

CONTRACT OF SERVICES

THIS CONTRACT ("Contract") is entered into this 29th day of December 2014, by and between the **GOVERNMENT PROCUREMENT POLICY BOARD - TECHNICAL SUPPORT OFFICE** ("the Client") represented herein by its Executive Director, **DENNIS S. SANTIAGO**, having its principal place of office at Unit 2506 Raffles Corporate Center, F. Ortigas Jr. Road, Ortigas Center, Pasig City, and **MR. KENNETH LINDSEY T. CALAMAY** ("the Consultant") with residence at B26 L17 Sampaguita St., Pembo, Makati City 1218.

WHEREAS, the Client wishes to have the Consultant perform the services hereinafter referred to, and

WHEREAS, the Consultant is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

1. Services

- (i) The Consultant shall perform the services specified in the Terms of Reference (TOR), attached hereto as **Annex "A"**, which is made an integral part of the Contract ("the Services").
- (ii) The Consultant shall submit to the Client the reports in the form and within the time periods specified in the TOR.

2. Term

The Consultant shall intermittently perform the Services, subject to the approval of the GPPB-TSO, for **thirty (30) person-days** over a **period of three (3) months** reckoned from the date of signing of this contract, or any other period as may be subsequently agreed upon by the parties in writing.

3. Payment

A. Ceiling

For services rendered pursuant to the TOR, the Client shall pay the Consultant an amount not to exceed the total sum of **Seventy Nine Thousand Six Hundred Forty Pesos (PHP79,640.00)** (US\$1,810.00 x PHP44.00/US\$). This amount has been established based on the understanding that it includes all of the Consultant's costs, including per diems and profits as well as any tax obligation that may be imposed on the Consultant.

B. Schedule of Payments

Based on the TOR, a fee shall be paid upon the submission of the agreed outputs and deliverables within the time-periods allocated for submission for the specific outputs and deliverables. Any change in the delivery dates shall be mutually agreed upon between the Client and the Consultant.

C. Payment Conditions

Payment shall be made in Philippine Pesos, not later than thirty (30) days following the submission by the Consultant of the outputs and deliverables specified in the TOR certified by the

approved.

4. Project Administration

A. Coordinator

The Client designates **ROSELLE M. HERNANDEZ** as Client's Coordinator. The Coordinator will be responsible for the coordination of activities under this Contract, and for the review, acceptance, and approval of the detailed technical contents of the Consultant's reports, and recommend payment for services rendered by the Consultant.

B. Outputs/Deliverables

The Outputs/Deliverables listed in the TOR shall be submitted in the course of the assignment, and will constitute the basis for the payments to be made under **paragraph 3**.

5. Performance Standards

The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity.

The Consultant shall promptly replace any employee assigned under this Contract that the Client considers unsatisfactory.

The Consultant shall perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate advanced technology and safe and effective equipment, machinery, materials and methods.

The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as faithful adviser to the Client, and shall at all times support and safeguard the Client's legitimate interests in any dealings with Sub-Consultants or third parties.

The Consultant shall furnish to the Client such information related to the Services as the Client may from time to time reasonably request.

The Consultant shall at all times cooperate and coordinate with the Client with respect to the carrying out of its obligations under this Contract.

6. Confidentiality

During the term of the Contract, and **within two (2) years after its expiration**, the Consultant shall not: disclose any proprietary or confidential information relating to the Services, the Contract, or the Client's business or operations; communicate or disclose, at any time, to any person or entity any proprietary or confidential information acquired in the course of the Services; nor, make public the recommendations formulated in the course of, or as a result of, the Services, without prior written consent from the Client. For purposes of this clause, "confidential information" means any information or knowledge acquired by the Consultant and/or its Personnel arising out of, or in connection with, the performance of the Services under this Contract that is not otherwise available to the public.

7. Ownership of Materials Any studies, reports, or other materials, graphic, software / source code or otherwise, prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client. The Consultant may retain a copy of such documents and software / source code, exclusively for records purposes.

