



Republic of the Philippines
Department of Education
 REGION IV-A CALABARZON



Legal-COD1-2024-491

CONTRACT OF SERVICE

KNOW ALL MEN BY THESE PRESENTS:

This contract is entered is entered into this DEC 05 2024 day of 05 2024, by and between :

DEPARTMENT OF EDUCATION REGIONAL OFFICE IV-A CALABARZON, a component field office of the government entity known as the Department of Education organized under existing Philippine laws with office address at Gate 2, Karangalan Village, Cainta, Rizal and herein represented by its Regional Director, **ATTY. ALBERTO T. ESCOBARTE**. It shall be referred in this agreement as the **PROCURING ENTITY**.

-and-

APO PRODUCTION UNIT, INC., an entity duly organized and existing under the Philippine laws, represented herein by its President, **ATTY. GIL CARLOS R. PUYAT**, with office address at 2nd Floor PIA Building., Visayas Avenue, Quezon City, herein after referred to as the **SUPPLIER**.

WITNESSETH

WHEREAS, the Procuring Entity intends to procure **PRINTING AND DELIVERY OF STORYBOOK PACKAGES** for DepEd Region IV-A CALABARZON;

WHEREAS, the Approved Budget for the Contract (ABC) is **SIXTY-SEVEN MILLION SEVEN HUNDRED FOUR THOUSAND TWO HUNDRED SIXTY-SEVEN PESOS ONLY (PhP67,704,267.00)**;

WHEREAS, the Procuring Entity started the process of conducting the required cost-benefit analysis/market study to determine available providers for the said project;

WHEREAS, on October 3, 2024, the Procuring Entity issued a letter to some prospective bidders requesting them to submit a quotation. The prospective suppliers were as follows: (1) Mexico Printing C. Inc.; (2) Kristin Educational Exponents Publication Inc.; (3) Dane Publishing House Inc.; (4) Bloombooks Inc.; (5) Lexicon Press Inc.; (6) Merryland Publishing Corporation; (7) APO Production Unit, Inc.; and (8) National Printing Office.

WHEREAS, seven (7) suppliers submitted their respective proposals before the deadline for the submission of quotation/bids, offering the following financial quotation/bids, as read:

Name of Bidder	Unit Cost per Page
Mexico Printing Company, Inc.	PhP3.20 and PhP5.70



Address: Gate 2, Karangalan Village, Cainta, Rizal
 Telephone No.: 02-8682-2114
 Email Address: region4a@deped.gov.ph
 Website: depedcalabarzon.ph



Certificate No. PHP QMS
 22 93 0085

Kristin Educatioal Exponents Publications Inc.	PhP0.85 and PhP1.50
Dane Publishing House Inc.	PhP3.35 and PhP5.80
Lexicon Press Incorporated	PhP3.20 and PhP6.10
Merryland Publishing Corporation	PhP1.55 and PhP4.50
APO Production Inc. (APO)	PhP1.10
National Printing Office (NPO)	PhP2.95 and PhP5.50

WHEREAS, on November 7, 2024, the Bids and Award Committee (BAC), BAC Secretariat, TWG and representative from the End-User conducted a pre-procurement conference to discuss the said allotment for the printing and delivery of Storybook Packages for DepEd Region IV-A CALABARZON;

WHEREAS, taking into consideration the market study showing a higher unit cost of the private printing company, the BAC proposed the procurement of printing and delivery of Storybook Packages for DepEd Region IV-A CALABARZON through negotiated procurement under Agency-to-Agency considering the price offer and high volume of storybook to be produced;

WHEREAS, the BAC proposed to send Request for Quotations (RFQs) to APO Production Unit, Inc. (APO);

WHEREAS, under Appendix 20 of the 2016 Revised Implementing Rules and Regulations (IRR) of the RA 9184, Section 1.0 states that:

- 1.1 Pursuant to the relevant provisions of the General Appropriations Act, procuring entities have the option to engage the services of private printers for their printing and publication expenditures, subject to public bidding in accordance with RA 9184 and pertinent accounting and auditing rules and regulations.
- 1.2 However, printing of Accountable Forms and Sensitive High Quality/Volume Requirements shall only be undertaken by the recognized government printers, namely: Bangko Sentral ng Pilipinas, National Printing Office, and APO Production Unit, Inc.

WHEREAS, Annex "H" of the same IRR sets the conditions for the Agency-to-Agency enumerated as follows:

1. The Procuring Entity shall justify that entering into an Agency-to-Agency Agreement with the Servicing Agency is more efficient and economical to the government;
2. Servicing Agency has the mandate to deliver goods and services required to be procured or to undertake the infrastructure project or consultancy required by the Procuring Agency;
3. Servicing Agency has the absorptive capacity to undertake the project;
4. Servicing Agency owns or has access to the necessary tools and equipment required for the project; and
5. Sub-contracting is not allowed.

