

**TERMS OF REFERENCE**  
**SUPPLY, TESTING AND COMMISSIONING OF A DOCUMENT DIGITIZATION**  
**MANAGEMENT SYSTEM PROJECT FOR THE QUEZON CITY BUSINESS PERMITS**  
**AND LICENSING DEPARTMENT (PHASE 1)**

**I. PROJECT BACKGROUND**

The Quezon City Government Business Permits and Licensing Department (BPLD), is mandated by City Ordinance No. SP- 91, S- 93 otherwise known as the Quezon City Revenue Code, to provide effective systems, procedures and practices in the issuance and renewal of business permits. It regulates the nature and/or operations of various business activities within Quezon City.

More specifically, it delivers the following services:

- Issuance of Mayor's permits to businesses located in Quezon City;
- Provides an effective system of conducting inspections and verifications of all business establishments;
- Issues Occupational Permits to applicants who intend to secure employment or those already employed in the city;
- Monitors and enforces existing laws, ordinances, policies, rules and regulations in the operation of businesses and occupations in the city;
- Takes necessary measures and systems to generate more revenues for the city;
- Undertakes intensive campaign against illegal business operations;
- Provides data and facts to the business sector and the public in general subject to existing law on data privacy; and
- Endorse cases to the City Legal Department for violation of the Quezon City Revenue Code for appropriate legal action.

Through the performance of its archiving function as provided for in Section 374<sup>1</sup> of the Local Government of 1991, the BPLD has amassed printed or hard copies of business permits and other licensing related documents in various storage areas dating back to more than twenty-five years.

As proclaimed by the Anti-Red Tape Authority on 27 July 2022 and based on the directive of President Ferdinand "Bongbong" R. Marcos Jr., the government needs to innovate and digitize its processes and records to keep up with rapidly evolving technology.

The digitization of printed or hard copies of business permits and other licensing related documents will help secure these documents, allow effective records management, search, retrieval and archiving and consequently, reduce storage costs.

The Quezon City Local Government is issuing this Terms of Reference to invite interested and qualified private sector entities with proven track record, financial capacity, operating capability and relevant licenses to design, develop and deliver a fully functional BPLD Document Digitization Management System (BPLD-DMDS).

**II. PROJECT DESCRIPTION**

The Quezon City Business Permit and Licensing Department (QC BPLD) has amassed printed or hard copies of business permits and other licensing related documents in various storage areas going back to more than twenty-five years. The aim of Phase I of this project is to develop and implement a Document Management System to digitize printed or

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<sup>1</sup> SECTION 374. Establishment of an Archival System. - Every local government unit shall provide for the establishment of an **archival system** to ensure the safety and protection of all government property, public documents or records such as records of births, marriages, property inventory, land assessments, land ownership, tax payments, tax accounts, and **business permits**, and such other records or documents of public interest in the various departments and offices of the provincial, city, or municipal government concerned.

hard copies of these business permits and other licensing related documents and systemize its management, search, retrieval and archiving for the calendar years - 2014 to 2022 only. The storage of the converted digital documents shall be both on the cloud and on premise.

### **III. PROJECT SCOPE AND DELIVERABLES**

- A. Conversion of the original paper document into electronic/digital format (PDF, Schema) using an effective and technologically advanced Document Digitization Management System.
- B. The Document Digitization Management System shall have the following features and functionalities:

#### **1. Records Management**

- a. The system shall have a dashboard for digitized documents, uploaded documents for review and notifications.
- b. The system shall have a private repository wherein only permitted users and groups are allowed to view and edit a record.
- c. The system shall be capable of assigning users and groups to specific workflows.
- d. The system shall have a workflow management for automating a process per workflow.
- e. The system shall be capable of uploading a single or bulk scanned document.
- f. The system shall be capable of uploading an index file in pdf and text format and automatically link the attributes in designated file names.
- g. The system shall be capable of capturing the data text in the uploaded document and automatically fill up the OCR fields.

#### **2. Accounts Management**

- a. The system shall have unlimited creation of user accounts.
- b. The system shall have a one-time pin (OTP) for password.
- c. The system shall have a password reset tool to be managed by the end user/ requester via email.
- d. The system shall notify the administrator through e-mail for a new request to change password.
- e. The system shall have a link to the user account profile.
- f. The system shall have user management to create new user accounts with specific roles such as employee, manager and administrator.

#### **3. Search and Retrieval Management**

- a. The system shall be capable of searching data such as index, file name, date, author name, uploader name, document type and content of the scanned document.
- b. The system shall have an advanced content search that can search by optical character recognition (OCR) of the scanned documents.
- c. The system shall have a filtering in the search results to easily track the documents.

#### **4. Reports Management**

- a. The system shall be capable of counting all the uploaded records by folder or user.
- b. The system shall be capable of counting all the pages in every record uploaded.
- c. Printing of Digital files must be digitally signed (via certificates with TLS) with watermark.

## **5. Notification Management**

- a. The system shall be capable of viewing real-time notifications on a dashboard.

