

BIDS AND AWARDS COMMITTEE (BAC) FOR GOODS

RESOLUTION NO. BG-HRIS- 2021-01

**Procurement of the Annual Acumatica HRIS Software-as- a-Service
Subscription through Direct Contracting**

WHEREAS, the Bases Conversion and Development Authority (BCDA), through its Information and Communications Technology Department (ICTD), intends to procure **Annual Acumatica HRIS Software-as-a-Service Subscription through Direct Contracting** with an Approved Budget for Contract (ABC) amounting to **One Million One Hundred Ninety-Nine Thousand Seven Hundred Forty-Four and 00/100 pesos (Php1,199,744.00)**, inclusive of all applicable taxes and fees;

WHEREAS, BCDA approved the inclusion of this project in the BCDA 2021 Annual Procurement Plan. The Executive Vice President and Officer-in-Charge of the Corporate Services Group approved its procurement on 04 October 2021 with the above-stated budget;

WHEREAS, Human Resource Information System (HRIS) is a module of Acumatica ERP that handles Human Resource (HR) functions such as personnel information management, timekeeping, and payroll, among others. The HRIS, being a centralized repository for employee data, removes the need to store paper files as well as the need to search through large paper-based employee files to find information. The HRIS also generates various reports, provides ad hoc reporting capabilities and offers HR analytics on important metrics such as headcount and turnover.

WHEREAS, CloudQuest Solution has issued a certification dated 10 November 2021 regarding the proprietary nature of Acumatica HRIS and Payroll System developed by CloudQuest Solutions/OctalPhilippines,Inc. stating therein that the said system is not available for purchase from or enhancement by any other provider unless authorized by CloudQwest Solutions; Further, Acumatica confirms that HRIS was developed by CloudQwest and CloudQuest is the only partner that has developed an HRIS for Acumatica. (*herewith attached as Annex "A"*);

WHEREAS, in its 11 October 2021 approved Memo to the BAC for Goods (**Annex "B"**), ICTD was requesting the **Procurement of the Annual Acumatica HRIS Software-as- a-Service Subscription through Direct Contracting** with an ABC amounting to One Million One Hundred Ninety-Nine Thousand Seven Hundred Forty-Four and 00/100 pesos (Php1,199,744.00), inclusive of all applicable taxes and fees;

WHEREAS, in the 17 November 2021 Memo to the Bids and Awards Committee for Goods, ICTD presented the following:

- A. HRIS is a locally developed module of Acumatica ERP that handles HR functions such as personnel information management, timekeeping, and payroll, among others;
- B. Acumatica has released a new version of the system platform last year and this is compatible with the latest Google Chrome browser;
- C. BCDA is still using the previous version of Acumatica and currently undergoing upgrade activities to the latest version of the Acumatica ERP system platform, however the process is not quick nor easy as a full upgrade is similar to an initial implementation and roll out, as detailed below:
 - a. BCDA Acumatica has several modules like Financial Management, Budget, Procurement with Purchase Request, Purchase Order, Inspection Acceptance Receipt, Property, Treasury, HR, Payroll, among others;
 - b. All these modules require configuration in the NEW version as the new version contains new functions, deletion or deprecation of functions that aims to remove bugs and overall improve the functionality. This has to be done before migrating all the data/information from the old version.
 - c. Last January 2021, our service provider started testing a new instance or staging server/sandbox for BCDA for the latest Acumatica version and the end-users were given access to validate and test the configuration, reports/forms and system processes using some of the existing data.
 - d. End-users with the help of ICTD are currently testing their own modules in the new version prior to the uploading of all previous and latest data to the new version;
 - e. Testing results and issues have been reported to the service provider for resolution and they address each issue reported and returns to the end-user for testing and validation;
 - f. This process continues until all of the modules are working as it is in the old version. Once it reaches this stage, all existing data in the old version is migrated to the new version;
 - g. After this is done the end-users need to once again validate that the data are accessible, and comply with the proper process including the workflow approval transactions within the system;
- D. Due to the ongoing upgrade activities of the BCDA Acumatica to the new version which is Acumatica 2020R1, ICTD has recommended using non-Chromium based internet browsers such as Internet Explorer (IE) and Mozilla Firefox which are compatible with BCDA's old version of Acumatica;
- E. Once upgrade activities are completed the new version will provide BCDA a better ERP and HRIS experience and at the same time address the compatibility issues.

WHEREAS, employing the services of only one system implementer/developer is more advantageous to the government because of its efficiency and economy considering that BCDA is assured of seamless integration and compatibility of the HRIS and the rest of the Enterprise Resource Planning (ERP) functionality to the BCDA system;

WHEREAS, since the Octal Philippines, Inc/CloudQwest Solutions, Inc. is the sole and authorized distributor of **Acumatica HRIS Software-as-a-Service** License within the Philippines, the renewal of the said license can be procured through direct contracting pursuant to Section 50 (a) and (c) of the Revised Implementing Rules and Regulations (RIRR) of Republic Act (RA) No. 9184 on Alternative Method of Procurement which states that:

“Direct Contracting may be resorted to by the concerned Procuring Entities under any of the following conditions:

- a. Procurement of Goods of proprietary nature which can be obtained only from the proprietary source, i.e. when patents, trade secrets, and copyrights prohibit others from manufacturing the same item;*
- b. When the procurement of critical components from a specific supplier is a condition precedent to hold a contractor to guarantee its project performance, in accordance with the provisions of its contract; or*
- c. Those sold by an exclusive dealer or manufacturer which does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms to the government.”*

