

Republic of the Philippines
Department of Science and Technology
PHILIPPINE COUNCIL FOR HEALTH RESEARCH AND DEVELOPMENT
Gen. Santos Ave., Bicutan, Taguig City, Metro Manila

CONTRACT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Contract Agreement is made and entered into this 2nd day of January 2024 at Bicutan, Taguig City, Metro Manila, Philippines by and among:

The **PHILIPPINE COUNCIL FOR HEALTH RESEARCH AND DEVELOPMENT**, a government agency with principal office located at the DOST Compound, Bicutan, Taguig City, represented herein by its **Executive Director, DR. JAIME C. MONTOYA**, hereinafter referred to as **DOST-PCHRD**,

- and -

The **DBP SERVICE CORPORATION**, a private corporation created and existing under the laws of the Philippines with office address located at at 2/F Executive Building Center, 369 Sen. Gil Puyat corner Makati Avenue, Makati City, represented herein by its **President, MR. RAUL LUIS D. MANALIGOD**, hereinafter referred to as **CONTRACTOR**;

-WITNESSETH-

WHEREAS, the **DOST-PCHRD** requires the services of a qualified contractor for one (1) year provision of Workforce Services for Year 2024;

WHEREAS, the Approved Budget for the Contract is of Thirty-Two Million Fifty-Five Thousand Pesos (PhP 32,055,000.00);

WHEREAS, in line with the procurement project, an Invitation to Bid was published in the Philippine Government Electronic Procurement System (PhilGEPS), DOST-PCHRD website and in conspicuous bulletin boards on 04 November 2023;

WHEREAS, the Pre-Bidding Conference was conducted on 13 November 2023;

WHEREAS, one (1) Supplemental Bid Bulletins was issued on 17 November 2023;

WHEREAS, the deadline of Submission and Opening of Bids was on 28 November 2023 and the Contractor's bid was found to be the Single Calculated Bid in the amount of **Thirty-One Million Nine Hundred Thirty-Nine Thousand Four Hundred Five and 44/100 Pesos (PhP 31,939,405.44)** and after the conduct of post qualification evaluation, was declared to be the Single Calculated and Responsive Bid in accordance with Republic Act (RA) No. 9184 and its 2016 Revised Implementing Rules and Regulations (IRR);

WHEREAS, the result of the bidding was submitted to the **DOST-PCHRD** Executive Director, for the approval of the Award of Contract to the **CONTRACTOR**, under BAC Resolution No. 086-23 dated 21 December 2023;


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NOW, THEREFORE, for and in consideration of the of the foregoing premises and of the covenants and stipulations herein set forth, the Parties hereto have agreed on the following, to wit:

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

ANNEX NO.	DESCRIPTION OF DOCUMENT
A	Invitation to Bid
B	Supplemental Bid Bulletins
C	Section II. Instruction to Bidders
D	Section III. Bid Data Sheet
E	Section IV. General Conditions of Contract
F	Section V. Special Conditions of Contract
G	Section VI. Schedule of Requirements
H	Section VII. Technical Specifications
I	Financial Proposal Submission Sheet
J	Notice of Award
K	Performance Security

II. Work Schedule

- A. The **CONTRACTOR** shall provide and assign qualified personnel to the **DOST-PCHRD** from Monday-Friday and render at least eight (8) hours of work per day or a total of forty (40) hours of work per week, subject to existing PCHRD guidelines on Working Arrangement.
- B. Personnel assigned to the **DOST-PCHRD** must observe its schedule including work suspension as well as special and non-working holidays.
- C. The Work Schedule is subject to change at any time when required by the **DOST-PCHRD** and upon written communication with the **CONTRACTOR**.