8. Consultant Not To Be Engaged In Certain Activities The Consultant agrees that, during the term of the Contract and after its termination, the Consultant and any entity affiliated with the Consultant, as well as any Sub-Consultant and any entity affiliated with such Sub-Consultant, shall be disqualified from providing goods, works, or consulting services for any project resulting from or closely related to this Contract other than the Services and any continuation thereof provided there is no current or future conflict.

The Consultant shall not engage, and shall cause their Personnel as well as their Sub-Consultants and their Personnel not to engage, either directly or indirectly in any business or professional activities in the Government's country which would conflict with the activities assigned to them under this Contract, during the term, and after the termination of this Contract.

9. Insurance The Consultant, at its own cost, shall be responsible for taking out or maintaining any appropriate insurance policy against any risk related to the project.

The Client undertakes no responsibility in respect of life, health, accident, travel, or any other insurance coverage for the Consultant, Sub-Consultant, and each of their Personnel or for the dependents of the Consultant, Sub-Consultant, or any such Personnel.

10. Assignment The Consultant shall not assign this Contract or sub-contract any portion of it without the Client's prior written consent.

11. Law Governing Contract The Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Philippine Laws (Applicable Laws).

The Consultant shall perform the Services in accordance with the Applicable Law and shall take all practicable steps to ensure that any Sub-Consultant, as well as the Personnel of the Consultant and any Sub-Consultant, complies with the Applicable Law. The Client shall notify the Consultant in writing of relevant local customs, and the Consultant shall, after such notification, respect such customs.

If, after the date of the Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost incurred by the Consultant in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Consultant under the Contract shall be increased or decreased on a no loss-no gain basis.

12. Language The Contract has been executed in the English language, which

13. Dispute Resolution

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

Any and all disputes arising out of the Contract that cannot be amicably settled between the parties shall be referred to adjudication/arbitration in accordance with the rules of procedure of Philippine laws.

14. Liquidated Damages

If the Consultant fails to submit the required deliverable or output in the form and within the time-periods specified in the TOR, the Client shall, without prejudice to its other remedies under the Contract and under Philippine laws, deduct from the contract price, as liquidated damages, a sum equivalent to one-tenth (1/10) of one percent (1%) of the cost of the unperformed portion of the Services for each day of delay based on the approved contract schedule.

In case the sum of liquidated damages reaches ten percent (10%) of the contract amount, the Client shall automatically rescind the contract, without prejudice to other courses of action and remedies open to it.

15. Termination

The Client may extrajudicially terminate the Contract subject to the conditions and procedures provided under the Guidelines on Termination of Contracts, provided under GPPB Resolution No. 18 - 2004, dated 22 December 2004.

FOR THE CLIENT

CONSULTANT

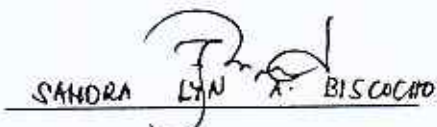


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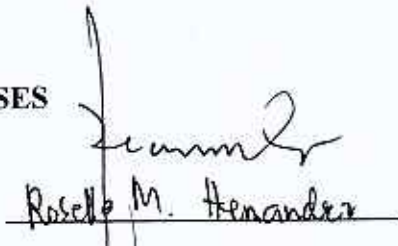


KENNETH LINDSEY T. CALAMAY
Consultant
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Pembo, Makati City 1218
Mobile No.: +63 927 156 5374

WITNESSES



SANDRA LYN X. BISCOARDO



Roselle M. Hernandez

AVAILABLE

Witnessed and correct by:
ROSELLE M. HERNANDEZ
Consultant III

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
PASIG CITY)

) SS

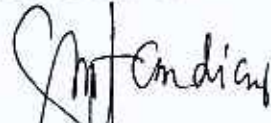
BEFORE ME, this ___ day of DEC 29 2014, 2014, personally appeared:

<u>Name</u>	<u>Passport/Valid ID No:</u>	<u>Date/Place Issued</u>
Dennis S. Santiago	XX2027691	23 June 2012/Manila
Kenneth Lindsey T. Calamay	EC2481262	21 October 2014/DFA NCR East

Known to me and to me known to be the same persons who executed the foregoing instrument consisting of seven (7) pages including this page on which this acknowledgment is written, and acknowledged to me that the same is their free and voluntary act and deed, as well as the free and voluntary act and deed of the principals they represent.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal at the place and on the date first above-written.