NOW, THEREFORE, foregoing premises considered, we, the members of the BAC-G, hereby **RESOLVE**, as it is hereby resolved, to recommend the following:


1. The Procurement of **Annual Acumatica HRIS Software-as-a-Service Subscription through Alternative Method via Direct Contracting**, pursuant to Section 50 (a) and (c) of the RIRR of Republic Act No. 9184;
2. Award the contract to Octal Philippines, Inc/CloudQwest Solutions, Inc. for the **Annual Acumatica HRIS Software-as-a-Service Subscription** in the total amount of **One Million One Hundred Ninety-Nine Thousand Seven Hundred Forty-Four and 00/100 pesos (Php1,199,744.00)**, inclusive of all applicable taxes and fees;
3. To issue the corresponding Notice of Award to Octal Philippines, Inc/CloudQwest Solutions, Inc. (Copy Attached); and

4. To direct the Information and Communications Technology Department (ICTD), being the end-user units, to facilitate the preparation and execution of the Notice to Proceed and agreement/contract and furnish the same to BAC-G together with the duly conformed Notice of Award (NOA).

RESOLVED, at the BCDA Corporate Office on 27 December 2021.

BIDS AND AWARDS COMMITTEE (BAC) FOR GOODS


JOSHUA M. BINGCANG
Chairperson


JOCelyn L. CANIONES
Vice Chairperson


SAMUEL JOHN L. VIDALLON
Member


CHRISTIAN T. DULDULAO
Member


RITCHIE P. PACLIBAR
Member

Approved By:


AILEEN ANUNCIACION R. ZOSA
Executive Vice President

BACG2021-0204

Annex A

ACUMATICA PARTNER CERTIFICATE

Issue Date: 11/10/2021

BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA)

BCDA Corporate Center
2nd Floor Bonifacio Technology Center
31st Street Corner 2nd Avenue, Bonifacio
Global Taguig City,
Philippines

RE: Bases Conversion and Development Authority/CloudQwest Solutions/Octal Philippines, Inc.

To Whom It May Concern:

In reference to the Acumatica Contract of CloudQwest Solutions/Octal Philippines, Inc., with Bases Conversion and Development Authority (BCDA), we would like to certify that CloudQwest Solutions/Octal Philippines Inc., is an Acumatica Partner in the Philippines, and is the exclusive partner responsible to handle Bases Conversion and Development Authority (BCDA) and its subsidiaries, as they will deliver the ERP and HRIS/PAYROLL requirements of Bases Conversion and Development Authority (BCDA) and its subsidiaries.

CloudQwest Solutions/Octal Philippines, Inc., is a partner authorized to conduct the due diligence and requirements of Bases Conversion and Development Authority (BCDA) and its subsidiaries of Acumatica projects.

CloudQwest Solutions/Octal Philippines, Inc. is the only partner who provides localized HRIS/Payroll solution authorized by Acumatica for the Philippines.

CloudQwest Solutions/Octal Philippines Inc. partnership with Acumatica is active and automatically renewed every year unless a written notice is provided.

Best Regards,



Todd Inslee
Corporate Counsel
Acumatica, Inc.

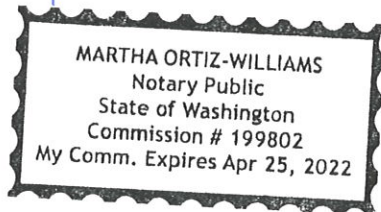
State of Washington

County of King

On this 10th day of November 2021 I certify that the foregoing document was signed before me
by Todd Insee . Martha Ortiz-Williams Notary Public. My commission
expires 4/25/22.

Martha Ortiz Williams
Notary

Martha Ortiz-Williams



ACUMATICA PARTNER CERTIFICATE

Issue Date: 11/10/2021

BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA)
BCDA Corporate Center
2nd Floor Bonifacio Technology Center
31st Street Corner 2nd Avenue, Bonifacio
Global Taguig City,
Philippines

RE: Bases Conversion and Development Authority/CloudQwest Solutions/Octal Philippines, Inc.

To Whom It May Concern:

In reference to the Acumatica Contract of CloudQwest Solutions/Octal Philippines, Inc., with Bases Conversion and Development Authority (BCDA), we would like to certify that CloudQwest Solutions/Octal Philippines Inc., is an Acumatica Partner in the Philippines, and is the exclusive partner responsible to handle Bases Conversion and Development Authority (BCDA) and its subsidiaries, as they will deliver the ERP and HRIS/PAYROLL requirements of Bases Conversion and Development Authority (BCDA) and its subsidiaries.

CloudQwest Solutions/Octal Philippines, Inc., is a partner authorized to conduct the due diligence and requirements of Bases Conversion and Development Authority (BCDA) and its subsidiaries of Acumatica projects.

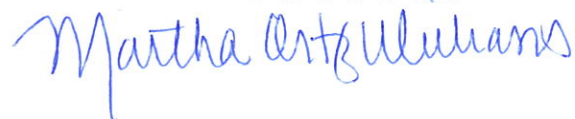
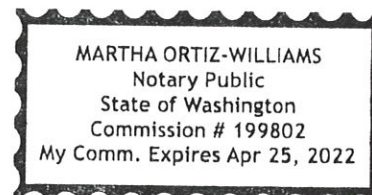
CloudQwest Solutions/Octal Philippines, Inc. is the only partner who provides localized HRIS/Payroll solution authorized by Acumatica for the Philippines.

