



DEPARTMENT OF FOREIGN AFFAIRS  
KAGAWARAN NG UGNAYANG PANLABAS



**BIDS AND AWARDS COMMITTEE**

**BAC Resolution No. HO-099-24**

**RESOLUTION RECOMMENDING, BY REFERENDUM, AWARD OF CONTRACT UNDER SECTION 50 (DIRECT CONTRACTING) FOR THE PROCUREMENT OF THE SUBSCRIPTION TO THE CUSTOMIZED CLOUD-BASED SOFTWARE AS A SERVICE (“SAAS”) HUMAN CAPITAL MANAGEMENT (“HCM”) AND PAYROLL SYSTEM (“PS”)**

**WHEREAS**, the Department of Foreign Affairs (“DFA”) procured a Customized Cloud-based Software as a Service (“SaaS”) Human Capital Management (“HCM”) and Payroll System (“PS”) as an upgrade for the Human Resource Information System (“HRIS”) and the Payroll Benefits Management Information System (“PBMIS”) through Public Bidding in 2023;

**WHEREAS**, the Customized Cloud-based SaaS HCM and PS is able to address the gaps in the current HRIS-PBMIS by (i) improving the self-service functions of the platform through the provision of features that are relevant to personnel while lessening human intervention in the process, (ii) providing a sophisticated level of cybersecurity against digital threats and attacks to the database and its information, and (iii) providing 24x7 Technical Support Services with a two-hour turn-around time;

**WHEREAS**, the Cloud-based SaaS HCM and PS comprises two parts: Human Capital Management, including employee details and HR processes, and the Payroll System for processing payroll and fiscal information. Both environments were configured and hard-coded according to the needs of the DFA, with HCM serving as the front-end user interface seamlessly connected with the back-end Payroll System HR PRO 2e. These systems were customized, considering market trends and DFA rules and regulations, to ensure they function as intended by the DFA;

**WHEREAS**, the HR PRO 2e module of the Customized Cloud-based SaaS HCM and PS was customized for compliance for and to provide features for the government and DFA-mandated forms and processes, the DFA’s Digital Transformation Program to Institutionalize Meritocracy and Excellence in Human Resources Management (“PRIME-HRM”), the Competency-based Human Resources Management (Department Order No. 2021-006), and Action Plan 1.4.1. of the DFA Strategic Plan 2023-2028;

**WHEREAS**, the continuous subscription to the Customized Cloud-based SaaS HCM and PS will help the DFA comply with the Ease of Doing Business Act and improve its services based on its Citizen’s Charter;

**WHEREAS**, the Human Resources Management Office (“HRMO”) intends to continue its subscription to the Customized Cloud-based SaaS HCM and PS for the DFA’s official use;

**WHEREAS**, the procurement of the subscription to the Customized Cloud-based SaaS HCM and PS with an Approved Budget for the Contract (“ABC”) of *Seventeen Million Two Hundred Thousand Pesos* (PhP 17,200,000.00) only, chargeable against HRMO’s FY 2024 MOOE and FY 2023 Continuing Appropriations under Consultancy Services, is included in the Department’s Supplemental Annual Procurement Plan (“SAPP”) for FY 2024;

**WHEREAS**, Section 50 of the 2016 Revised Implementing Rules and Regulations (“IRR”) of Republic Act (“RA”) No. 9184, otherwise known as the “Government Procurement Reform Act of 2003”, states that Direct Contracting may be resorted to under any of the following conditions, *inter alia*: (a) Procurement of goods of proprietary nature which can be obtained only from the proprietary sources, i.e., when patents, trade secrets, and copyrights prohibit others from manufacturing the same item; and (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;

**WHEREAS**, after conducting a thorough survey of the industry and determining the supply source/s, the end-user unit determined that there is no suitable substitute in the market that can be obtained at more advantageous terms;

**WHEREAS**, HRMO submitted to Bids and Awards Committee (“BAC”) the quotation from *IOM Philippines, Inc.* for the procurement of the subscription to the Customized Cloud-based SaaS HCM and PS in the amount of *Seventeen Million One Hundred Ninety – Nine Thousand Nine Hundred Eighty – Eight Pesos and 40/100* (PhP 17,199,988.40) only;

