative amount can be added to an</td>
</tr>
</tbody>
</table>
invoice (negative invoice line) to indicate, for example, trade discounts
4. Places holds on all vendor invoices for a given vendor
5. Release payment at vendor level or invoice level
6. Supports selective payment by vendor type
7. Handle post-dated check transactions

<table>
<thead>
<tr>
<th>A/P Transactions and Control</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. All A/P transactions updated in real time</td>
</tr>
<tr>
<td>2. Selected transactions on deferred batch</td>
</tr>
<tr>
<td>3. Checks online batch total or voucher balances</td>
</tr>
<tr>
<td>4. Validates vendor invoices to avoid duplication</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Processing of Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Queries online accounts’ voucher histories and analyses of payment histories, late payments, and cash discounts</td>
</tr>
<tr>
<td>2. Assigns dates and standard number of days to credit or discount terms</td>
</tr>
<tr>
<td>3. Allocates freight costs at distribution line level to a company or division</td>
</tr>
<tr>
<td>4. Allocates sales tax at distribution line level for a company or division</td>
</tr>
<tr>
<td>5. Posts sales tax to user-specified account</td>
</tr>
<tr>
<td>6. Accepts invoices without a PO</td>
</tr>
<tr>
<td>7. Queries open and closed payables</td>
</tr>
<tr>
<td>8. Online view of vendors with current unpaid balances</td>
</tr>
<tr>
<td>9. Partial payments</td>
</tr>
<tr>
<td>10. Prepayments</td>
</tr>
<tr>
<td>11. Automatically generates PO number</td>
</tr>
<tr>
<td>12. Provides summary and aged listing of documents or invoices sent to a department (date based on invoice date, date routed, and date sent)</td>
</tr>
<tr>
<td>13. Alerts users of outstanding action items using notification or alerts manager</td>
</tr>
<tr>
<td>14. Clearly identifies legal entity generating the PO document</td>
</tr>
<tr>
<td>15. Multiple search criteria, including vendor, invoice number, and dollar amount</td>
</tr>
<tr>
<td>16. Approves PR's and PO's online</td>
</tr>
<tr>
<td>17. Web-enabled activity, such as allowing employees to e-mail expense reports for processing</td>
</tr>
<tr>
<td>18. Travel and entertainment reporting as</td>
</tr>
</tbody>
</table>
well as verification by employees
19. Posts invoices to future periods but pays
them in the current period instead of
holding onto them

**Processing of Checks**

1. Funds can be drawn from more than one
   bank
2. Checks can be written from more than
   one bank
3. User-selected check formats include
   printed check and EFT formats
4. Suppliers can opt to receive a single
   check per invoice
5. Voids and replaces checks
6. Automatically reverses distribution when
   a check is voided
7. Uses void and replacement check
   numbers when bank activity is reconciled
   with account activity
8. Invoices are automatically returned to the
   system if a check is voided
9. Prints employee expense payments
   using a sequence distinct from vendor
   payments
10. Processes cancelled checks
11. Creates a report on all issued checks,
    including manually entered and voided
    checks
12. Reports all the transactions of a vendor
    during a specified period
13. Verifies that payment journals are
    created by approved personnel only
14. Supports automated check reconciliation
    from the bank
15. Multiple banks and currencies
16. Monthly check registers by bank
17. Allows centralized payments - settle
    payments from one company against
    invoices from another company
18. Reports on payment hold details,
    including who placed the hold and when;
    and when the payment is to be released
19. Employee expense reports include
    details on meals, transportation, lodging,
    etc.
20. Employee expense reports (month-to-day
    and year-to-date)
21. Reports on open travel advances and
    associated data
22. Reports details of bank transactions and
<table>
<thead>
<tr>
<th>Accounts Receivable Management</th>
<th>Purchasing Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>bank balances</td>
<td>1. Accepts manual entry of invoices, cash receipts &amp; adjustments with G/L accounts &amp; effective dates</td>
</tr>
<tr>
<td>23. Lists information on vendor account balances and specific vendor line items</td>
<td></td>
</tr>
<tr>
<td>24. Age trial balance vendor listing</td>
<td></td>
</tr>
<tr>
<td>25. Shows cash amount necessary to pay outstanding invoices</td>
<td></td>
</tr>
<tr>
<td>26. Prints items in base currency or in transaction currency</td>
<td></td>
</tr>
<tr>
<td>27. Creation of ad hoc reports by user (for example vendor payment history report)</td>
<td></td>
</tr>
<tr>
<td>28. Age trial balances and vendor payment history (YTD)</td>
<td></td>
</tr>
<tr>
<td>29. Travel expense reporting capability</td>
<td></td>
</tr>
<tr>
<td>30. Monthly check registers</td>
<td></td>
</tr>
<tr>
<td>31. Automated workflow updates and sends message to the general accounting group that a transaction has taken place</td>
<td></td>
</tr>
</tbody>
</table>

**Processing Requirements**

1. Allow either open item or balance forward processing of receivables
2. Compute late charges for customers not paying within a defined time period
3. Provide a purge process that moves accounts receivable master file records to a history file
4. Consolidate multiple-location customer billings into a single open item, due from one paying location
5. Inter-company receivables are processed and accounted for
6. For reporting purposes accept cash sales as a specially coded receivable and cash receipt
7. Automatically balances the A/R master file and checks the total file balance against the accounts in the G/L master file
8. The A/R master file internally balances individual open item A/R records against corresponding account balances in the customer master file, automatically, and reports exceptions
9. Issuing invoices for percent complete
10. Allows for backorders and changes
11. Manages foreign trade zones
12. Receivables can be sold to a third party & can be identified as non-qualified in user-defined fields
13. Tracks advance payments and down payments, and posts them to A/R when the sale is taken

<table>
<thead>
<tr>
<th>Data Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Provide automated numbering of customers with user-defined sorting and sequencing capabilities</td>
</tr>
<tr>
<td>2. Maintain a customer table with name data</td>
</tr>
<tr>
<td>3. Maintain a customer table with multiple addresses for sold-to, ship-to, and bill-to</td>
</tr>
<tr>
<td>4. Maintain a customer table with multiple contacts, including name, location, title, phone, and fax data</td>
</tr>
<tr>
<td>5. Maintain a customer table with payment terms</td>
</tr>
<tr>
<td>6. Maintain a customer table with active or inactive status data</td>
</tr>
<tr>
<td>7. Maintain a customer table with customer defaults, which differ from standard defaults</td>
</tr>
<tr>
<td>8. Maintain a summarized history of all written-off customers and invoices for five years</td>
</tr>
<tr>
<td>9. Code fields are user defined for adjustment by plant tied to G/L</td>
</tr>
<tr>
<td>10. Accommodates multiple ship-to information for a sold-to</td>
</tr>
<tr>
<td>11. Tracks the customer, when sold-to is a finance company</td>
</tr>
</tbody>
</table>
12. Stores salesperson ID numbers, ISPs, and agents
13. Ability to allocate customer PO to invoices from several business units and create external consolidated invoices
14. Identifiers for tax purposes
15. Tracks new business as well as pending orders confirmed and unconfirmed