CloudQwest Solutions/Octal Philippines Inc. partnership with Acumatica is active and automatically renewed every year unless a written notice is provided.

Best Regards,




Todd Inslee
Corporate Counsel
Acumatica, Inc.



Annex B

INTERNAL MEMO

FOR THE CHAIRPERSON AND MEMBERS, BAC FOR GOODS

FROM : **VIRGIL M. ALVAREZ** 
Vice President, ICTD

DATE : **October 11, 2021**

SUBJECT : **Request for the Procurement of the Annual Acumatica
HRIS Software-as-a-Service Subscription**

In compliance with the provision of Republic Act No. 9184 or the Government Procurement Reform Act, we are hereby endorsing for the consideration of the Bids and Awards Committee for Goods (BAC-G) the Procurement of the Annual Acumatica HRIS Software-as-a-Service Subscription through Direct Contracting.

The budget for the procurement amounts to One Million One Hundred Ninety Nine Thousand Seven Hundred Forty Four and 00/100 pesos (Php1,199,744.00), inclusive of VAT and charged under the ICTD's IT Annual Maintenance and Software Licensing.

Attached is the approved memorandum of the request for the procurement for the BAC-G's perusal.

FOR THE BAC-G's CONSIDERATION. THANK YOU.



INTERNAL MEMO

FOR : **AILEEN AN R. ZOSA** ^{OK.} *AAR* 10-11-2021
Executive Vice President

THRU : **PATRICK ROEHL C. FRANCISCO** *PRC*
Officer-in-Charge, CSG

VIRGIL M. ALVAREZ *Virgil M. Alvarez*
Vice President, ICTD

FROM : **MA. LUISA M. RODRIGUEZ** *Lay* October 8, 2021
ITO II, ICTD

DATE : **October 4, 2021**

SUBJECT : **Request for the Procurement of the Annual Acumatica HRIS Software-as-a-Service Subscription**

Background

Human Resource Information System (HRIS) is a module of Acumatica ERP that handles HR functions such as personnel information management, timekeeping, and payroll, among others.

The HRIS was initially procured last 2017 through direct contracting from its exclusive distributor, Cloudqwest Solutions Inc./Octal Philippines as shown in BAC Resolution No. BG2017-038 (Annex A). Exclusivity was confirmed through a certification issued by Acumatica Asia, while ownership of intellectual property was provided through a notarized certification issued by Cloudqwest.

The annual HRIS Software-as-a-Service subscription is necessary for the continued use of the system.

Below is the table showing acquisition cost and annual license and subscription cost for 2019 and 2020 as per Notice of Award (Annex B):

Acquisition Cost:	Php 780,000.00
Cost for 2019:	Php 1,199,744.00
Cost for 2020:	Php 1,199,744.00

The difference in cost can be attributed to the following:

1. Discount of \$5,000 provided by Cloudqwest during acquisition or total of Php 291,200.00 (VAT Inc.);
2. VAT of Php 93,600.00 absorbed by Cloudqwest Solutions Inc./Octal Philippines during acquisition, and;
3. Acumatica 3% licensing increase of \$600 or Php 34,944.00 (VAT Inc.) for 2019

Last year and 2019, the same amount was quoted by Cloudqwest Solutions Inc./Octal Philippines for the annual subscription which amounts to One Million One Hundred Ninety Nine Thousand Seven Hundred Forty Four and 00/100 pesos (Php 1,199,744.00), VAT inclusive.

Mode of Procurement

Under Section 50 of Rule XVI - Alternative Methods of Procurement of the 2016 Revised Implementing Rules and Regulations of R.A. 9184, direct contracting may be resorted to under any of the following conditions:

- a. Procurement of Goods of proprietary nature which can be obtained only from the proprietary source, i.e. when patents, trade secrets, and copyrights prohibit others from manufacturing the same item;
- b. When the procurement of critical components from a specific supplier is a condition precedent to hold a contractor to guarantee its project performance, in accordance with the provision of its contract; or
- c. Those sold by an exclusive dealer or manufacturer which does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms to the GoP.

In this case, the following applies:

- a. *Procurement of Goods of proprietary nature which can be obtained only from the proprietary source, i.e. when patents, trade secrets, and copyrights prohibit others from manufacturing the same item* - Octal Philippines, Inc./ Cloudwest Solutions owns the intellectual property of the HRIS module having developed the functionality on top of the existing ERP. (Annex C)
- b. *Those sold by an exclusive dealer or manufacturer which does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms to the GoP* - Octal Philippines, Inc./ Cloudwest Solutions, Inc. has been assigned by Acumatica as the “exclusive partner responsible to handle Bases Conversion and Development Authority (BCDA) and its subsidiaries” as attested to by a certification issued by them.

Also, ICTD was able to seek the legal opinion from the Legal Services Department on Direct Contracting, dated 20 March 2018 (Annex D) wherein

they cited that a notarized certification should be provided stating that the supplier is the exclusive distributor of their product.

Attached is the notarized certification from Acumatica which states that Cloudqwest Solutions Inc./Octal Philippines is the exclusive partner responsible to handle BCDA and that its partnership with Acumatica is automatically renewed every year unless a written notice is provided (Annex E).

Notwithstanding the provided justification, the mode of procurement will still be subject to the approval of the Bids and Awards Committee for Goods.

Requested Action

In view thereof, we are endorsing herewith the procurement of the annual HRIS Software-as-a-Service subscription through Direct Contracting and charged under ICTD's Annual Maintenance and Software Licensing budget amounting to One Million One Hundred Ninety Nine Thousand Seven Hundred Forty Four and 00/100 pesos (Php1,199,744.00), inclusive of applicable fees and taxes, which is the same amount for the past two years.