WHEREAS, as per BAC Resolution No. PU-BR01-2024-342, the approved procurement method for the printing and delivery of Storybook Packages is Negotiated Procurement (Agency to Agency which shall be undertaken by the Procuring Entity and the Servicing Agency);

WHEREAS, on November 12, 2024, the BAC sent RFQs to APO Production Unit, Inc. (APO), a Recognized Government Printers (RGPs);

WHEREAS, in response APO submitted its proposal before the deadline for the submission of bids, offering the financial bids, as read:

Description	Book Size	Unit Price Per Page
Decodable Readers (1-9)	5.5 x 8.5	Php0.95
Leveled Readers (10-34)		
Wordless (35-42)	11 x 17	PhP1.10

with the total amount of **SIXTY-SEVEN MILLION SEVEN HUNDRED THREE THOUSAND NINE HUNDRED SEVENTY-SIX and 20/100 PESOS (PhP67,703,976.20)**.

WHEREAS, after evaluation of the quotation with the attached certificate, it was determined that the offer of **APO PRODUCTION UNIT, INC.** complied with the requirements and provides the most advantageous term to this Office;

WHEREAS, the BAC approves the offer of **APO PRODUCTION UNIT, INC.**;

WHEREAS, on November 20, 2024, the BAC of the Procuring Entity recommended to the head of the procuring entity the award to the **Supplier** for the **PRINTING AND DELIVERY OF STORYBOOK PACKAGES** in the amount of **SIXTY-SEVEN MILLION SEVEN HUNDRED THREE THOUSAND NINE HUNDRED SEVENTY-SIX and 20/100 PESOS (PhP67,703,976.20)**;

NOW, THEREFORE, for and in consideration of the foregoing premises, the Parties hereby agree and bind themselves as follows:

SECTION 1 Use of words

In this Agreement, words and expressions shall have the same meanings as those respectively assigned in the Philippine Bidding Document.

SECTION 2 Documents deemed part

All documents submitted by Supplier and all the documents released and issued by the Procuring Entity and its Bids and Awards Committee and Technical Working Group such as but not limited to:

- a) BAC Resolution;
- b) Request for Quotation
- c) Technical Specifications;
- d) Notice of Award;
- e) Notice of Award of Contract and the Bidder's conforme thereto;
- f) All other documents already submitted by the Supplier and to be required to be submitted after the perfection of this contract.

shall form part of this contract.

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SECTION 3
Supplement to the Supplier's Obligation

In addition to the **Supplier's** Obligations mentioned and stated in the documents mentioned in Section 2 of this Contract, the **Supplier** shall also:

- a. Supply the following books with the following titles and quantity:

		Title	No. of Pages	Qty
		Tagalog Grade 1		
Decodable Readers	1	Ako at ang Aking Paaralan	20	84,842
	2	Ang Aso ni Yana	16	106,053
	3	Ang Batang si Rona	16	106,053
	4	Ang Kambal na sina Ding at Dong	20	84,842
	5	Ang Munting Bahay ni nina Mira	20	84,842
	6	Ang Sukli ni Yuno	16	106,053
	7	Kakaiba si Kara	20	84,842
	8	Maging Malusog	20	84,842
	9	Malinis ba ang Iyong mga Kamay	16	106,053
		English Grade 2		
Leveled Readers	10	Animal Band The Bird Files	20	84,842
	11	Fruits and Trees Today is Moving Day	20	84,842
		English Grade 3		
Leveled Readers	12	Bountry in our Hands (Chapters 1-4)	28	60,601
	13	Mr. Particular (Chapters 1-4)	28	60,601
	14	Mrs. Post's Science Class (Chapters 1-4)	28	60,601
		Filipino Grade 1		
Leveled Readers	15	Ang Dakilang Mabalabong Khyaa	20	84,842
	16	Ano Kaya kung...?	20	84,842
	17	Bon at Butter	20	84,842
	18	Gustong Magbihis ni Nin	20	84,842
	19	Gustong Magpakasal ni Botse-Botse	20	84,842
	20	Nakuha Rin Kita!	20	84,842
	21	Nanay, Pakitawag and Ibon!	20	84,842
	22	Rudi (FIL)	20	84,842
	23	Si Pusa at Si Aso at and Sumbrero	20	84,842
	24	Si Pusa at Si Aso: Nasaan si Pusa?	20	84,842
		Filipino Grade 2		
Leveled Readers	25	Ang Pakikipagsapalaran ni Masky	20	84,842
	26	Mga Kulay ng Kalikasan!	20	84,842
		Filipino Grade 3		
Leveled Readers	27	Ang Malaking Plano ng Munting Langgam	20	84,842
	28	Ang Mga Larawang Kuha ni Tupe	20	84,842
	29	Ang Munting Rhino at and Kaniyang Bisikleta	20	84,842
	30	Ang Pagkikita nina Mere at Sashang Sirena	20	84,842
	31	Paano Nakagawa ng Bahay ang Pagong?	20	84,842
	32	Ang Bubungang Hardin	20	84,842
	33	Ang Pagsisipilyo Ay Hindi Masaya!	20	84,842
	34	Ang Plastik Bag Ni Tok	20	84,842
Wordless	35	At Our School	20	73,273
	36	Maria Is a Big Sister Now	20	73,273
	37	Our House	20	73,273
	38	Rose and Alma	20	73,273
	39	The Face: A Book of Emotions	20	73,273
	40	The Nest	20	73,273
	41	True Friends	20	73,273
	42	What if My Teacher is Scary?	20	73,273

- b. Deliver these Storybook Packages and its corresponding quantity to the Twenty-Three (23) Schools Division Offices of DepEd Region

IV-A CALABARZON. The delivery shall be done within 45 calendar days from the issuance of the Notice to Proceed.

