

**CONTRACT FOR THE PROVISION OF MANPOWER SERVICES IN THE
DEPARTMENT OF FINANCE FOR CY 2023**

IB No. 2022-26-G

KNOW ALL MEN BY THESE PRESENTS:

This AGREEMENT made and executed this ____ day of _____ 2023 in Manila, Philippines, by and between:

The **DEPARTMENT OF FINANCE** with principal office at the Department of Finance Building and 7th Floor EDPC Buildings, Pablo Ocampo Sr. St. cor Roxas Blvd., Malate, Manila represented by **Secretary BENJAMIN E. DIOKNO**, herein after referred to as **DEPARTMENT/DOF**,

-and-

LSERV CORPORATION, a corporation duly organized existing under Philippine laws, with business address at 21st Floor Petron Mega Plaza Building, Gil Puyat Avenue, 1200 Makati City represented in this act by its President, **Mr. JOSEPH V. ANGELES**, duly authorized for this purpose, herein after referred as **LSERV CORPORATION**.

WITNESSETH:

WHEREAS, the **DEPARTMENT** deems it necessary to contract out the services of additional manpower namely, Administrative Aide IV (Plumber II), Administrative Aide IV (Driver II), Administrative Assistant, Gym Assistant, Gym Instructor, Administrative Assistant III, Administrative Assistant III (Driver III), Accountant I, Statistician II, Administrative Officer II, Administrative Officer III, Administrative Officer IV, Administrative Officer V, Development Management Officer II, Development Management Officer III, Development Management Officer IV, Economist II, Financial Analyst II, Financial Analyst III, Financial Analyst IV, Internal Auditor I, Internal Auditor II, Information Technology Officer II, Legal Operations Assistant, Nurse I, Nurse II, Planning Officer III, Project Evaluation Officer II, Project Evaluation Officer III and Project Evaluation Officer IV in order to augment the present manpower requirements in the various offices of the **DEPARTMENT**;

WHEREAS, the **DEPARTMENT** posted the Invitation to Bid on November 26, 2022 in the PhilGEPS / DOF websites and on conspicuous places inviting prospective bidders with known expertise and capability to submit their bids for the services of skilled manpower personnel;

WHEREAS, the DOF Bids and Awards Committee (BAC) under BAC Resolution No. 069-2022 has resolved to recommend approval to enter into contract with **LSERV CORPORATION** for the provision of skilled manpower in the **DEPARTMENT** to augment its manpower requirements for CY 2023;

WHEREAS, **LSERV CORPORATION** submitted the single calculated and responsive bid;

1 | **LSERV CORPORATION – Provision of Manpower Services**
in the Department of Finance for CY 2023

Reviewed By:
OFFICE OF THE GENERAL COUNSEL
LSERV CORPORATION

WHEREAS, as provided under the Revised Implementing Rules and Regulations (Revised IRR) of Republic Act No. 9184 (RA No. 9184), Sec. 34.4, in accordance with the provisions of the Revised IRR, and it meets the eligibility requirements or criteria, after which it submits a bid which is found to be responsive to the bidding requirements;

WHEREAS, **LSERV CORPORATION** has presented to DOF that it has a capability to provide the required services under the terms and conditions set forth in the CONTRACT;

WHEREAS, the **DEPARTMENT** has accepted the bid for **Fifty-Nine Million Two Hundred Fifty-Seven Thousand Six Hundred Eighty-Six Pesos and 60/100 (P59,257,686.60)** by **LSERV CORPORATION** for the provision of said services for CY 2023;

NOW THEREFORE, for and in consideration of the foregoing premises and of the terms and conditions hereinafter set forth, the parties hereby agrees as follows:

1. **AGREEMENT** – The **DEPARTMENT** hereby engages the **LSERV CORPORATION** to provide the **DEPARTMENT**, within ten (10) days from receipt of the request, the required Personnel mentioned in the first “WHEREAS” clause of this contract (hereinafter referred to as “Contractuals” or “Contractual Personnel”) as may be needed by the **DEPARTMENT** from time to time to work at its Head Office and other offices connected with the **DEPARTMENT**.
2. **QUALIFICATION** – The **LSERV CORPORATION** shall assign Contractual Personnel who possess the necessary qualifications for the position.
3. **SCOPE OF WORK** – The **LSERV CORPORATION** agrees to cause the performance of any work related to the Contractual Personnel’s functions or duties assigned by the **DEPARTMENT**.
4. **CONSIDERATION** – For and in consideration of the service/s rendered, the **DEPARTMENT** hereby agrees to pay **LSERV CORPORATION** in accordance with the schedule of billing rates hereto attached. The rates shall be fixed, and therefore not subject to price escalation during the contract implementation, except under extraordinary circumstances and upon prior approval of the Government Procurement Policy Board. However, per Sec. 61.2, Rule XIX of the Revised IRR of RA No. 9184; in cases, where the cost of the awarded contract is affected by applicable new laws, ordinances, regulations or other acts of the Government promulgated after the bidding, a contract price adjustment shall be made or appropriate relief shall be applied on a no-loss no gain basis.

In addition, manpower outsourced personnel performing messengerial functions such as delivery of important DOF official documents to other agencies shall be entitled to the reimbursement of reasonable actual transportation expenses subject to government accounting rules and regulations, which reimbursements shall be processed by the **DEPARTMENT** and shall be paid directly to the individual.

5. **NO EMPLOYER – EMPLOYEE RELATIONSHIP** – It is expressly understood and agreed that the Contractual Personnel assigned by **LSERV CORPORATION** to the **DEPARTMENT** are the employees of **LSERV CORPORATION** and not of the **DEPARTMENT**. Hence, compliance with

all applicable labor laws, rules and regulations shall be the responsibility of **LSERV CORPORATION**. It is however understood and agreed that any personnel injury, death or damage sustained by the Contractual Personnel during the performance their duties or while within premises of the **DEPARTMENT** attributable to the acts, omissions, or fault of the **DEPARTMENT** or any of its officials, employee/s and/or agents shall be the liability of the official, employee or agent concerned.

6. **SUPERVISION AND CONTROL – LSERV CORPORATION** hereby maintains administrative control and supervision but authorizes the **DEPARTMENT** to give direct instructions to the Contractual Personnel assigned to the **DEPARTMENT**. This authority shall not be deemed nor interpreted as relinquishment of the powers by the **LSERV CORPORATION** as employer of its personnel assigned to the **DEPARTMENT**.
7. **LIABILITY FOR LOSSES AND DAMAGES – LSERV CORPORATION** shall only be liable for losses and damages on the properties and facilities of the **DEPARTMENT** which may be caused through negligence or fault of the Contractual Personnel assigned to the **DEPARTMENT** while in the performance of their official duties, subject to the following limitation:
 - a. Losses and damages caused by or attributable to any Contractual Personnel in the performance of duties inherent to a position other than his official designation shall not, even if the sanctioned by the **DEPARTMENT**, make the **LSERV CORPORATION** liable if the same is without the prior written approval of the **LSERV CORPORATION**.
8. **CHANGE / REPLACEMENT OF PERSONNEL –** Should the **DEPARTMENT** find the Contractual Personnel undesirable, with unsatisfactory performance or commits acts inimical to the best interest of the **DEPARTMENT**, or shows behavior or attitude which is not aligned with the standards of the **DEPARTMENT** the **LSERV CORPORATION** shall, within five (5) working days from receipt of the **DEPARTMENT's** written request, replace such personnel concerned with one acceptable to the **DEPARTMENT**.
9. **CHANGE IN THE NUMBER OF PERSONNEL -** The **DEPARTMENT** may require **LSERV CORPORATION** to provide for additional manpower whenever the exigency of the service so requires, the compensation of which shall be paid by the **DEPARTMENT**.

The **DEPARTMENT** also reserves the right to make corresponding reduction of the Contractual personnel for any particular period during the duration of this Agreement, provided, a thirty (30) day- prior written notice is given to **LSERV CORPORATION**.
10. **SERVICE RENDERED OUT OF THE REGULAR WORKING HOURS –** The Contractual Personnel shall observe the five-days regular eight (8) hours working schedule from Mondays to Fridays. For services, rendered over and above eight (8) hour regular working time or during holiday / rest day, particularly by those holding Driver positions, they shall be entitled to overtime pay subject to the provisions as stated in the Labor Code of the Philippines. Drivers are required to report to the respective offices of the official concerned whenever the official is out of the country or on leave of absence.