Attached is the supplier's proposal (Annex F) and the Annual Procurement Plan 2021 for HRIS Subscription Maintenance BG2021-111 (Annex G).

Attached for reference are the following documents.

1. BAC Resolution No. BG2017-038 (*Annex A*);
2. 2019 and 2020 Notice of Award (*Annex B*);
3. Octal Philippines Inc./Cloudqwest Solutions and Acumatica for HRIS and Payroll Proprietary Certificate (*Annex C*);
4. LSD Legal Opinion on Direct Contracting (*Annex D*);
5. Certificate of Exclusive Distributorship, notarized copy (*Annex E*);
6. 2021 Proposal of Cloudqwest Solutions Inc./Octal Philippines (*Annex F*);and
7. Approved Annual Procurement Plan BG2021-111 (*Annex G*);

FOR YOUR CONSIDERATION AND APPROVAL, PLEASE. THANK YOU.



2/F Bonifacio Technology Center, 31st St. cor 2nd Avenue
Bonifacio Global City, Taguig City

PURCHASE REQUEST

Department: Information and Communications Technology Department **Purchase Request No.:** 0002700
Date: 8 October 2021

Unit	Item Description	APP Code	Quantity	Unit Cost (ABC)	Total Cost
ITEM	HUMAN RESOURCE INFORMATION SYSTEM	BG2021-111	1	1,199,744.00	1,199,744.00

PURPOSE: Acumatica HRIS

	Prepared by:	Requested by:	Approved by:	Issued by:	Received by:
Signature					
Printed Name	LENNY-MINGO	VIRGIL M. ALVAREZ	PATRICK ROEHL C. FRANCISCO		
Designation	Information Assistant II/Data Encoder - Controller	Vice President, ICTD	Officer-In-Charge, CSG		

BIDS and AWARDS COMMITTEE for GOODS (BAC-G)

RESOLUTION No. BG 2017-038

 Procurement of ACUMATICA Human Resource Information System
 (HRIS) Through Direct Contracting

WHEREAS, the Basins Conversion and Development Authority (BCDA), through the Information and Communications Technology Department (ICTD), intends to procure the ACUMATICA Human Resource Information System (HRIS) through Direct Contracting, as requested in its memo to the BAC-G dated 10 October 2017 (Annex "A");

WHEREAS, the revised Terms of Reference for the HRIS with an Approved Budget for the Contract (ABC) of PhP1,900,000.00 was approved by the PCEO through a memo from the ICTD dated 13 September 2017 (forms part of Annex "A" as Attachment A);

WHEREAS, the Enterprise Resource Planning (ERP) System that BCDA recently procured has an HRIS module that could cover the system requirements of HRIS subject of procurement;

WHEREAS, CloudQwest Solutions, Inc./Octal Philippines, Inc. is BCDA's consultant for the implementation of the ERP System;

WHEREAS, Acumatica PTE. Ltd, in its letter dated 28 February 2017 (Attachment G of Annex "A"), certifies that CloudQwest Solutions/Octal Philippines, Inc. is an Acumatica Partner in the Philippines and is the exclusive partner responsible to handle the Acumatica projects of BCDA and its subsidiaries;

WHEREAS, CloudQwest Solutions issued a certification of the proprietary nature of Acumatica HRIS and Payroll System developed by CloudQwest Solutions/Octal Philippines, Inc. stating therein that said system is not available for purchase from or enhancement by any other provider unless authorized by CloudQwest Solutions (Attachment H of Annex "A"); further, Acumatica confirms that HRIS was developed by CloudQwest and they are the only partner that has developed an HRIS for Acumatica (Attachment I of Annex "A");

WHEREAS, employing the services of only one system implementer/developer is more advantageous to the government, promotes efficiency and economy considering that BCDA is assured of seamless integration and compatibility of the HRIS and the rest of the ERP functionality; further, after-project support would be simpler as BCDA need not deal with two entities when issues/problems arise;

WHEREAS, ICTD is endorsing the procurement of the Acumatica HRIS Module through Direct Contracting pursuant to Sections 50 (a) and 50 (c) of the Revised IRR of RA 9184 on Alternative Method of Procurement which state that:

"Direct Contracting may be resorted to by concerned Procuring Entities under any of the following conditions:

- a) *Procurement of Goods of proprietary nature which can be obtained only from the proprietary source, i.e. when patents, trade secrets, and copyrights prohibit others from manufacturing the same item; "*
- b) *xxx*

BCDG Res. No. BC2017-038, Procurement of Acumatica HRIS
 (via Direct Contracting) w/ CloudQwest Solutions, Inc.

Page 1 of 3

P.O. Box 42, Taguig Post Office
 Taguig City, Philippines

Tel. +63 2 876 1700 - Telefax +63 2 885 0695
 Website: www.bcda.gov.ph

BCDA Corporate Center
 2/F Bonifacio Technology Center
 51st St. cor. 8th Ave. Bonifacio Global City,
 Taguig City 1634 Philippines



- c) *Those sold by an exclusive dealer or manufacturer which does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms to the Government.*”

WHEREAS, Article V (A) of Annex H of the Revised IRR of RA 9184 provides:

“To justify the need to procure through the Direct Contracting method, the End-User should conduct a survey of the industry and determine the supply source. In all cases where Direct Contracting is contemplated, the survey must be conducted prior to the commencement of the procurement process. Moreover, the End-User must justify the necessity for an item that may only be procured through Direct Contracting, and it must be able to prove that there is no suitable substitute in the market that can be obtained at more advantageous terms.”