**Reporting Requirements**

1. Upon request, print a batch listing, showing every item in a particular batch
2. Produces an A/R journal that lists all activity posted to the A/R master file, and sorts report line
3. Items by either batch and line number or customer number
4. Ages the receivables according to user-definable time buckets
5. Ages receivables either according to invoice date or according to due date
6. A/R aging report shows a line item for each invoice posted to the A/R master file
7. Creates A/R aging reports with one line item per customer
8. Balance forward system produces a period end A/R trial balance showing each account's open period balance, all posting activity, and closing balance
9. Print an accounts receivable exception report listing all accounts with credit balances
10. Provide a customer contact listing, showing name, phone number, and other contact information by customer
11. Creates a management summary or a key indicator report containing a summary of A/R activity, including DSO, bad debt ratio, and percent of current accounts
12. Provide a customer contact listing, showing name, phone number, and other contact
13. Produce a general ledger distribution by plant or business unit whenever journals are forwarded to the general ledger
14. Print customer statements showing detailed activity and net amount due for the period
15. Provide a complete listing of the
customer master file, which shows each
data element in every record
16. Print dunning letters allowing different
sequences to apply to different
customers
17. Print dunning letters using a sequence of
different dunning letter texts, each being
printed in successive months
18. Permit printable "customer record only"
invoices and retain for history (must be
memo-only and not post to G/L)

<table>
<thead>
<tr>
<th>Interfacing Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Receive invoices and debit or credit memo transactions from the invoicing system</td>
</tr>
<tr>
<td>2. Automatically prepare general ledger journal entries by business unit, for cash receipts</td>
</tr>
<tr>
<td>3. Automatically prepare general ledger journal entries by sales, inventory, and cost of goods sold activity that occurs in the invoicing system</td>
</tr>
<tr>
<td>4. Automatically prepare general ledger journal entries by all discounts and deductions recognized through the cash receipts process</td>
</tr>
<tr>
<td>5. Automatically prepare general ledger journal entries by allowance for uncollectible accounts</td>
</tr>
<tr>
<td>6. Automatically prepare general ledger journal entries by write-offs</td>
</tr>
<tr>
<td>7. Automatically prepare general ledger journal entries by inter-company accounts receivable &amp; sales</td>
</tr>
<tr>
<td>8. Automatically prepare general ledger journal entries by customer deposits</td>
</tr>
<tr>
<td>9. Automatically prepare general ledger journal entries by currency gains and losses due to foreign currency invoices</td>
</tr>
<tr>
<td>10. Produce detailed general ledger journals, one for every accounts receivable transaction</td>
</tr>
<tr>
<td>11. Create a single journal that summarizes activity by invoices</td>
</tr>
<tr>
<td>12. Create a single journal that summarizes activity by cash receipts--auto cash transaction type</td>
</tr>
<tr>
<td>13. Create a single journal that summarizes activity by taxes--Vertex Quantum tax program transaction type</td>
</tr>
</tbody>
</table>
14. Create a single journal that summarizes activity by specific invoice line items.
15. Accepts automated clearing house transactions (EFT) from the invoicing system sent to specific customers in lieu of invoices.

### Other Requirements for the DOF Accounting Module

1. All other functionalities as required by the Electronic New Government Accounting System (e-NGAS).
2. All other reports as required by the Electronic New Government Accounting System (e-NGAS).
3. Integration with other existing DOF-ERP Systems.
5. Must be able to interface with the Budget, Treasury Management System (BTMS).

### B. DOF Budgeting System

<table>
<thead>
<tr>
<th>MODULE</th>
<th>FUNCTIONAL REQUIREMENTS</th>
</tr>
</thead>
</table>
| **Budgeting and Budget Controls** | 1. User-defined period intervals  
2. Ability to track budget revisions  
3. Setup Financial dimensions that should be included in budget control rules.  
4. Define user groups that can post entries that exceed the remaining balance for a budget.  
5. Identify source documents and accounting journals that should be enabled for budget checking.  
6. Setup Financial dimensions and accounts that must have a budget threshold, and what that threshold is. A budget threshold is the level of budget usage at which Ability to prevent posting or display warnings. For example, if the threshold is 80, Ability to warn a user during entry that 80 percent of the budget for the selected account has been used.  
7. Define the formula for calculating the remaining balance of a budget. The budget funds available calculation can be |
defined for each legal entity instead of always using the following calculation: Original budget - Actual expenses.

8. Setup the interval, such as monthly, quarterly, or yearly, that is used to determine whether the available budget balance is sufficient to cover transactions.


10. Budget control is integrated with the following areas:
   a. General ledger
   b. Procurement and sourcing
   c. Travel and expense
   d. Project management and accounting
   e. Fixed assets
   f. Supply chain management

**Budget Accounting**

1. Establishes mandatory budgets for selected balance sheets, accounts, and profit and loss accounts.
2. Income, expense, liability, assets, and equity accounts can be used in the budgeting process.
3. Multiple budgets can be created from a single account to create what-if scenarios and for forecasting.
4. Annual, quarterly, monthly, or customized budget periods.
5. Creates financial statements in conjunction with budgets.
6. Define financial dimensions and main accounts that will be used for Budgeting, and that can have amounts transferred either to or from them.
7. Define currency exchange rates that will be used for the budget.
8. Budget codes that must be set up for each budget type, and which code is the default budget code.
9. Budget register entries that will use workflows. You assign workflows to budget codes. The budget register entries that are associated with a budget code that has an assigned workflow are automatically submitted to workflow.
10. Define Budget models that will be used in cash flow forecasts.
<table>
<thead>
<tr>
<th>Budget Workflow</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Multiple budgets for current and previous years</td>
</tr>
<tr>
<td>2. Many versions of the budget can be created for the current year</td>
</tr>
<tr>
<td>3. Stores multiple budgets of prior year</td>
</tr>
<tr>
<td>4. Online reports of budgets to actual</td>
</tr>
<tr>
<td>5. Compares budget versus actual dollar activity</td>
</tr>
<tr>
<td>6. Formatting of budget reports similar to standard financial reports, but uses twelve months of data instead of one</td>
</tr>
<tr>
<td>7. Allocates based on percentages, which are based on statistical account balances (such as head count and floor space)</td>
</tr>
<tr>
<td>8. Reports budget, current forecast, and prior year actual using dollar amounts and percentages</td>
</tr>
<tr>
<td>9. Reports can compare last year’s actuals or budgeted amounts to current year’s actuals</td>
</tr>
<tr>
<td>10. Compares current year's budget and actuals against last forecast for previous year, actuals for previous year, or last year's budget</td>
</tr>
<tr>
<td>11. Users may download the budget database from the system using excel, distribute the file for manipulation and editing by other users, then upload the updated excel file to the system</td>
</tr>
<tr>
<td>12. Maintain budget and forecast comparative data in the GL and sub-ledgers for viewing and reporting on both balance sheet accounts and income statement accounts</td>
</tr>
<tr>
<td>13. Create budget amounts</td>
</tr>
<tr>
<td>14. Transfer budget amounts</td>
</tr>
<tr>
<td>15. Allocate budget amounts across periods or dimensions</td>
</tr>
<tr>
<td>16. Create recurring budget register entries</td>
</tr>
<tr>
<td>17. Revising budget register entries</td>
</tr>
<tr>
<td>18. Budget Workflow</td>
</tr>
<tr>
<td>19. Budget register entries and budget account entries should be approved by a user other than the person who entered them. Require manual approval, workflow approval, or no approval.</td>
</tr>
<tr>
<td>20. Use budget control to set up workflows so that a budget manager approves the entries.</td>
</tr>
</tbody>
</table>
21. Set up budget transfer rules to work with Budgeting workflows. For example, you could set up a budget transfer rule to allow only budget transfers within departments. After the budget transfer rule is defined, you could create a workflow to route a budget transfer to a specific user to approve for budget transfers between departments.