III. Personnel Matters

- A. The **DOST-PCHRD** has the right to screen applicants and choose the personnel to be assigned. The **CONTRACTOR** shall consider hiring the existing contract service staff of the **DOST-PCHRD** in relation to this contract. The **CONTRACTOR** shall be the one to post the vacant position in different job portals and shall provide **DOST-PCHRD** successful candidates based on the qualification standards and preferred qualifications. In case of failure to provide successful candidates, a reduction equivalent to a 1% administrative fee will be imposed. For every batch of unsuccessful candidates during the cut-off, a reduction of 1% will be imposed on the administrative fee.
- B. The **CONTRACTOR** shall ensure that all personnel to be assigned to **DOST-PCHRD** are eligible with the minimum standards/qualifications set by **DOST-PCHRD**.
- C. The **CONTRACTOR** shall provide the result of pre-employment examination results to the **DOST-PCHRD** and a copy of employment requirements submitted by the staff.
- D. The personnel shall be exclusively assigned by the **CONTRACTOR** to the **DOST-PCHRD**. They are required to observe the **DOST-PCHRD's**

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Office Rules and Regulations and must conduct themselves in a manner appropriate for a government employee (even if there is no employee-employer relationship) as they are serving as part of the organization.

- E. The **CONTRACTOR** shall provide the **DOST-PCHRD** with the list of benefits to be given to the assigned personnel, including those that are company-initiated.
- F. The **CONTRACTOR** shall pay the personnel all benefits required by law.
- G. The **CONTRACTOR** shall provide the **DOST-PCHRD** with the guidelines for Leave Benefits and Monetization. The monetization of leave credits shall be processed by the **CONTRACTOR**, following the **CONTRACTOR** guidelines on Leave Monetization.
- H. The **CONTRACTOR** shall follow the guidelines and policies for the training program implemented by the **DOST-PCHRD** (even if there is no employee-employer relationship) as they are serving as part of the organization.
- I. The **CONTRACTOR** shall conduct a periodic performance evaluation of personnel which will serve as the basis for the continuation of services of the staff.
- J. The **DOST-PCHRD** has the right to request that the assigned personnel be relieved from the **DOST-PCHRD** and be replaced immediately in case of violation of the rules and regulations as well as internal policies of the **DOST-PCHRD**, or for any other reasonable cause such as, but not limited to:
- Unsatisfactory performance within one rating period;
 - Serious misconduct or willful disobedience of the assigned personnel of the rules and regulations, as well as internal policies of the Council;
 - Habitual neglect of duties;
 - Fraud or willful breach of trust by the assigned personnel; and
 - Commission of a crime or offense by the assigned personnel against **DOST-PCHRD**.
- K. The **CONTRACTOR** must ensure that all personnel shall agree to assign to the **DOST-PCHRD** all intellectual property rights including but not limited to patents, copyrights, utility models, and related rights arising from the services of the personnel deployed to the **DOST-PCHRD** in exchange for salary, honorarium, or any remuneration that personnel will be receiving.
- L. The **CONTRACTOR** must ensure that a Deed of Assignment, provided by **DOST-PCHRD**, is signed by the employee as an annex to the employment contract. It shall provide that in exchange for the salary received, the employee shall assign all its Intellectual Property rights to **DOST-PCHRD** which are related to the project outputs during the course of employment.
- M. The **CONTRACTOR** must ensure that all personnel shall agree to execute all documents, and do all acts as may be deemed necessary by the **DOST-PCHRD**, to give effect to these terms.

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- N. The **CONTRACTOR** must ensure that the assigned personnel shall secure necessary clearance for all accountabilities at the end of his/her assignment in the **DOST-PCHRD** or in case of voluntary resignation or retirement. Failure to submit all the required documents and clearances shall mean withholding of monetary benefits due to the assigned personnel.
- O. The **CONTRACTOR** shall guarantee payment of salaries of staff for the first three (3) months of the contract even prior to the release of funds from the **DOST-PCHRD**.
- P. In case there is a need for the personnel assigned at **DOST-PCHRD** to travel, the **DOST-PCHRD** shall process requirements for travel, per the advice of the **personnel**. Separate guidelines regarding this matter will be formulated by **BOTH** parties subject to the rules and regulations set by the government regulatory authorities. Travel Order can only be issued by the **DOST-PCHRD** without per diem charged to the council.