Staggered delivery of the Storybook Packages is allowed provided that all will be delivered before the lapse of the 45 calendar days delivery period.

- c. Comply to the lawful order of the **Procuring Entity** or its representative especially when the **Supplier** is made to answer in writing his failure to accomplish the supply and door to door delivery in accordance with this contract;
- d. Submit an accomplishment report when required by the **Procuring Entity** as part of its monitoring and evaluation; and
- e. Remedy any defects in the Storybook Packages delivered.

SECTION 4 **Obligations of the Procuring Entity**

The **Procuring Entity** hereby undertake to pay the **Supplier**, in consideration of the faithful and full performance of the **Supplier's** obligations, the amount of **Php67,703,976.20**.

In case of partial or staggered delivery of the goods procured, the **Supplier** shall be paid the amount corresponding to the value of the goods delivered and accepted in accordance with prevailing accounting and auditing rules and regulations and subject to the imposition of liquidating damages for goods delivered after the contract period.

SECTION 5 **Monitoring and Validation of the Work Progress/Accomplishment**

The **Procuring Entity** or its representative shall monitor the progress of the delivery. Every Friday beginning the commencement of the supply and delivery or from the last monitoring, the **Procuring Entity** or his representative may follow-up the progress of the delivery until all the SLRs are delivered within the contract period.

In case the supply and delivery has not been fully satisfied until the last day of the contract time, the **Procuring Entity** or his representative shall make the **Supplier** explain in writing and the **Procuring Entity** may opt to avail of legal remedies provided in Annex "I" of the 2016 Revised IRR of RA 9184 and applicable laws, rules and regulations to make it sure that the interest of the government is protected.

SECTION 6 **Settlement of Dispute**

If any dispute or difference of any kind whatsoever shall arise between the parties in connection with the implementation of this contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

Any and all dispute arising from the implementation of a contract shall be submitted to arbitration in the Philippines according to the provisions of R.A. 876, otherwise known as the "Arbitration Law" and R.A. 9285, otherwise known as the "Alternative Dispute Resolution Act

of 2004.” By mutual agreement, the parties agree in writing to resort to other alternative modes of dispute resolution.

**SECTION 7
Capacity and Authorization**

Each of the parties to this contract hereby represents and warrants to the other that it is duly authorized and empowered to execute, deliver and perform this contract and that such action does not conflict with or violate any provision of law, regulation, policy, contract, deed of trust or other instrument to which it is a party or by which it is bound and that this contract constitutes a valid and binding obligation of it enforceable in accordance with its terms.

IN WITNESS WHEREOF, the parties have hereunto set their hands, this day of _____ at _____, Philippines.

**Department of Education
Region IV-A CALABARZON**

APO Production Unit

ATTY. ALBERTO T. ESCOBARTE, CESO II
Regional Director

ATTY. GIL CARLOS R. PUYAT
President

SIGNED IN THE PRESENCE OF:

VIERNALYN M. NAMA
Chief Education Supervisor, CLMD
DepEd Region IV-A CALABARZON

Dominic F. Tajon
Sales & Marketing Manager

Republic of the Philippines
_____ S.S.

QUEZON CITY

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in the City of QUEZON CITY, this
_____, personally appeared:

DEC 05 2024


Name	Identification No.	Date and place of issued
<u>Atty. Alberto T. Escobarte</u> <u>Atty. Gil Carlos R. Puyat</u>	DepEd Employee No. 4529876	Cainta, Rizal

who are known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their own free act and voluntary act and deed.

This instrument, consisting of seven (7) pages, including the page on which this acknowledgment is written, has been signed on the left margin of each and every page hereof by the concerned parties and their witnesses, and sealed with my notarial seal.

WITNESS MY HAND AND SEAL, at the place and date above-written.

Doc. No. ...15...;
Page No. ...9...;
Book No. ...424...;
Series of 2024.


ATTY. JASON G. DE BELEN
 Roll No. 36259
 Adm. No. NP-008 Notary Public
 Notary Public for Quezon City
 My Commission expires on December 31, 2025
 No. 7M Panay Ave. cor. Sgt. Borromeo St., Q.C.
 IBP No. 385735; Q.C.; 1-2-2024
 PTR No. 5554846; Q.C.; 1-2-2024
 MCLE VII-0019570; 5-30-22

ok