22. Workflow types should be available for budgeting. After you assign a workflow to a budget code, all budget register entries using that budget code are submitted to workflow.

23. Budget account entry workflow
24. Approve budget register entry
25. Commitments approval

<table>
<thead>
<tr>
<th>Cash and Bank Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Up-to-date cash balance report</td>
</tr>
<tr>
<td>2. Projects cash resources from sales, A/R, field services, and miscellaneous cash</td>
</tr>
<tr>
<td>3. Projects cash utilization from purchasing, A/P, and miscellaneous cash</td>
</tr>
<tr>
<td>4. Checks committed funds against cash reserves or availability</td>
</tr>
<tr>
<td>5. Updates and maintains pay date schedule</td>
</tr>
<tr>
<td>6. Entity, bank, expected date, terms, and customer payment history are used to create cash projections</td>
</tr>
<tr>
<td>7. Cash projects by currency</td>
</tr>
<tr>
<td>8. Views of inflows and outflows from cash book by bank, year, or statement</td>
</tr>
<tr>
<td>9. Records cash payments and receipts via electronic banking functions</td>
</tr>
<tr>
<td>10. Notifies and reports on statement discrepancies</td>
</tr>
<tr>
<td>11. &quot;Miscellaneous&quot; category for charges and deposits</td>
</tr>
<tr>
<td>12. Processes cancelled A/P checks</td>
</tr>
<tr>
<td>13. Records journal entries to the G/L cash accounts</td>
</tr>
<tr>
<td>14. Prints account statements</td>
</tr>
<tr>
<td>15. Automatically records bank cash receipts</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assets and Asset Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Tracks assets by company</td>
</tr>
<tr>
<td>2. Tracks asset numbers and types</td>
</tr>
<tr>
<td>3. Descriptions of assets</td>
</tr>
<tr>
<td>4. Tracks asset tag and serial numbers</td>
</tr>
<tr>
<td>5. Assets may be tracked by parent/child relationships</td>
</tr>
<tr>
<td>6. Tracks asset locations</td>
</tr>
</tbody>
</table>
7. Assets can be tracked by asset number, description, type, tag number, location, PO, invoice number, or lease
8. Tracks information on leased assets
9. Tracks leased assets and intangible assets
10. Tracks non-depreciating assets, such as expensed items or land
11. Creates unique asset tag numbers by using tag controls
12. Specifies the original PO number and vendor
13. Captures asset data such as A/P reference, date of purchase, and cost
14. Records the tax cost at the time of the acquisition by using a percentage of the asset cost
15. Expense account for G/L depreciation
16. Tracks the total depreciation (book and tax) of an asset since it has been in service, the current depreciation method being used
17. Date of asset transfer
18. Tracks both the book and tax depreciation balance at the date of its transfer
19. Provides depreciation calculation results for current and future year
20. Asset disposition date and value
21. Tax basis by disposal value
22. Profit/loss by book and tax
23. Reports against a capital budget
24. Compares actual additions to the capital budget and calculate variances

<table>
<thead>
<tr>
<th>Asset Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Online views of fixed assets and transaction records</td>
</tr>
<tr>
<td>2. Online asset tracking</td>
</tr>
<tr>
<td>3. Records details on leased property</td>
</tr>
<tr>
<td>4. Current cost</td>
</tr>
<tr>
<td>5. Generates reports using historical, constant, and current dollar value</td>
</tr>
<tr>
<td>6. Generates reports on all leased assets, their details, and payments information</td>
</tr>
<tr>
<td>7. Generates reports on all operating lease payments</td>
</tr>
<tr>
<td>8. Retirement reversals</td>
</tr>
<tr>
<td>9. Records values of asset appraisals</td>
</tr>
<tr>
<td>10. Construction-in-progress reporting</td>
</tr>
<tr>
<td>11. Designates adjustments as amortizations</td>
</tr>
</tbody>
</table>
or expenses to cost, depreciation
method, production capacity, or salvage
value
12. Maintains up-to-date data on
depreciation for a group of assets
13. Transfer asset options including fully or
partially, current period or retroactively,
and mass transfer
14. Multiple asset retirement options based
on period, cost, with trade-ins, etc.
15. Generates transaction reports for period
additions; transfers; disposals; and
depreciation, by asset type and cost
center.
16. Generates gains and losses transaction
reports by asset type and cost center
11. Generates asset reports on additions,
transfers, retirements, adjustments,
ledger, property listing, and cost and
reserve summaries