## **6. System Management**

- a. The system shall be accessible in a web browser and can support multiple platforms such as but not limited to Microsoft Edge, Google Chrome and Safari. Mobile use cases are served through a web responsive frontend.
  - b. The system shall be in open-source programming language using a Service Oriented Architecture (SOA).
  - c. The system shall be in Bootstrap template and responsive view for desktop, tablet and mobile.
  - d. The system shall have a policy for brute force attacks.
  - e. The recovery of password can be done by the assigned administrator using the administration panel.
  - f. Idle time of 15 minutes shall automatically log out.
  - g. Only alpha and numeric keys and special characters shall be allowed in username and password fields.
- C. Contents of the digitized document must be searchable (within the digitized documents).
- D. Shall display search output.
- E. Provide a two-day comprehensive training for at minimum of fifty (50) and at maximum of one hundred (100) QCBPLD personnel that will be assigned by the Department to ensure continuity of operation, maintenance and proper technology transfer.
- F. Must provide a backup and recovery mechanism for the digitized documents.
- G. Document digitization services include but shall not be limited to the following:
1. Scanning, indexing, unfastening and refastening (in cases of staple wires, clips and etc.) of documents will be done onsite to be determined by the QC BPLD, with an 8 hours x 5 days a week provision of manpower, high speed scanners and back-up facilities.
  2. Sizes of documents to be scanned include but shall not be limited to the following: A4, Short, Legal or A3.
  3. Digital images can be viewed and printed using standard PC and Printer.
  4. Uploading of digitized records into a defined storage area.
- H. Scanning of documents shall be done onsite as determined by the implementing agency.
- I. The provider shall undertake to digitize or convert into electronic format the printed or hard copies of the business permits and other licensing related documents for the inclusive years starting from 2014 up to 2022.

## **IV. CONFIDENTIALITY OF DATA**

- A. The Provider shall document detailed procedures/techniques in identifying system security risks and breach and how such shall be handled in accordance with the Data Privacy Act of 2012.
- B. All project staff of Provider shall be required to sign a non-disclosure agreement.

- C. The QC BPLD, whose records are to be digitized, its components, parts and all product samples and specifications, data, ideas, technology, and technical and non-technical materials, all or any of which may be derived from any of the foregoing (all of which, individually and collectively, referred to as "Proprietary Information") are confidential and proprietary to the QC BPLD whose records are to be digitized.
- D. The Provider agrees to hold the Proprietary Information in strict confidentiality. Provider further agrees not to reproduce, transcribe, or disclose the Proprietary Information to third parties without prior written approval of the QC BPLD whose records are to be digitized.
- E. To ensure the confidentiality of all information that will come to the knowledge of the Provider and its employees who will be detailed to the QC BPLD, the Provider and its employees assigned therein shall be considered agents of the QC BPLD.
- F. The contract that will be executed heretofore shall categorically provide that the Provider and its employees, as project personnel of the QC BPLD, shall uphold strict confidentiality of any information regarding the information on all documents.
- G. All records/data gathered, processed and digitized is fully-owned by the Quezon City Government.

#### **V. IMPLEMENTING AGENCY'S RESPONSIBILITIES**

It shall be the responsibility of the QC BPLD to provide a working area complete with tables, chairs, sufficient lighting and air conditioning and a master list of all files containing details such as but not limited to a complete list of account names, dates, and description of the files.

#### **VI. PROJECT STANDARDS AND REQUIREMENTS**

The soliciting party is the GOVERNMENT OF QUEZON CITY on behalf of the Business Permit and Licensing Department (BPLD). The parties invited to make and submit their proposals are qualified private sector entities, whether stock or non-stock and non-profit corporations. For prequalification purposes, interested and fully qualified parties shall submit the following documents together with the submission of their bid:

- A. Company Profile, stating the owners, brief history and business of the company and such other information deems necessary or desirable to include to enable proper evaluation of its capabilities;
- B. Audited Financial Statement for the last (3) three years, which shall include at least the following: income statement, balance sheet and cash flow statement as submitted to the relevant government regulatory authorities (SEC and BIR);
- C. List of clients and description of relevant projects, including duration of engagement (on-going and completed);
- D. Board Resolution appointing a representative and authorizing your Company to submit a bid and enter into a contract with the Government of Quezon City based on this Terms of Reference (TOR);
- E. Proof of Registration with the National Privacy Commission
- F. Bank Reference.

## **VII. BIDDER'S PROFILE AND QUALIFICATIONS**

**Below** are the minimum qualifications required from the Provider:

- A. The Bidder must be a reputable Information Technology Firm with at least five (5) years of business operation in the design, development, implementation and maintenance of Business Management Systems.
- B. Demonstrated experience in application development and deployment and in data analytics with the use of advanced algorithms to generate reports evidenced by use cases and patents.
- C. The Bidder must have local and international professional applied experience and skills and qualifications as follows:
- D. Degree in a relevant field (Computer Science, Data/Information Management, Advanced Statistical Analysis, Information Technology, and Software Engineering) preferably with Professional Regulatory Commission License.
- E. Minimum of at least 10 years experience related to data management/database development and archiving, including use of web-enabled platforms and common reporting analysis tools.
- F. Proven professional experience in database technologies end to end, including web client development and deployment, database management and development of web-based information systems.
- G. Must have a minimum of ten (10) employees/pool of personnel for system administration, deployment, proper quality assurance analysts and technical support staff for the project.
- H. Winning bidder must provide initial appropriate and essential information technology hardware during systems development and provision of technical support to the department under this TOR.