And in compliance to the foregoing provision, ICTD submitted an Abstract of Quotation Report (Annex “B”) from six suppliers which showed that CloudQwest Solutions has the lowest calculated and responsive bid;

WHEREAS, in its proposal dated 20 October 2017 (Annex “C”), CloudQwest Solutions, Inc. submitted the Implementation Methodology as well as the Price Quotation for the ACUMATICA ERP Licenses and Services as follows:

Project Investment		Amount (in Pesos, Php)
ACUMATICA ERP Licenses	Payroll & HRIS Software License	780,000.00
	Annual Maintenance Fee - bundled for free: > unlimited license users > license can be used for 5 to 10 companies > with Business Intelligence (BI) System	-Not Applicable-
Implementation Services	Business process and set up for the implementation on the Payroll & HRIS Functionalities	820,000.00
	Support Services Cost, covers 12 months	100,000.00
	Training Cost	200,000.00
TOTAL		Php1,900,000.00

WHEREAS, in the same memo to the BAC-G, ICTD is also endorsing the procurement of the Biometrics Access Control Hardware through Small Value Procurement with an ABC of Php100,000.00;

NOW, THEREFORE, foregoing premises considered, we, the Members of the Bids and Awards Committee for Goods, hereby RESOLVE, as it is hereby resolved, to recommend the following:

1. The procurement of *ACUMATICA Human Resource Information System (HRIS)* through *Direct Contracting* with *CloudQwest Solutions, Inc./Octal Philippines, Inc.* at a contract price of **ONE MILLION NINE HUNDRED THOUSAND PESOS (Php1,900,000.00)** inclusive of all applicable taxes and fees;
2. The procurement of the *Biometrics Access Control Hardware* through *Small Value Procurement* with an ABC of **Php100,000.00**, delegated to the End-User or the PPMD pursuant to BAC-G Resolution No. BG 2017-001 dated 10 January 2017 authorizing the Procurement and Property

BACG Res. No. 002017-001, Procurement of Acquisition MMS
 Plus Direct Contracting of CloudQwest Solutions, Inc.
 November 2017

Page 2 of 3

Management Department (PPMD) to proceed with the procurement of goods through applicable Alternative Methods of Procurement (AMP).

RESOLVED, at the BCDA Corporate Office this 3rd day of November 2017.

BIDS AND AWARDS COMMITTEE (BAC) FOR GOODS


AILEEN ANUNCIACION R. ZOSA
Chairperson


BLAISE MARIE E. ALARAS-MALABANAN
Vice Chairperson


NANCY V. PAJE
Member


EDUARDO G. POLICARPIO
Member


NORMA S. FABUSTAN
Member

Approved by:

VIVENCIO B. DIZON
President and CEO

BAC for Goods
BCDA

BAC02017 - 0120



08 December 2020

CARLOS Q. YABUT
 President
 Octal Philippines, Inc./CloudQwest Solutions, Inc.
 2F QY Building, 233 Tomas Morato Extension
 Brgy. South Triangle, Quezon City

Subject: NOTICE OF AWARD
*Annual Acumatica Human Resource Information System (HRIS)
 Software-as-a-Service Subscription through Direct Contracting*

Dear Mr. Yabut:

We are pleased to notify you that the Procurement for the Annual Acumatica Human Resource Information System (HRIS) Software-as-a-Service Subscription is hereby awarded to Octal Philippines, Inc./CloudQwest Solutions, Inc. at the contract price of One Million One Hundred Ninety-Nine Thousand Seven Hundred Forty-Four Pesos & 00/100 (Php1,199,744.00) inclusive of all applicable taxes and fees.

The contract shall be for a period of one (1) year commencing from the issuance of Notice to Proceed unless otherwise terminated pursuant to causes stated in the contract.

You are therefore required, within ten (10) calendar days from the receipt of this Notice of Award, to formally enter into contract with the Bases Conversion and Development Authority (BCDA) provided, however, that all documentary requirements are complied with. Failure to enter into the said contract shall constitute a sufficient ground for cancellation of this Award.

Please indicate your concurrence by signing in the space below "Conforme" and return the same to BCDA upon signing.

Thank you.

Very truly yours,


AILEEN ANUNCIACION R. ZOSA
 Executive Vice President & Chief Operations Officer

Date: _____

Conforme:



CARLOS Q. YABUT
 Authorized Representative
 Date: _____ Dec 29, 2020

BG2020-0121

P.O. Box 42, Taguig Post Office
 Taguig City, Philippines

 Tel: +632 8761 1700 • Telefax: +632 8761 0188
 Website: www.bcdagov.ph



BCDA Corporate Center
 3/F G/F Bonifacio Technology Center
 38th St/Cor. 3rd Ave. Bonifacio Global City,
 Taguig City 1604 Philippines



25 October 2019

MS. AJIE E. MONTANER
Managing Director
CloudQwest Solutions, Inc./Octal Philippines, Inc.
2F QY Building, 233 Tomas Morato Ext.
Brgy. South Triangle, Quezon City

Subject: **NOTICE OF AWARD**
Renewal of Subscription of Human Resource Information
System (HRIS) and Software-as-a-Service of Acumatica
ERP through Direct Contracting

Dear Ms. Montaner:

We are pleased to notify you that the Bases Conversion and Development Authority (BCDA) hereby awards the contract to CloudQwest Solutions, Inc./Octal Philippines, Inc. for the Renewal of Subscription of Human Resource Information System (HRIS) and Software-as-a-Service of Acumatica ERP in the amount of **One Million One Hundred Ninety Nine Thousand Seven Hundred Forty Four Pesos and 00/100 (PhP1,199,744.00)** through Negotiated Procurement.