Depreciation of Assets
1. Flexible asset depreciation calendars
2. Depreciation may be calculated year-to-
date or period-by-period
3. User defined depreciation rates can be
rules-based
4. User-defined prorate conventions and
retirement conventions
5. Standard and user-defined depreciation
calculations
6. Straight-line, declining balance, sum of
year’s digits, units of production, and flat
rate depreciation methods
7. Asset information (such as department
and type) presented for depreciation
methods
8. Automatically calculates changes in
depreciation at period end
9. Adds new depreciation methods
10. Depreciation methods: straight line,
decreasing balance, sum-of-the-years
digits
11. Depreciation methods
12. Generates depreciation projections
13. Uses prorate conventions, including half
year, actual months, months after,
modified half year, and full year, for the
first year of an asset’s life
14. Creates what-if scenarios to project
depreciation
<table>
<thead>
<tr>
<th>11. Depreciation method change reports</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Depreciation of Books</strong></td>
</tr>
<tr>
<td>1. Conducts asset transactions and reconciliations among multiple companies and divisions</td>
</tr>
<tr>
<td>2. Flexible parameters for depreciation books</td>
</tr>
<tr>
<td>3. Any number of assets can be listed in depreciation books</td>
</tr>
<tr>
<td>4. Any number of fiscal periods or calendars can be listed in depreciation books</td>
</tr>
<tr>
<td>5. Reports transfers between company and divisions in individual reports and consolidated reports</td>
</tr>
<tr>
<td>6. Enters and tracks expensed items for property control</td>
</tr>
<tr>
<td>7. Updates fixed assets from an A/P entry</td>
</tr>
<tr>
<td>8. Balances a manually entered fixed asset entry with the entry in the A/P records</td>
</tr>
<tr>
<td>9. Updates F/A records automatically whenever a transfer or disposal is entered into journal</td>
</tr>
<tr>
<td>10. Generates exception reports for F/A and A/P reconciliation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Tax Reporting</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Adds assets and copies transactions to tax depreciation books</td>
</tr>
<tr>
<td>2. Associates tax data with individual assets</td>
</tr>
<tr>
<td>3. Tax depreciation reserve for current and past fiscal years maintained with depreciation expense changes</td>
</tr>
<tr>
<td>4. Default depreciation rules based on initial service date for asset</td>
</tr>
<tr>
<td>5. Examine depreciation costs and expense ceilings</td>
</tr>
<tr>
<td>6. Calculates the gain and loss of a disposed asset for book and tax purposes</td>
</tr>
<tr>
<td>7. Automatically calculates tax adjustments when an asset is disposed</td>
</tr>
<tr>
<td>8. Short tax year accounting</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Financial Reporting</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Specifies report rows as a set of accounts defined by an account range</td>
</tr>
<tr>
<td>2. Specifies report rows as a set of accounts defined by a list of account numbers</td>
</tr>
<tr>
<td>3. Specifies report rows as a set of accounts defined by a mask on the account number</td>
</tr>
</tbody>
</table>
4. Specifies report rows as a set of accounts defined by a department (summary or detail) in a financial report structure
5. Specifies report rows as a set of accounts defined by account balances that meet specified conditions
6. Creates report rows using a separate file of row specifications that links particular accounts to individual rows
7. Column specifications indicate column width
8. Column specifications indicate the beginning column position on the report, up to 196 column positions
9. Column specifications indicate editing options, including currency symbols and commas
10. Column titles that span several columns and contain up to four lines of description
11. Allow particular rows or columns to be defined as the sum or difference of two other rows/columns
12. Enable an entire new report specification to be set up by copying an old one
13. Schedule the execution of any custom financial reports so that they can be run at any time or any day of the week
14. Control break can be defined on any component of a qualified account number, such as by department
15. Provide control break logic that prints totals being accumulated since the previous control break
16. Provide control break logic that prints a blank line, or set of underlines, before or after printing a total
17. Provide control break logic that prints the next control value only once to start the next control group
18. Provide control break logic that prints user-defined headers for each control break
19. Provide multiple levels of control breaks
20. Custom financial report can automatically print an unlimited number of header title lines on each report page
21. Financial report can be customized to automatically print report routing for data
control on each report page
25. Financial report can be customized to automatically print page numbers, date, and time on each report page
26. Allow financial report writer specifications to be printed on hard copy
27. Reported information can be extracted, placed into a file, and loaded into a spreadsheet or other software packages

<table>
<thead>
<tr>
<th>Other Requirements for the DOF Budgeting System</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. All other functionalities as required by the Electronic Budget System (e-Budget).</td>
</tr>
<tr>
<td>2. All other reports as required by the exiting e-Budget System of the Government (e-Budget).</td>
</tr>
<tr>
<td>3. Integration with other existing DOF-ERP Systems.</td>
</tr>
<tr>
<td>4. Provision of reports of budget utilization per DOF Unit, Division, or Office</td>
</tr>
<tr>
<td>5. Must accommodate Government Procurement Policy Board (GPPB) Codes, Unified Accounts Code Structure (UACS) Codes and Stock Keeping Unit (SKU) Codes</td>
</tr>
<tr>
<td>6. Must be able to interface with the Budget, Treasury Management System (BTMS)</td>
</tr>
</tbody>
</table>

### C. DOF Contracts Management System

<table>
<thead>
<tr>
<th>MODULE</th>
<th>FUNCTIONAL REQUIREMENTS</th>
</tr>
</thead>
</table>
| DOF Contracts Management System | 1. Provides checklists required for the payment of contracts.  
2. Manages and maintains information on contract history, contract renewal, and contract templates.  
3. Manages warranty details on service items and spare parts.  
4. Record details of contact service levels such as the following:  
  - Contract number  
  - Contract date  
  - Contract renewal date  
  - Contract type  
  - Contractor business name(s)  
  - Contractor(s) address(es)  
  - Contractor contacts  
  - Contract value |
5. Service history of each contract, including used service items and parts and labor hours.
6. Monitors and alerts the status of all DOF contracts.
7. Monitors, updates and records contract milestones.
8. Monitors payments made for all DOF contracts.
9. Tracks all contracts renewed and/or extended.
10. Tracks and monitor the status of all unsigned or pending contracts.
11. Tracks changes and amendments of specific contract.
12. In cases where supplemental contracts are issued, the system must be able to associate such to the main contract.
13. Identifies live and terminated contracts.
14. Classifies cancelled, pre-terminated and suspended contracts.
15. Manages and maintain multi-year contracts.

D. Enhancement of the Existing DOF-ERP Modules

<table>
<thead>
<tr>
<th>MODULE</th>
<th>FUNCTIONAL REQUIREMENTS</th>
</tr>
</thead>
</table>
| HR Module | 1. Enhancement of IPCR and include the DPCR and OPCR.  
2. Include the Human Resource Competency in Recruitment. |

E. Expanded DOF-ERP Training Requirements

<table>
<thead>
<tr>
<th>ITEM/s</th>
<th>DESCRIPTION</th>
</tr>
</thead>
</table>
| Training Requirements | 1. Expanded DOF-ERP Project Commencement Activity  
2. MS Dynamics NAV Design and Development (at least 16 hours)  
3. MS Dynamics NAV Administration |
(Reports Creation and Power BI) (at least 16 hours)
4. CFMO Presentation of Final Business Process (at least 24 Hours)
5. End-Users’ Training (at least 24 hours).
6. CMIO NAV Administration Readiness Training (At least 24 hours)
7. All DOF-ERP Assessment

V. SOFTWARE REQUIREMENTS

The SERVICE PROVIDER must deliver software licenses, such as database licenses, software development licenses and other licenses necessary to run the Expanded DOF ERP System.