## **VIII. PROJECT DURATION**

This project shall be implemented with the following target days per milestone. Delivery period for the project shall be 150 calendar days from issuance of Notice to Proceed.

<b>MILESTONES</b>	<b>CALENDAR DAYS</b>
Project Preparation and Mobilization	30 calendar days upon issuance of Notice to Proceed
Process Mapping, Architecture & Design	14 days upon issuance of Notice to Proceed
Scanning, Data Capture and Storage of records	120 calendar days upon receipt of Notice to Proceed
Software Development to MVP, System Documentation, Training Module, Knowledge Transfer and Hand Over	90 calendar days upon receipt of Notice to Proceed
QA/UAT Testing	15 calendar days after delivery of MVP
Hand-over and training of minimum of 50 to maximum of 100 QCBPLD personnel	7 calendar days after MVP
Technical and Project Support	60 calendar days after delivery of MVP

## IX. APPROVED BUDGET AND COST BREAKDOWN

The approved budget for the project is **Twenty Three Million Nine Hundred Ninety Six Thousand Pesos (Php 23,996,000.00)**.

The project cost shall be fixed and there shall be no price adjustments applicable for the duration of the contract except when the operations costs are increased by more than 10% as a result of any extraordinary circumstance as determined by the National Economic Development Authority (NEDA). Pursuant to the provisions of RA 9184 and its IRR on contract price escalations, all contract price escalation shall be approved by the Government Procurement Policy Board (GPPB).

DESCRIPTION	AMOUNT
Due Diligence, Systems Design, and Data Model	
Software Development Cost	
Resource Encoders	
System Documentation, Training Module, and Training	
Technical and Customer Service Support (12 months)	
<b>TOTAL AMOUNT</b>	

## X. MILESTONES AND PROJECT IMPLEMENTATION SCHEDULE

MILESTONES	ACCEPTANCE CRITERIA	PERCENTAGE BILLING
Project Preparation and Mobilization	Process Mapped and approved.	15%
Process Mapping, Architecture & Design	Application Framework signed off by client's authorized personnel.	
Software Development to Minimum Viable Product	Minimum Viable Product signed off by Supplier's QA and client's authorized personnel.	30%
User Acceptance Test – Technical Go Live	Technical Go Live. Onboarding of Users and Delivery Drivers.  Technical Go Live signed off by Supplier's QA. Onboarding of Users and Delivery Drivers signed off by the client's authorized representative.	10%
Scanning, Data Capture and Storage of records	Records scanned, captured and stored. Signed off by Supplier's QA and client's authorized personnel.	30%
Go Live	Go Live Certificate. Full documentation manual.  Signed off by Supplier's QA and client's authorized personnel.	5%
System Training and Hand Over	Signed off by client's authorized personnel.	5%
Project Support	60 Calendar Days after Go Live Certification.	5%

## **XI. TEST PARAMETERS**

The delivered hardware and software of the QC BPLD Document Management System shall be tested and evaluated using accepted guidelines.

## **XII. WARRANTY AND GUARANTEE REQUIREMENTS**

- A. Full functionality support program guarantee for the period of sixty (60) working days.
- B. All supplied ICT equipment must have a one (1) year service warranty.

## **XIII. PERFORMANCE SECURITY**

Within ten (10) calendar days from receipt of the Notice of Award by the Bidder from the Procuring Entity but in no case later than prior to the signing of the Contract by both parties, the successful Bidder shall furnish the performance security in any of the forms prescribed in Section 39 of the 2016 revised IRR of RA No. 9184.

## **XIV. PENALTIES FOR BREACH OF CONTRACT**

The Provider's liability under this Contract shall be as provided by the laws of the Republic of the Philippines. If the provider is a joint venture, all partners to the joint venture shall be jointly and severally liable to the Procuring Entity. Failure to deliver the services according to the standards and requirements set by the procuring entity shall constitute a breach and shall subject the Provider to penalties and/or liquidated damages without prejudice to the right of the procuring entity to seek other remedies as may be allowed by law.

## **XV. CANCELLATION OR TERMINATION OF CONTRACT**

The guidelines contained in RA 9184 and its revised IRR shall be followed in the termination of any service contract, in the event the procuring entity terminated the Contract due to default, insolvency, or for cause, it may enter into negotiated procurement pursuant to Section 53 (d) of RA 9184 and its IRR.

Terms of Reference endorsed, reviewed and certified by:

  
**MA. MARGARITA T. SANTOS**  
City Government Department Head III  
Business Permits and Licensing Department

  
**PAUL RENE PADILLA**  
City Government Department Head III  
Informational Technology Development Department

  
**MICHAEL ALIMURUNG**  
City Administrator