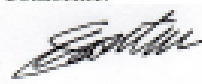
Please indicate your concurrence by signing in the space below "Conforme" and return the same to BCDA upon signing.

Thank you.

Very truly yours,


AILEEN AN. R. ZOSA
Executive Vice President
Date: _____

Conforme:


AJIE E. MONTANER
Authorized Representative
Date: October 25, 2019

*Renewal of Subscription of Human Resource Information System (HRIS) and
Software-as-a-Service of Acumatica ERP through Direct Contracting
(October 2019)*

Page 1 of 1



P.O. Box 42, Taguig Post Office
Taguig City, Philippines

Tel: +632 575 0700 • Telefax: +632 885 0995
Website: www.boda.gov.ph

BCDA Corporate Center
2/F Bonifacio Technology Center
3838 St. cor. 2nd Ave. Bonifacio Global City,
Taguig City 1634 Philippines





February 28, 2017

BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA)

BCDA Corporate Center
2nd Floor Bonifacio Technology Center
81st Street corner 2nd Avenue, Bonifacio Global City
Taguig City, Philippines

Gentlemen:

In reference to the Acumatica Contract of CloudQwest Solutions/Octal Philippines, Inc., with Bases Conversion and Development Authority (BCDA), we would like to certify that CloudQwest Solutions/Octal Philippines Inc., is an Acumatica Partner in the Philippines, the exclusive partner responsible to handle Bases Conversion and Development Authority (BCDA) and its subsidiaries, as they will deliver the systems requirements of Bases Conversion and Development Authority (BCDA) and its subsidiaries.

CloudQwest Solutions/Octal Philippines, Inc., is a certified partner to conduct the due diligence and requirements of Bases Conversion and Development Authority (BCDA) and its subsidiaries of Acumatica projects.

Truly yours,

THORSTEN LEPPEK
Asia Regional Director

8 Temasek Boulevard, #30-01/02 Suntec Tower 3, 038988, Singapore, Tel: +65 6549 7829 www.acumatica.com



**CERTIFICATION OF PROPRIETARY NATURE OF
ACUMATICA HRIS AND PAYROLL SYSTEM
DEVELOPED BY CLOUDQWEST SOLUTIONS/OCTAL PHILIPPINES, INC.**

This is to certify that the CloudQwest Solutions/ Octal Philippines, Inc. is the certified Acumatica Partner in the Philippines to exclusively handle Bases Conversion and Development Authority (BCDA) and its subsidiaries.

ACUMATICA Human Resource and Information System (HRIS) and Payroll System was developed exclusively by CloudQwest Solutions/ Octal Philippines, Inc. ACUMATICA Human Resource and Information System (HRIS) and Payroll System is not available for purchase from or enhancement by any other provider unless said provider has been authorized by CloudQwest Solutions/ Octal Philippines, Inc. for the same.

ACUMATICA Human Resource and Information System (HRIS) and Payroll System Datasheet is herewith attach for your reference.

Certified by:

A handwritten signature in black ink that reads "Carlos Que Yabut".

CARLOS QUE YABUT
PRESIDENT / CEO
CLOUDQWEST SOLUTIONS/OCTAL PHILS.

2nd FLR., QY BLDG., 233 TOMAS MORATO EXT., BRGY. SOUTH TRIANGLE, QUEZON CITY, PHILS.

ACKNOWLEDGMENT

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

BEFORE ME, personally appeared: QUEZON CITY

Name	Identification Document	Date/Place of Issue
CARLOS BUE YAGNO	N07-83-08894	OCT 9, 2014

They are known to me to be the same persons who executed the foregoing Certificate, and they acknowledged to me that the signatures they affixed confirm their voluntary act and the entities they represent.

SIGNED AND SEALED on AUG 17 2017 in Taguig City.

Doc. 130
Page 24
Book 83A
Series of 2017.

B. Alfonso
ATTY. BENJAMIN F. ALFONSO
NOTARY PUBLIC
UNTL. DECEMBER 31, 2017
PTR. NO. 3896846 - 5/16/2017 QUEZON CITY
IBP NO. 1038379 - 11/24/2016 QUEZON CITY
ROLL NO. 13296
ADM. MATTER NO. HP-046 (2017-2018)
ADD.: NO. 34 ASSET'S ST. 6818 VILL., PROJ. 3, Q.C.
MCLE NO. 8-0920276- OCT. 20, 2011

Opinion No. 2018-018

FOR : VIRGIL M. ALVAREZ
Department Manager, ICTD

THROUGH : AILEEN AN. R. ZOSI *AZR*
Executive Vice President
ELVIRA V. ESTANISLAO *EE*
General Counsel
EDILBERTO R. REBATO, Jr. *ER*
Attorney VI

FROM : MICHELLE T. REGALA-NIEBRES *MTR*
Attorney V

SUBJECT : Request for Legal Opinion on the use of Direct contracting as the
Modé of Procurement for the Renewal of Acumatica ERP Unlimited
Users License Subscription on cloud for the BCDA Group

DATE : 20 March 2018

We refer to the ICTD's request for opinion on the legal basis for the renewal of the software license of Acumatica ERP Unlimited Users License Subscription on cloud for the BCDA Group.