The SERVICE PROVIDER must also deliver software licenses to DOF enumerated as follows:

1. Microsoft NAV Developers License
2. Twenty (20) Full Concurrent Users Licenses
3. One Hundred (100) Limited Concurrent Users
4. Twenty Five (25) sets of Tables
5. Two (2) sets of Reports
6. Two (2) sets of Pages
7. One (1) set of Codeunits
8. One (1) set of XML Ports; and
9. One (1) set of Queries.

VI. SCOPE AND COVERAGE

A. Inception Report Development

The SERVICE PROVIDER shall submit an Inception Report not later than Twenty (20) calendar days from receipt of Notice to Proceed.

B. Concept of Operation

The enhancements, integration and deployment of the Expanded DOF-ERP System, shall be the responsibility of the SERVICE PROVIDER. The SERVICE PROVIDER shall shoulder all consumable supplies, computer equipment, and licenses incidental to the implementation of the contract. If the SERVICE PROVIDER will provide new solution/software, the software license must be compatible on DOF existing hardware and software platform. The SERVICE PROVIDER should ensure that the system response time meets the DOF standards.
C. Software Development and Enhancement

1. The SERVICE PROVIDER shall deliver and make operational within Four (4) months upon receipt of Notice to Proceed all functions and enhancements described in Section IV “Functional Specifications for the Expanded DOF-ERP Project”.

2. The SERVICE PROVIDER shall facilitate the installation of the softwares and applications and other required functionalities for the system.

3. Project Team Composition

Once awarded, a project team shall be created by the Bidder and specialist consultants must be named and assigned to the Project Team to fill specific project roles. Activities may be combined and delivered in parallel but all activities must be executed to ensure the successful implementation of the DOF ERP project. The following are the Project Team members required in the ERP project implementation:

**One (1) Project Manager**
- Must be a Certified Management Consultant (CMC)
- Responsible for CLIENT relations
- Project planning, time schedule
- Management of budget
- Meeting organizer
- Contract administration/management
- Risk management
- Issue management
- Member of steering committee
- QA review on each project phase

**One (1) Solution Architect**
- Primary resource who determines the functional and technical architecture to be deployed in the implementation
- Responsible for the overall system design including but not limited to the integration to existing solutions

**One (1) Technical Architect**
- Responsible for gathering Non-Functional Requirements
- Responsible for hardware sizing
- Conducting performance reviews
• Must have passed the vendor certification for ERP Implementation methodology

**Two (2) Technical Consultants**
- Responsible for the technical solution
- The installation of application and databases
- Database administration
- Analysis and Design of interfaces
- Assist client in Data Migration
- Infrastructure validation and design update
- Conduct technical Key technical resource knowledge transfer.
- Customization of the product to meet the needs of the customer based on the specifications from the Functional Consultant.
- Integration of the solution with the databases and systems
- Document custom developed functionality in accordance to documentation standards and best practices.
- Initial test of the developed functionality.

**Two (2) Business Application Consultants**
- Responsible for the coordination of the solution
- Responsible for QA on the content of the solution
- Provide guidance to application consultants
- Provide analysis of requirements
- Ensure Understanding of client’s business
- Provide input for application design
- Test modifications to implementation
- Provide end user documentation
- Provide system parameter set-up

**Two (2) Test Leads**
- Develop and support application testing strategy, plans, and scripts
- Manages the build process
- Conduct tests to accurately determine the status of solution development.
- Sign off on when solution meets functional specification requirements
- Prepare test plans for Integration and System testing and Performance and User Acceptance testing as well
- Provide quality assurance on the project. This involves functional, integration and performance
testing
• Liaison with the development team to understand requirements and provide an appropriate testing strategy
• Support the communication and addressing of all issues prior to releasing the solutions
• Develops and owns application testing strategy, plans, and scripts.
• Manages the build process.
• Conducts tests to accurately determine the status of solution development.
• Signs off on when solution meets functional specification requirements

Two (2) Systems Developers

• Responsible for the overall development of application/integration
• Initial Unit testing
• Update of job log for changes
• Must have passed the vendor certification for ERP Developer
• Responsible for the support and maintenance of existing DOF-ERP System

4. Systems Integration

The SERVICE PROVIDER shall deliver and guarantee the seamless integration of all functions and enhancements described in Section IV-“Functional Specifications for the Expanded DOF-ERP Project” with the existing final NAV modules of DOF-ERP System which are not included in Section IV.

5. User Acceptance

The SERVICE PROVIDER shall provide the DOF’s Acceptance Team with the UAT Test Plan and Test Cycles one (1) week before the conduct of the UAT as approved by DOF and pass the User’s Acceptance Test within four (4) months from receipt of Notice to Proceed as evidenced by a Certificate of Acceptance and/or Ready For Use.

6. Documentation

The SERVICE PROVIDER shall integrate the Technical Documentation of the existing system to the
proposed enhanced solution. Initial version of the following documentation in soft and hard copies in three (3) sets shall be submitted within seven (7) calendar days before the conduct of the User Acceptance Testing (UAT) and the final version in three (3) sets shall be submitted within fifteen (15) calendar days before the end of the Project:

- Operation and User Manual
- Functional Specifications
- Technical Specifications
- Program Specifications and Source Codes
- Systems and Database Administration
- Training Materials
- Job Aids for internal and external users
- Communication plans/materials
- Capacity planning guide
- Change Procedure

All succeeding changes to the system shall be incorporated in the corresponding system documentation(s).

The SERVICE PROVIDER shall use compatible Application Development and Management Tools for the systems documentation.

A Certificate of Acceptance shall be issued by the DOF as proof of the acceptability of the said documentation.

7. Technology Transfer

The SERVICE PROVIDER shall provide technology transfer to at least ten (10) CMIO personnel for each course at no additional cost to the DOF within thirty (30) calendar days upon acceptance.

Technical Training (Please see Article IV Section E on Training Requirements)

The SERVICE PROVIDER shall issue individual training certificate and training manual to each participant.

8. ICT Equipment

The SERVICE PROVIDER shall provide the following ICT Equipment required in the implementation of the Expanded DOF-ERP System:
a. Signature Pads  
b. Barcode Readers (Inventory Module)  
c. Barcode Scanners (Inventory Module)  
d. Five (5) Mobile devices for the NAV Administration and testing.

9. The SERVICE PROVIDER shall resolve a problem within four (4) hours after it was reported by DOF through telephone or email.

10. Technical Support

The SERVICE PROVIDER shall provide technical support and on-site assistance to resolve technical and other related problems. It shall refer to a condition wherein the reported problem is resolved by the SERVICE PROVIDER to the satisfaction of the DOF. Problem and resolution shall be logged in the DOF IT Help Desk.

The SERVICE PROVIDER shall resolve a problem within four (4) hours after it was reported by DOF through telephone or email.

VII. SERVICE LEVEL AGREEMENT

DOF shall maintain a Service Level Agreement (SLA) with the SERVICE PROVIDER, with provision for liquidated damages for their non-compliance.