11. **VIOLATION OF TERMS AND CONDITIONS** – In case of violation by either party of any of the foregoing terms and conditions, the other party may terminate this Contract by giving a written notice at least thirty (30) working days prior to the date of effectivity of the intended termination. The termination shall take effect immediately after the lapse of the thirty (30) working days from the receipt by the other party of the notice of termination; Provided, however, that the termination shall be without prejudice to the settlement of any obligation or claim for damages one may have against the other; Provided, further, that failure on the part of either party to enforce any of the provisions of this Contract shall not be considered as waiver of its rights.

12. **ARBITRATION** – All disputes, claims or questions which may arise out of this Contract shall be submitted to and settled first by an arbitrator before referring the same to the courts. Both parties shall mutually agree upon the arbitrator and they shall share equally the arbitrator's fee and all other arbitration expenses.

The decision of the arbitrator shall be final and binding upon the **DEPARTMENT** and the **LSERV CORPORATION** and may be endorsed by either party in any court of competent jurisdiction.

13. **VENUE OF LEGAL ACTION** – The parties agree that any dispute, claim or dispute referable to the courts shall be instituted exclusively in the proper court of the place where the **DEPARTMENT's** main office is located.

14. **CONTRACT DURATION** – This Contract shall take effect from receipt of the Notice to Proceed and shall continue to be in full force and effect until December 31, 2023, unless sooner terminated by either party upon mutual agreement or pursuant to the provisions of Paragraph 11 hereof.

15. **DATA PRIVACY COMPLIANCE** - The PARTIES shall comply with the provisions of Republic Act (RA) No. 10173, otherwise known as the "Data Privacy Act of 2012", its Implementing Rules and Regulations (IRR), issuances of the National Privacy Commission (NPC), and other applicable laws on processing of personal information. These shall include compliance with all relevant data protection policies of the Entity and other measures reasonably necessary to prevent any use or disclosure of personal data other than as allowed under this contract.

The PARTIES shall implement security measures aimed at maintaining the availability, integrity, and confidentiality of personal data including the protection of personal data against any accidental or unlawful destruction, alteration, and disclosure, as well as against any other unlawful processing.

16. **CONSENT TO THE PROCESSING OF PERSONNEL INFORMATION** - As part of the data privacy compliance, the Supplier hereby grants its consent to the Entity's processing of his/her personal information collected under this contract, which may include the disclosure of such information to third parties, to comply with requirements of law in relation to the implementation of this contract.



IN WITNESS WHEREOF, the parties, through their duly authorized representatives, have hereunto set their hands this 13 day of JAN 13 2023, 2023 at Manila, Philippines.

DEPARTMENT OF FINANCE

LSERV CORPORATION

BY:

BY:

BENJAMIN E. DIOKNO
Secretary

JOSEPH V. ANGELES
President

JAN 13 2023



SIGNED IN THE PRESENCE OF

GENEROSO T. CANLAS, JR.
Vice President

ACKNOWLEDGMENT

Republic of the Philippines}
City of Manila } S.S

BEFORE ME, this 13 day of JAN 13 2023 at Makati City, personally appeared Secretary Benjamin E. Diokno with TIN 110-841-046 issued at Makati City on JAN 13 2023 in his capacity as the authorized signatory of the DEPARTMENT OF FINANCE, and Mr. Joseph V. Angeles with ID No. NOI-95-189658 issued at Makati City on JAN 13 2023 in his capacity as the authorized signatory of LSERV Corporation, known to me and to me known to be the same persons who executed the foregoing Contract (with attachments and appendices), consisting of five (5) pages, including the page on which this acknowledgment is written, and who acknowledge to me that the same is their free and voluntary act and deed, and the free and voluntary act and deed of the government entity and company which they represent, respectively.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at the place and on the day first above written.

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NOTARY PUBLIC

ATTY. CECILIA M. TOAZON
Commission No. M-009
Notary Public for Makati City
until December 31, 2023
Roll No. 58750

IBP No. 273008 / 06 January 2023 / Manila IV
PTR No. 9565284 / 04 January 2023 / Makati City
MCLE Compliance No. VII-0022379
21st Floor, Petron Mega Plaza Building,
358 Serri. Gil J. Fajat Ave., 1200 Makati City