BACKGROUND:

As represented by the ICTD, the facts are as follows:

1. ICTD wants to renew the BCDA's Unlimited Users License Subscription of the Acumatica ERP and recommends that such renewal be made by direct contracting.
2. In March 2016, the BCDA procured the license from Octal Philippine, Inc./ Cloudqwest Solutions, Inc. (Octal/ Cloudqwest) for Eight Hundred and Ninety-Six Thousand (P896,000.00) and provides unlimited users license for 5 companies.
3. The subscription was renewed in 2017, also for a period of one year expiring on 31-March-2018.
4. The ICTD represents that in the Philippines, Octal/ Cloudqwest has been assigned by Acumatica as the exclusive partner responsible to handle BCDA and its subsidiaries, showing a certification attesting to the said exclusive distribution agreement. (Annex A)



Issue:

Can BCDA renew the contract for the ACUMATICA ERP Unlimited Users License Subscription through the alternative mode of procurement under direct contracting?

DISCUSSION:

Yes, BCDA may resort to direct contracting when renewing the Acumatica ERP Unlimited Users License Subscription.

The IRR of RA 9184 states that direct contracting may be made under the following conditions:

Section 50. Direct Contracting

Direct Contracting or single source procurement is a method of procurement of Goods that does not require elaborate Bidding Documents. The supplier is simply asked to submit a price quotation or a pro-forma invoice together with the conditions of sale. The offer may be accepted immediately or after some negotiations.

Direct contracting may be resorted to by concerned Procuring Entities under any of the following conditions:

- a) Procurement of Goods of proprietary nature which can be obtained only from the proprietary source, i.e. when patents, trade secrets, and copyrights prohibit others from manufacturing the same item;
- b) When the procurement of critical components from a specific supplier is a condition precedent to hold a contractor to guarantee its project performance, in accordance with the provisions of its contract; or
- c) Those sold by an exclusive dealer or manufacturer which does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms to the GoP.

Based on the above, direct contracting can be made by BCDA under a combination of Section 50 (a) and (c) of the IRR of RA 9184. A computer program, being a proprietary material and protected by copyright, can only be bought from the source or license holder. For BCDA's procurement, the source can only be Acumatica ERP. If Acumatica was selling or distributing its own program, then BCDA could procure it using direct contracting under Section 50 (a) of the IRR of RA 9184.

However, Acumatica does not sell its license to use the program directly to the market but has authorized distributors. The ICTD represented that in the Philippines and specifically for BCDA, ~~Octal/Cloudqwest is the exclusive distributor assigned to BCDA.~~

Given the above provisions of the IRR and the contractual arrangement between the proprietary owner (Acumatica ERP) and its distributor (Octal/Cloudqwest), then BCDA can renew its users license agreement with Octal/Cloudqwest through direct negotiations based on Section 50 (a) and (c) of the IRR of RA 9184.

We request the ICTD to provide proof of this exclusive arrangement, in the form of a notatized certification from Acumatica ERP, certifying that Octal/Cloudqwest is the exclusive distributor

of the Unlimited Users License Subscription.

Respectfully submitted,



ACUMATICA PARTNER CERTIFICATE

Issue Date: 11/12/2020

BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA)

BCDA Corporate Center
2nd Floor Bonifacio Technology Center
31st Street Corner 2nd Avenue, Bonifacio Global
Taguig City,
Philippines

To Whom It May Concern,

In reference to the Acumatica Contract of CloudQwest Solutions/Octal Philippines, Inc., with Bases Conversion and Development Authority (BCDA), we would like to certify that CloudQwest Solutions/Octal Philippines Inc., is an Acumatica Partner in the Philippines, and is the exclusive partner responsible to handle Bases Conversion and Development Authority (BCDA) and its subsidiaries, as they will deliver the ERP and HRIS/PAYROLL requirements of Bases Conversion and Development Authority (BCDA) and its subsidiaries.

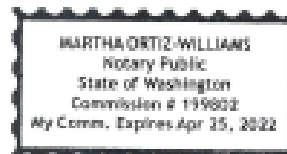
CloudQwest Solutions/Octal Philippines, Inc., is a certified partner to conduct the due diligence and requirements of Bases Conversion and Development Authority (BCDA) and its subsidiaries of Acumatica projects.

CloudQwest Solutions/Octal Philippines, Inc. is the only partner who provides localized HRIS/Payroll solution certified by Acumatica for the Philippines.

CloudQwest Solutions/Octal Philippines, Inc. partnership with Acumatica is automatically renewed every year unless a written notice is provided.

Best Regards,

Nigel LeGresley
COO/CFO
Acumatica, Inc.



Martha Ortiz Williams
11/12/2020



**CLOUDQWEST /OCTAL PHILIPPINES INC.
SAAS SUBSCRIPTION RENEWAL
FOR HRIS/PAYROLL MODULE
FOR
BASES CONVERSION AND
DEVELOPMENT AUTHORITY
(SEPTEMBER 28, 2021)**



CloudQwest SAAS SUBSCRIPTION RENEWAL for Hris/Payroll

DESCRIPTION	Amount in PHP
SAAS SUBSCRIPTION RENEWAL ON HRIS/PAYROLL MODULE	PHP 1,428,266.67
> Acumatica License and Hosting (Software As A Service) > Modules: HRIS, PAYROLL	
SUB TOTAL	PHP 1,428,266.67
DISCOUNT (25%)	(PHP 357,066.67)
SUB TOTAL WITH DISCOUNT	PHP 1,071,200.00
VAT 12%	PHP 128,544.00
TOTAL	PHP 1,199,744.00

PAYMENT TERMS

Thank you very much for your interest.