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>DESCRIPTION</th>
<th>LIQUIDATE D DAMAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inception Report Development</td>
<td>The Inception Report shall be delivered Twenty (20) calendar days from receipt of Notice to Proceed. (Section IV.A)</td>
<td>1/10th of 1% of the total contract cost shall be imposed per day of delay.</td>
</tr>
<tr>
<td>Software Development and Enhancement</td>
<td>The Enhancement Modules shall be delivered and made operational within four (4) months upon receipt of Notice to Proceed</td>
<td>1/10th of 1% of the Software Development and Enhancement cost shall be imposed per day of delay.</td>
</tr>
<tr>
<td><strong>Systems Integration</strong></td>
<td>All module Integration shall be delivered and made operational within four (4) months upon receipt of Notice to Proceed.</td>
<td>1/10th of 1% of the Systems Integration cost shall be imposed per day of delay.</td>
</tr>
<tr>
<td>------------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Documentation a) initial b) final</strong></td>
<td>Initial version of the following documentation in soft and hard copies in three (3) sets shall be submitted one (1) week before the conduct of the User Acceptance Testing (UAT) and the final version in three (3) sets shall be submitted two (2) weeks before the end of the Project</td>
<td>1/10th of 1% of the documentation cost shall be imposed per day of delay.</td>
</tr>
<tr>
<td><strong>Technology Transfer</strong></td>
<td>Training, training manuals and training certificate shall be provided for DOF personnel by the SERVICE PROVIDER before the end of the contract period provided that the system is accepted.</td>
<td>10th of 1% of the total contract cost shall be imposed per day of delay.</td>
</tr>
<tr>
<td><strong>Technical Support</strong></td>
<td>The SERVICE PROVIDER shall resolve a problem within four (4) hours after it was reported by the DOF thru fax, telephone or email. It shall refer to a condition wherein the reported problem is resolved by the SERVICE PROVIDER to the satisfaction of the DOF. Problem and resolution shall be logged in the IT HelpDesk.</td>
<td>1/10th of 1% of the total contract cost shall be imposed for every hour or a fraction thereof of application unavailability in excess of the required hours to resolve.</td>
</tr>
</tbody>
</table>

The DOF shall have the right to blacklist the SERVICE PROVIDER after three (3) times/instances of non-compliance at any given time during the contract period, of the above-mentioned SLA.

**VIII. PROJECT CONSTRAINTS**
The following constraints or requirements shall be noted:

1. Adherence to Philippine and foreign information technology standards and local procurement rules and regulations.

2. The procurement of services will be based on local IT standards and components readily available in the Philippines over the viable IT life cycle, as well as respective government procurement guidelines.

3. The SERVICE PROVIDER shall take into account the existing hardware, software and current network system in the Department, and adapt its installation and testing accordingly.

IX. WARRANTIES OF THE SERVICE PROVIDER

1. The SERVICE PROVIDER warrants that it shall conform strictly with the terms and conditions of this Terms of Reference.

2. A warranty period of twelve (12) months shall commence upon issuance of the Certificate of Acceptance on enhancements and additional software if there’s any. Warranties shall cover software upgrades and technical support.

3. The SERVICE PROVIDER warrants, represents and undertakes reliability of the services and that their workforce complements are hardworking, qualified/reliable and dedicated to do the service required to the satisfaction of dof. It shall employ well-behaved and honest employees with ID displayed conspicuously while working within the DOF Building.

4. The SERVICE PROVIDER shall comply with the laws governing employee's compensation, Philhealth, Social Security and labor standards, and other laws, rules and regulations applicable to its personnel employed by the SERVICE PROVIDER on account of the contracted services. The SERVICE PROVIDER shall pay its personnel not less than the minimum wage and other benefits mandated by law.

5. The SERVICE PROVIDER in the performance of its services, shall secure, maintain at its own expense all registration, licenses or permits required by National or Local Laws and shall comply with the rules, regulations and directives of Regulatory Authorities and
Commissions. The SERVICE PROVIDER undertakes to pay all fees or charges payable to any instrumentality of government or to any other duly constituted authority relating to the use or operation of the installation.

6. 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 standard and established safety regulations, rules and practices.

7. The SERVICE PROVIDER shall coordinate with the authorized and/or designated DOF personnel in the performance of their jobs.

8. The SERVICE PROVIDER shall be liable for loss, damage or injury due directly or indirectly through the fault or negligence of its personnel. It shall assume full responsibility thereof and DOF shall be specifically released from any and all liabilities arising there from.

9. The SERVICE PROVIDER shall neither assign, transfer, pledge, nor subcontract any part or interest therein.

X. PROJECT DURATION

The Expanded DOF-ERP System Project must be completed and turned over to and accepted by the DOF within four (4) months from the date of issuance of the Notice to Proceed.

Part of the SERVICE PROVIDER’s Project Proposal is an implementation strategy and schedule. This should specify the outputs to be submitted at the end of each project phase. Project milestones should include, but not necessarily limited to the following:

a) Presentation of the Systems Requirements Specifications (SRS) and Functional Specifications Documents (FSD) to be undertaken;

b) Other Necessary Activities: training, knowledge transfer, turnover.

XI. CONFIDENTIALITY OF DATA

1. The SERVICE PROVIDER shall document detailed procedures/techniques in identifying systems security risk/s and breach/es and how such shall be handled.

2. All project staff of SERVICE PROVIDER shall be
required to sign a non-disclosure agreement.

3. The DOF system, its components, parts and all products, product samples and specifications, data, ideas, technology, and technical and non-technical materials, all or any of which may be derived from any of the foregoing (all of which, individually and collectively, referred to as “Proprietary Information”) are confidential and proprietary to DOF.

4. The SERVICE PROVIDER agrees to hold the Proprietary Information in strict confidence. SERVICE PROVIDER furthermore agrees not to reproduce, transcribe, or disclose the Proprietary Information to third parties without prior written approval of DOF.

5. To ensure the confidentiality of all information that will come to the knowledge of the SERVICE PROVIDER and its employees detailed with DOF, the SERVICE PROVIDER and its employees assigned therein shall be considered agents of DOF. The contract that will be executed heretofore shall categorically provide that the SERVICE PROVIDER and its employees, as agents of DOF, shall uphold strict confidentiality any information regarding the business, income or estate of any taxpayer.

XII. TERMS OF DELIVERY

The winning SERVICE PROVIDER shall conduct a systems analysis and design of the government Accounting and Accounting procedures and processes in the development of the Expanded DOF-ERP System.