IV. Terms of Payment and Contract Price

- A. **DOST-PCHRD** shall pay the **CONTRACTOR** on a semi-monthly basis based on actual services rendered by personnel deployed to **DOST-PCHRD** supported by daily time record, accomplishment report, certificate of services rendered, proof of payment of Social Security System (SSS), Bureau of Internal Revenue (BIR), PhilHealth and Home Development Mutual Fund (HDMF).
- B. The **CONTRACTOR** shall provide detailed computation for the salaries and benefits for each position. Said computation shall form part of the contract and shall be the basis for billing purposes;
- C. The **CONTRACTOR** shall submit periodic reports or certification on the strict compliance of labor laws pertaining to personnel salaries and benefits as support to billing;
- D. The billable amount under this contract and/or the contract price may be adjusted or updated in consideration of any of the following:
- Government-mandated increases on wages or salaries, SSS, PhilHealth, and HDMF (Pag-IBIG) contributions, or other similar increases mandated by the appropriate government authority.
 - Additional work (OT) as required by the **DOST-PCHRD** or deductive work (under time and absences). The total cost of additive work or deductive work shall be based on the unit cost specified in the original Contract Price. Total payment for overtime services and actual services rendered within the contract period shall not exceed the Approved Budget for the Contract.
- E. The **CONTRACTOR** shall file their income and business tax returns and other required information electronically using the Electronic Filing and Payment System (EFPS);
- F. The **CONTRACTOR** shall furnish the **DOST-PCHRD** a copy of its income and business tax returns duly stamped and received by the Bureau of Internal Revenue (BIR) with a copy of tax payments made

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relative to the contract. Failure to do so shall entitle the **DOST-PCHRD** to suspend payment to the **CONTRACTOR** for service rendered; and

- G. The **CONTRACTOR** shall submit a tax clearance from the BIR duly stamped and received by the BIR every first week of March during the life of the contract.

V. Contract Period

- A. The contract period shall be effective for a period of 12 months **commencing on the first working day of January 2024 and ending on December 31, 2024.**
- B. For positions that are required for less than 12 months, the **DOST-PCHRD** shall notify the **CONTRACTOR**, in writing, on the specific start date of said positions.
- C. The **DOST-PCHRD** reserves the right to terminate the contract in case the **CONTRACTOR** fails to fulfill any of the obligations set forth in this contract. In case of termination, a **thirty (30) day notice** shall be made by the **DOST-PCHRD**.

VI. Confidentiality

- A. The **DOST-PCHRD** and the **CONTRACTOR** shall hold in strict confidence all information furnished by one to the other and shall not dispose of the same to any third party without the prior written consent of the other party to the party providing such confidential information. The **DOST-PCHRD** and the **CONTRACTOR** shall sign a Non-Disclosure Agreement to satisfy this provision. Additionally, the **CONTRACTOR** shall extend such agreement with all employees to be assigned to the **DOST-PCHRD** by requiring the signing of a similar document. The **CONTRACTOR** shall furnish **DOST-PCHRD** a copy of such document.
- B. It is hereby further agreed that both parties shall likewise hold on strictest confidence all information relating to this Contract that may be entered into by the parties, and shall not disclose information unless expressly agreed upon in writing by the parties hereto.

VII. Other Conditions

- A. Any judicial action to enforce any of the terms stated herein shall be instituted and prosecuted in the court of appropriate jurisdiction in Taguig City, Philippines.
- B. The **CONTRACTOR** shall guarantee for the loss or damage of the **DOST-PCHRD's** property used by the assigned personnel, unless it has been duly established after investigation that said loss or damage did not result from the act, omission, negligence, or fault of the **CONTRACTOR** or any of its employees. Such loss or damage must be reported in writing to the **CONTRACTOR** within five (5) working days from the occurrence or discovery thereof. When such loss or damage is caused by force majeure or fortuitous event, the **CONTRACTOR** shall not, in any way, be made responsible.
- C. The assigned personnel are the exclusive employees of the **CONTRACTOR** and there exists no employer-employee relationship

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between them and the **DOST-PCHRD**. As such, claims of any nature, financial or otherwise, by the assigned personnel arising out of and/or in connection with their employment by the **CONTRACTOR** shall be the sole responsibility of the latter.