Sincerely,

CARLOS Q. YABUT
MANAGING DIRECTOR
OCTAL PHILIPPINES INC/CLOUDQWEST SOLUTIONS

CONFORME:

ATTY NENA DY RADO
VP OF FINANCIAL
BCDA

APP-BG2021-111 HRIS MAINTENANCE

BASES CONVERSION AND DEVELOPMENT AUTHORITY
ANNUAL PROCUREMENT PLAN FOR FY 2021 (APP Non-CSE)
Bids and Awards Committee for Goods (BAC-G)

Code (PAP)	Procurement Program/Project	Is this an Early Procurement Activity? (Yes/No)	PMO/ End-User	Mode of Procurement	Schedule for Each Procurement Activity				Source of Funds	Estimated Budget (Php)			Remarks (brief description of Program/Activity/ Project)
					Advertisement/Posting of IB/RE	Submission/Opening of Bids	Notice of Award	Contract Signing		Total	MOOE	CO	
BG2021-000	Integrity Program	No	ODMD	Competitive Bidding	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	200,000	200,000		
BG2021-001	Christmas Activities	No	ODMD	Competitive Bidding	3Q-4Q	3Q-4Q	3Q-4Q	3Q-4Q		5,000,000	5,000,000		
BG2021-002	Quality Management System	No	ODMD	Competitive Bidding	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	500,000	500,000		
BG2021-003	Athletics and Corporate Culture Enhancement Program	No	ODMD	Competitive Bidding	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	1,000,000	1,000,000		
BG2021-004	Disaster Related Kit	No	ODMD	Competitive Bidding	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	200,000	200,000		
BG2021-005	New Employee Orientation Program	No	ODMD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	500,000	500,000		subject to change of mode of procurement depending on approved ABC
BG2021-006	Testing and Examination Fees	No	ODMD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	400,000	400,000		
BG2021-007	Calamity Disaster Relief	No	ODMD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	500,000	500,000		
BG2021-008	Rice Subsidy	No	ODMD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	7,020,000	7,020,000		
BG2021-009	Medical HMO	No	ODMD	NP-53.9 - Small Value Procurement	2Q-4Q	2Q-4Q	2Q-4Q	2Q-4Q	Corporate Budget	7,800,000	7,800,000		
BG2021-100	Group Term Insurance	No	ODMD	NP-53.9 - Small Value Procurement	2Q-4Q	2Q-4Q	2Q-4Q	2Q-4Q	Corporate Budget	366,000	366,000		
BG2021-101	Refresher Training Course	No	SCAA	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	236,504	236,504		
BG2021-102	Clark Loop Website	No	ESSD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	30,000	30,000		
BG2021-103	Administrative Expenses	No	SCRIP	Competitive Bidding	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	35,584,000	35,584,000		
BG2021-108	Christmas Baskets	No	ODMD/SCAA	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	408,000	408,000		Realignment No. 2021-03-001
Total Other Expenses										228,562,604			
Annual Maintenance and Software Licensing for LT													
BG2021-104	E-Government System	No	ICTD	Competitive Bidding	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	3,000,000			
BG2021-105	AutoDesk/AutoCAD Maintenance	No	ICTD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	1,940,000	1,940,000		
BG2021-106	ArcGIS	No	ICTD	Direct Contracting	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	950,000	950,000		
BG2021-107	Cloud Data Security	No	ICTD	Competitive Bidding	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	1,000,000	1,000,000		
BG2021-108	ADOBE Maintenance	No	ICTD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	600,000	600,000		
BG2021-109	Legal References Maintenance	No	ICTD	Direct Contracting	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	260,000	500,000		
BG2021-110	ERP Subscription Maintenance	No	ICTD	Direct Contracting	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	2,000,000	2,300,000		
BG2021-111	HRIS Maintenance	No	ICTD	Direct Contracting	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	1,800,000	1,800,000		
BG2021-112	Corporate Email Subscription	No	ICTD	Competitive Bidding	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	1,500,000	1,500,000		
BG2021-113	Corporate Website Maintenance & Upgrade	No	ICTD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	200,000	200,000		
BG2021-114	Domain, DNS, Web Hosting	No	ICTD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	100,000	100,000		
BG2021-115	Knowledge Management System Maintenance	No	ICTD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	2,300,000	2,300,000		
BG2021-116	Cisco Webex Meetings	No	ICTD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	300,000	300,000		
BG2021-117	Chrome Enterprise Device Management	No	ICTD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	195,000	195,000		
BG2021-118	Zoom Meeting/Webinar	No	ICTD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	130,000	130,000		
BG2021-119	Sketch Up Pro Subscriptions	No	ICTD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	27,000	27,000		
BG2021-120	Meet Enhancement	No	ICTD	NP-53.9 - Small Value Procurement	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	10,000	10,000		
BG2021-121	Security Maintenance	No	ICTD	Competitive Bidding	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	5,100,000	5,100,000		

LTN

BG2021-109	Legal References Maintenance	No	ICTD	Direct Contracting	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	260,000		
BG2021-110	ERP Subscription Maintenance	No	ICTD	Direct Contracting	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	2,000,000		
BG2021-111	HRIS Maintenance	No	ICTD	Direct Contracting	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	1,800,000		
BG2021-112	Corporate Email Subscription	No	ICTD	Competitive Bidding	1Q-4Q	1Q-4Q	1Q-4Q	1Q-4Q	Corporate Budget	1,500,000		