The development should be started within two (2) days upon receipt of Notice to Proceed. Billing shall be of the following schedule:

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upon Delivery and Acceptance of Inception Report</td>
<td>10% of the contract price</td>
</tr>
<tr>
<td>Upon Software Delivery and Systems Development</td>
<td>50% of the contract price</td>
</tr>
<tr>
<td>Upon Systems Integration</td>
<td>15% of the contract price</td>
</tr>
<tr>
<td>Go-Live and Documentation</td>
<td>15% of the contract price</td>
</tr>
<tr>
<td>Retention which shall be released after the lapse of warranty period, provided that the Expanded DOF ERP system is</td>
<td>10% of the contract price</td>
</tr>
</tbody>
</table>
Upon completion of the project, the winning Service Provider shall submit five (5) copies of the Completion Report and all final documentation of the project (such as source code, manuals, etc.). The authorized DOF personnel shall sign a Certificate Acceptance as proof of the acceptability of the delivered services for this project.

XIII. PROJECT IMPLEMENTATION COST

The project implementation cost for the Expanded DOF-ERP System is Fourteen Million Pesos (PHP 14,000,000.00) inclusive of VAT and other government taxes.

I hereby certify to comply and deliver all the above requirements:

<table>
<thead>
<tr>
<th>Name of Company/Bidder</th>
<th>Signature Over Printed Name of Authorized representative</th>
<th>Date</th>
</tr>
</thead>
</table>

Section VIII. Bidding Forms
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>BID FORM</td>
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</tr>
<tr>
<td>CONTRACT AGREEMENT FORM</td>
<td>70</td>
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<td>OMNIBUS SWORN STATEMENT</td>
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<td>BANK GUARANTEE FORM FOR ADVANCE PAYMENT</td>
<td>75</td>
</tr>
<tr>
<td>STATEMENT OF SINGLE LARGEST COMPLETED SIMILAR CONTRACT</td>
<td>76</td>
</tr>
<tr>
<td>STATEMENT OF ONGOING AND AWARDED BUT NOT YET STARTED</td>
<td>77</td>
</tr>
<tr>
<td>BID SECURING DECLARATION</td>
<td>78</td>
</tr>
</tbody>
</table>
To: [name and address of Procuring Entity]

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Numbers [insert numbers], the receipt of which is hereby duly acknowledged, we, the undersigned, offer to [supply/deliver/perform] [description of the Goods] in conformity with the said Bidding Documents for the sum of [total Bid amount in words and figures] or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we undertake to provide a performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Bid for the Bid Validity Period specified in BDS provision for ITB Clause 18.2 and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below:

<table>
<thead>
<tr>
<th>Name and address of agent</th>
<th>Amount and Currency</th>
<th>Purpose of Commission or gratuity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(if none, state “None”)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the Lowest Calculated Bid or any Bid you may receive.

7 If ADB, JICA and WB funded projects, use IFB.
8 Applicable only if the Funding Source is the ADB, JICA or WB.
We certify/confirm that we comply with the eligibility requirements as per ITB Clause 5 of the Bidding Documents.

We likewise certify/confirm that the undersigned, [for sole proprietorships, insert: as the owner and sole proprietor or authorized representative of Name of Bidder, has the full power and authority to participate, submit the bid, and to sign and execute the ensuing contract, on the latter’s behalf for the Name of Project of the Name of the Procuring Entity] [for partnerships, corporations, cooperatives, or joint ventures, insert: is granted full power and authority by the Name of Bidder, to participate, submit the bid, and to sign and execute the ensuing contract on the latter’s behalf for Name of Project of the Name of the Procuring Entity].

We acknowledge that failure to sign each and every page of this Bid Form, including the attached Schedule of Prices, shall be a ground for the rejection of our bid.

Dated this ________________ day of ________________ 20______.

[signature] [in the capacity of]

Duly authorized to sign Bid for and on behalf of ____________________________
THIS AGREEMENT made the _____ day of __________ 20_____ between [name of PROCURING ENTITY] of the Philippines (hereinafter called “the Entity”) of the one part and [name of Supplier] of [city and country of Supplier] (hereinafter called “the Supplier”) of the other part:

WHEREAS the Entity invited Bids for certain goods and ancillary services, viz., [brief description of goods and services] and has accepted a Bid by the Supplier for the supply of those goods and services in the sum of [contract price in words and figures] (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.

2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:

(a) the Supplier’s Bid, including the Technical and Financial Proposals, and all other documents/statements submitted (e.g. bidder’s response to clarifications on the bid), including corrections to the bid resulting from the Procuring Entity’s bid evaluation;
(b) the Schedule of Requirements;
(c) the Technical Specifications;
(d) the General Conditions of Contract;
(e) the Special Conditions of Contract;
(f) the Performance Security; and
(g) the Entity’s Notice of Award.

3. In consideration of the payments to be made by the Entity to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Entity to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. The Entity hereby covenants to pay the Supplier in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract.
IN WITNESS, whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

Signed, sealed, delivered by _____________ the ________________ (for the Entity)

Signed, sealed, delivered by _____________ the ________________ (for the Supplier).
Omnibus Sworn Statement

REPUBLIC OF THE PHILIPPINES )
CITY/MUNICIPALITY OF ______ ) S.S.

AFFIDAVIT

I, [Name of Affiant], of legal age, [Civil Status], [Nationality], and residing at [Address of Affiant], after having been duly sworn in accordance with law, do hereby depose and state that:

1. Select one, delete the other:

   If a sole proprietorship: I am the sole proprietor or authorized representative of [Name of Bidder] with office address at [address of Bidder];

   If a partnership, corporation, cooperative, or joint venture: I am the duly authorized and designated representative of [Name of Bidder] with office address at [address of Bidder];

2. Select one, delete the other:

   If a sole proprietorship: As the owner and sole proprietor, or authorized representative of [Name of Bidder], I have full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for [Name of the Project] of the [Name of the Procuring Entity], as shown in the attached duly notarized Special Power of Attorney;

   If a partnership, corporation, cooperative, or joint venture: I am granted full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for [Name of the Project] of the [Name of the Procuring Entity], as shown in the attached [state title of attached document showing proof of authorization (e.g., duly notarized Secretary’s Certificate, Board/Partnership Resolution, or Special Power of Attorney, whichever is applicable)];

3. [Name of Bidder] is not “blacklisted” or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;

4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
5. [Name of Bidder] is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

6. **Select one, delete the rest:**

   **If a sole proprietorship:** The owner or sole proprietor is not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

   **If a partnership or cooperative:** None of the officers and members of [Name of Bidder] is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

   **If a corporation or joint venture:** None of the officers, directors, and controlling stockholders of [Name of Bidder] is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

7. [Name of Bidder] complies with existing labor laws and standards; and

8. [Name of Bidder] is aware of and has undertaken the following responsibilities as a Bidder:

   a) Carefully examine all of the Bidding Documents;

   b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;

   c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and

   d) Inquire or secure Supplemental/Bid Bulletin(s) issued for the [Name of the Project].