- D. The personnel to be assigned must be trained and with adequate experience, physically and mentally fit, courteous and honest, and are provided by the **CONTRACTOR** with identification cards.
- E. The cost of coverage of the assigned personnel for SSS, PhilHealth, Pag-IBIG, and other benefits due to them shall be the sole responsibility of the **CONTRACTOR**.
- F. The assigned personnel shall submit to personal search and spot check by the **DOST-PCHRD** Security Guards when required and must observe/abide by all security regulations and requirements of the **DOST-PCHRD**.
- G. Upon the request of the **DOST-PCHRD**, the **CONTRACTOR** shall relieve any of its assigned personnel with whom the **DOST-PCHRD** has lost trust and confidence, or who was found inefficient, disobedient, or disrespectful, or for any other valid or justifiable reason.
- H. The **DOST-PCHRD** is not answerable or liable whatsoever for any claim of the assigned personnel arising from the performance of their duties and/or in the course of employment with the **CONTRACTOR**, including claims for benefits due to the **CONTRACTOR** personnel.
- I. The **CONTRACTOR** shall provide a dedicated contact person who shall be responsible for addressing concerns relative to the implementation of this contract. This contact person shall visit their employees from time to time or as needed.

VIII. Amendment

- A. The **DOST-PCHRD** may change the number of positions as well as the positions initially identified under this procurement contract. Provided that the amendments shall not exceed the contract price and that the position titles are based on the DOST Administrative Order No. 13 and shall remain in force until revoked or amended and is subject to change once a new DOST Administrative Order is released by the Central Office. These changes shall be communicated in writing with the **CONTRACTOR** and shall take effect upon the agreement of both parties.
- B. Any other amendment in the terms, conditions, or provisions not stipulated in this document should be covered by a separate agreement as proposed and agreed upon by the **DOST-PCHRD** and **CONTRACTOR**.

IX. Separability

- A. Any part, provision, or representation relative to this contract that is prohibited or which is held to be void or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.


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IN WITNESS WHEREOF, the parties have hereunto **AFFIXED** their signatures on 2nd day of January 2024 at Bicutan, Taguig City.

**PHILIPPINE COUNCIL FOR HEALTH
RESEARCH AND DEVELOPMENT**

By:



JAIME C. MONTOYA, MD, MSc, PhD, CESO II
Executive Director III

**DBP SERVICE
CORPORATION**

By:


RAUL LUIS D. MANALIGOD
President

SIGNED IN THE PRESENCE OF:


MICHELLE V. ATIENZA
Division Chief, FAD


JOSE G. DE LEON
Senior Manager

CERTIFIED FUNDS AVAILABLE


JESSAMYN M. BUCLATIN
Accountant III



ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
PROVINCE OF _____) S.S
MUNICIPALITY OF TAGUIG CITY)

BEFORE ME, a Notary Public for and in TAGUIG CITY City,
Philippines, this _____ day of JAN 16 2024, 2024, personally:

Name	Govt. Issued ID	Issued at/on and place of issue
Jaime C. Montoya	PCHRD ID # JCM-P05-12033	PCHRD, Taguig City
Raul Luis D. Manaligod	SSS ID # 33-4092339-4	Quezon City

To me known to be the same persons who executed the foregoing instruments and acknowledge to me that the same is their free and voluntary act and deed and that of the corporation/entity that respectively represent.

The foregoing instrument refers to a Contract of Service for PCHRD consisting of eight (8) pages including this page on which this acknowledgement is written, and the same signed by the parties hereof and their instrumental witnesses on each and every page thereof.

WITNESS MY HAND AND NOTORIAL SEAL this JAN 16 2024 day of
TAGUIG CITY, 2024 at the City of _____.

Notary Public

RACHEL ~~MAY~~AYA W. COPANUT-PANGWI
NOTARY PUBLIC UNTIL Dec. 31, 2025/TAGUIG CITY
Not. Com. Appt. No. 29 (2024-2025)
2/F, Pacura Bldg. 427 MLO. St., Lower Bicutan, Taguig City
PTR No. A-6089421/1-3-2024, Taguig City
IBP O.R. No. 327805-12/13/2023, RSM
MCLE Comp. No. VII-0007104/11-22-2021
ROLL No. 61627

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