

**BIDS AND AWARDS COMMITTEE (BAC) FOR GOODS**

**RESOLUTION NO. BG2019-004**

**RENEWAL OF SUBSCRIPTION TO ACUMATICA ERP UNLIMITED USERS LICENSE  
THROUGH DIRECT CONTRACTING**

**WHEREAS**, the Bases Conversion and Development Authority (BCDA), through the Information and Communications Technology Department (ICTD), intends to renew the subscription of Acumatica ERP Unlimited Users License on Cloud;

**WHEREAS**, the Acumatica ERP System was procured to develop a platform to automate business processes which can be utilized by BCDA for effective oversight and monitoring of its subsidiaries. It will:

- Automate/harmonize the accounting system of the BCDA Group;
- Facilitate the consolidation of the BCDA Group's financial transactions;
- Facilitate an easier and faster access to BCDA Group's financial statements;
- Take advantage of the benefit of technology in the recording and tracking of various business transactions; and,
- Assist BCDA in financial analysis, planning and decision-making.

**WHEREAS**, the Acumatica ERP Unlimited Users License on Cloud Subscription was procured and deployed by Octal Philippines, Inc/CloudQwest Solutions, Inc., at BCDA and at Clark Development Corporation (CDC); further, said unlimited license is being utilized for the rest of the BCDA Group, which includes John Hay Management Corporation (JHMC) and Poro Point Management Corporation (PPMC), as the annual subscription covers unlimited users license for five (5) companies;

**WHEREAS**, BCDA, JHMC, PPMC and CDC are currently using Acumatica ERP System with unlimited users license;

**WHEREAS**, on June 22, 2017, BCDA engaged Octal Philippines, Inc/CloudQwest Solutions, Inc. (the "Consultant") for the implementation of the Acumatica ERP for BCDA, JHMC and PPMC;

**WHEREAS**, considering that the implementation of the Acumatica ERP is still on-going, the renewal of the Acumatica ERP Unlimited Users License is necessary for the Consultant to perform their duties under the Acumatica ERP implementation consultancy contract and consequently roll-out the Acumatica ERP System for the BCDA Group;

**WHEREAS**, the renewal of the annual subscription is also necessary for BCDA, JHMC, PPMC and CDC to be able to continue using the system and to allow the BCDA Group to implement the system;

**WHEREAS**, Acumatica PTE. Ltd., in its notarized certification dated 02 February 2019 (**Annex "A"**), certifies that Octal Philippines, Inc./CloudQwest Solutions, Inc. is an Acumatica Certified Partner in the Philippines and is the exclusive partner responsible to handle the account of BCDA and its subsidiaries;

**WHEREAS**, in its Memo to the BAC for Goods dated 08 March 2019 (**Annex "B"**), ICTD is requesting the renewal of the subscription through direct contracting pursuant to Section 50 (b) and (c) of the Revised Implementing Rules and Regulations of Republic Act 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 GoP."*

**WHEREAS**, the Legal Services Department (LSD) in their Opinion No. 2018-013 stated the following:

*"BCDA may resort to Direct Contracting when renewing the Acumatica ERP Unlimited Users License Subscription.*

*...xxx...*

*...BCDA can renew its users license agreement with Octal/CloudQwest through Direct Negotiations based on Section 50 (a) and (c) of the IRR of Republic Act No. 9184."*

**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 renewal of the annual subscription of the **Acumatica ERP Unlimited Users License on Cloud**, through **Direct Contracting to Octal Philippines, Inc./CloudQwest Solutions, Inc.** from April 1, 2019 to March 31, 2020 at a contract price of **One Million Seven Hundred Eleven Thousand Nineteen Pesos & 52/100 (P1,711,019.52)** inclusive of all applicable taxes and fees.

**RESOLVED**, at the BCDA Corporate Office this 15<sup>th</sup> day of March 2019.

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March 2019*

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Executive Vice President



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