9. [Name of Bidder] did not give or pay directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.
IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of ___, 20__
at ______________, Philippines.

_____________________________________
Bidder’s Representative/Authorized
Signatory

SUBSCRIBED AND SWORN to before me this ___ day of [month] [year] at
[place of execution], Philippines. Affiant/s is/are personally known to me and
was/were identified by me through competent evidence of identity as defined in the
2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me
his/her [insert type of government identification card used], with his/her photograph
and signature appearing thereon, with no. ______ and his/her Community Tax
Certificate No. ______ issued on ____ at ______.

Witness my hand and seal this ___ day of [month] [year].

NAME OF NOTARY PUBLIC
Serial No. of Commission _______________
Notary Public for ______ until ___________
Roll of Attorneys No.
PTR No. ______ [date issued], [place issued]
IBP No. ______ [date issued], [place issued]

Doc. No. _____
Page No. _____
Book No. _____
Series of _____
Bank Guarantee Form for Advance Payment

To: [name and address of PROCURING ENTITY]  
   [name of Contract]  

Gentlemen and/or Ladies:  

In accordance with the payment provision included in the Special Conditions of Contract, which amends Clause 0 of the General Conditions of Contract to provide for advance payment, [name and address of Supplier] (hereinafter called the “Supplier”) shall deposit with the PROCURING ENTITY a bank guarantee to guarantee its proper and faithful performance under the said Clause of the Contract in an amount of [amount of guarantee in figures and words].  

We, the [bank or financial institution], as instructed by the Supplier, agree unconditionally and irrevocably to guarantee as primary obligator and not as surety merely, the payment to the PROCURING ENTITY on its first demand without whatsoever right of objection on our part and without its first claim to the Supplier, in the amount not exceeding [amount of guarantee in figures and words].  

We further agree that no change or addition to or other modification of the terms of the Contract to be performed thereunder or of any of the Contract documents which may be made between the PROCURING ENTITY and the Supplier, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition, or modification.  

This guarantee shall remain valid and in full effect from the date of the advance payment received by the Supplier under the Contract until [date].  

Yours truly,  

Signature and seal of the Guarantors  

________________________________________________________________________  

[name of bank or financial institution]  

________________________________________________________________________  

[address]  

________________________________________________________________________  

[date]
Statement of Single Largest Completed Similar Contract

This is to certify that [name of company] has the following single largest completed similar contract within the period November 2012 to November 2017:

<table>
<thead>
<tr>
<th>Name of Contract</th>
<th>Date of the Contract</th>
<th>Kind of Goods Sold</th>
<th>End User’s Name and Address</th>
<th>Amount of Contract</th>
<th>End-User’s Acceptance (indicate the date of completion or the date of official receipt)</th>
<th>Bidder is</th>
</tr>
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<td>A) Manufacturer</td>
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<td>B) Supplier/Contractor</td>
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<td>C) Distributor</td>
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</tbody>
</table>

Name and Signature of Authorized Representative __________________________ Date __________________________

Inclusions:

a) Cut-off date as of:
   (i) Within the period November 2012 to November 2017.

b) In the column for “End-User’s Acceptance”, indicate the date of completion or the date of Official Receipt.

c) Proof of single largest completed similar contract must be submitted such as:
   (i) Certificate of Satisfactory Completion or Certificate of Acceptance from the clients; or Official Receipt; and
   (ii) Contract Agreement; or Purchase Order; or Job Order.
**Statement of Ongoing and Awarded But Not Yet Started Contracts**

This is to certify that [name of company] has the following ongoing and awarded but not yet started contracts for the period November 2012- November 2017:

<table>
<thead>
<tr>
<th>Name of Contract</th>
<th>Date of the Contract</th>
<th>Kind of Service</th>
<th>End-User’s Name and Address</th>
<th>Amount of Contract</th>
<th>Value of Outstanding Contracts</th>
<th>Bidder is</th>
</tr>
</thead>
<tbody>
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<td></td>
<td>A) Manufacturer</td>
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<td>B) Supplier/Contract</td>
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<td>C) Distributor</td>
</tr>
</tbody>
</table>

Name and Signature of Authorized Representative ____________________ Date ______________

Inclusions:

a) State all ongoing contracts including those awarded but not yet started (government and private contracts which may be similar or not similar to the project called for bidding) within the period November 2012 to November 2017.

b) If there is no ongoing contract including awarded but not yet started as of the aforementioned period, state none.

c) The total amount of the ongoing and awarded but not yet started contracts should be consistent with those used in the Net Financial Contracting Capacity (NFCC), in case an NFCC is submitted as an eligibility document.

Submit the following proofs:
1. Notice of Award and Notice to Proceed; or
2. Purchase Order or Contract Agreement or Job Order.
BID SECURING DECLARATION FORM

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

x------------------------------------------------------x

BID SECURING DECLARATION
Invitation to Bid: [Insert Reference number]

To: [Insert name and address of the Procuring Entity]

I/We³, the undersigned, declare that:

1. I/We understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid-Securing Declaration.

2. I/We accept that: (a) I/we will be automatically disqualified from bidding for any contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting order; and, (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration, within fifteen (15) days from receipt of the written demand by the procuring entity for the commission of acts resulting to the enforcement of the bid securing declaration under Sections 23.1(b), 34.2, 40.1 and 69.1, except 69.1(f), of the IRR of RA 9184; without prejudice to other legal action the government may undertake.

3. I/We understand that this Bid Securing Declaration shall cease to be valid on the following circumstances:

   (a) Upon expiration of the bid validity period, or any extension thereof pursuant to your request;

   (b) I am/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right;

   (c) I am/we are declared the bidder with the Lowest Calculated Responsive Bid, and I/we have furnished the performance security and signed the Contract.

³ Select one and delete the other. Adopt the same instruction for similar terms throughout the document.
IN WITNESS WHEREOF, I/We have hereunto set my/our hand/s this ____
day of [month] [year] at [place of execution].

[Insert NAME OF BIDDER’S
AUTHORIZED REPRESENTATIVE]
[Insert Signatory’s Legal Capacity]
Affiant

SUBSCRIBED AND SWORN to before me this ___ day of [month] [year] at
[place of execution], Philippines. Affiant/s is/are personally known to me and
was/were identified by me through competent evidence of identity as defined in the
2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me
his/her [insert type of government identification card used], with his/her photograph
and signature appearing thereon, with no. ________ and his/her Community Tax
Certificate No. _______ issued on ____ at ______.

Witness my hand and seal this ___ day of [month] [year].

NAME OF NOTARY PUBLIC
Serial No. of Commission ___________________________
Notary Public for ________ until _____________
Roll of Attorneys No. __________________________
PTR No. ______ [date issued], [place issued]
IBP No. ______ [date issued], [place issued]

Doc. No. ______
Page No. ______
Book No. ______
Series of ______