**WHEREAS**, *IOM Philippines, Inc.*, is the copyright owner of HR PRO 2e per Certificate of Copyright Registration and Deposit issued by the National Library of the Philippines on 22 January 2016 with registration no. N2016-01;

**WHEREAS**, the BAC, after taking into consideration all relevant factors, finds that the awarding of the procurement of the subscription to the Customized Cloud-based SaaS HCM and PS from the *IOM Philippines, Inc.*, may be done under Section 50(a) and (b) of the 2016 revised IRR of RA 9184;

**NOW, THEREFORE**, we, the Members of the Bids and Awards Committee of the Department, RESOLVE to RECOMMEND to the Head of the Procuring Entity the resort to Section 50 (Direct Contracting) as the alternative method of procurement for the procurement of the subscription to the Customized Cloud-based SaaS HCM and PS from *IOM Philippines, Inc.*, subject to the abovementioned requirements, and provided that existing auditing rules and regulations shall be strictly observed by the end-user.

**ADOPTED**, this 20<sup>th</sup> day of May 2024, Pasay City.

  
**EDGAR B. BADAJOS**  
BAC Chairperson



**ARVIC V. AREVALO**  
BAC Vice Chairperson



**PAULO V. SARET**  
BAC Member



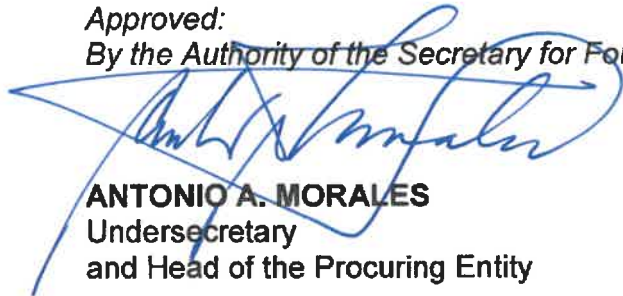
**ALEX O. VALLESPIN**  
BAC Member



**CHRISTOPHER B. MONTERO**  
Representative of the End-user

Approved:

By the Authority of the Secretary for Foreign Affairs:



**ANTONIO A. MORALES**  
Undersecretary  
and Head of the Procuring Entity



DEPARTMENT OF FOREIGN AFFAIRS  
KAGAWARAN NG UGNAYANG PANLABAS



NOTICE OF AWARD

20 May 2024

**Sir/Madam:**

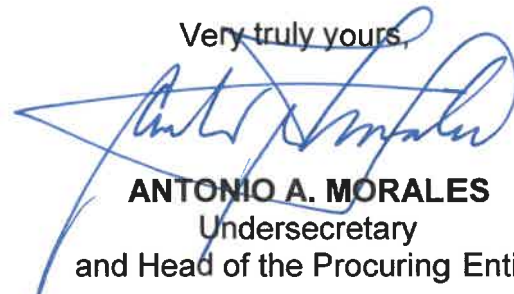
Please be informed that, upon the recommendation of the Bids and Awards Committee (“BAC”) of the Department of Foreign Affairs (“DFA”) as contained in its Resolution No. **HO-099-24**, the DFA is awarding the contract on the following project/procurement to your firm, **IOM Philippines, Inc.:**

Project Title	End-User Unit
<b>PROCUREMENT OF THE SUBSCRIPTION TO THE CUSTOMIZED CLOUD-BASED SOFTWARE AS A SERVICE (“SAAS”) HUMAN CAPITAL MANAGEMENT (“HCM”) AND PAYROLL SYSTEM (“PS”)</b>	HRMO

The contract has a total cost of *Seventeen Million One Hundred Ninety – Nine Thousand Nine Hundred Eighty – Eight Pesos and 40/100* (PhP 17,199,988.40) only, inclusive of taxes and other lawful charges.

This award and the implementation of the project/procurement are subject to the signing of a contract and compliance with all applicable accounting and auditing rules and regulations.

Very truly yours,



**ANTONIO A. MORALES**  
Undersecretary  
and Head of the Procuring Entity

***IOM Philippines, Inc.***

Phil. Stock Exchange Center, Ortigas Center  
San Antonio, Pasig City