NOTARY PUBLIC



ATTY. MARIA CRISTINA TAN DIAZ
NOTARY PUBLIC - PASIG CITY
PTR NO. 1918966 / 01.04.14 / MANDALUYONG CITY
IBP LIFETIME NO. 010342
ROLL NO. 58573
APPOINTMENT NO. 40
COMMISSION EXPIRES ON 12.31.2014
MCLE COMPLIANCE NO. IV-0010114

Doc. No. 389
Page No. 079
Book No. XVII
Series of 2014.

TERMS OF REFERENCE

IMPLEMENTATION AND SUSTAINABILITY OF THE GPPB-TSO ONLINE PROCUREMENT PERFORMANCE AND COMPLIANCE INDICATOR SYSTEM (THE PROJECT)

I. GENERAL OBJECTIVE

In line with the efforts to strengthen the capacity of procurement institutions for effective implementation and enforcement of Republic Act No. 9184, otherwise known as the "Government Procurement Reform Act", its Implementing Rules and Regulations and other related laws, rules and regulations, the World Bank Institutional Development Fund (IDF) Project seeks to assist the Philippine Government in attaining the agreed actions during the 2008 Country Procurement Assessment Report (CPAR), a joint undertaking of various stakeholders of the Philippine procurement regime. The agreed actions include:

- a. Strengthening monitoring and enforcement institutions and mechanisms whereby specific activities are agreed for implementation, such as:
 - i. Develop and strengthen feedback on procurement monitoring system at the agency and national levels; and
 - ii. Develop related database for policy making and decision making purpose.
- b. Strengthen knowledge of auditors on procurement through the development of a procurement audit guide; and
- c. Strengthen the capacity of procurement practitioners where the specific activity will be to implement the roll out of the professionalization program for procurement practitioners.

In response to the foregoing agreed actions, the IDF project introduced three (3) components:

- A. Monitoring and Evaluation of Agency Performance;
- B. Review of the Effectiveness of the Public Procurement; and
- C. Capacity Development Program for Procurement Practitioners.



Under Component A are the following activities:

1. Upgrading of Online Monitoring and Evaluation System (OMES) and its pilot testing in selected NGAs, GOCCs, GFIs, SUCs, including local government

units (LGUs): The OMES shall be renamed as the **Online Procurement Performance and Compliance Indicator System (OPPCIS)**.

2. Development of a sustainability plan, inclusive of a pilot test stage, for OMES implementation; and
3. Development of policy and procedures for the validation of OMES data and issuance of annual procurement report.

II. BACKGROUND

The OMES was developed by the GPPB in 2006 to measure and evaluate the effectiveness of the procurement practices of various government agencies. In 2012, the OMES was upgraded and redesigned to incorporate the Agency Procurement Compliance and Performance Indicators (APCPI) that aims to further enhance the implementation of procurement reforms and initiatives of the government through the:

- Standardization of the performance and compliance monitoring and evaluation tool on public procurement;
- Preparation and identification of a roadmap on the strengths and weaknesses of agency procurement processes;
- Development of an action plan to address risks areas and weaknesses in agency procurement practices;
- Presentation of useful information to effectively manage procurement system in government, and the provision of empirical data for policy and decision-making; and
- Enhancement of procurement reform strategies and regulations.

The integration of the APCPI and the OMES shall look into the procurement performance and compliance of agencies; identify procurement strengths and weaknesses; and, prepare action plans to address the weaknesses and sustain the strengths; develop and strengthen feedback on procurement monitoring system at the national level down to the local government units; and develop related database for policy and decision-making purposes.

On April 2014, a one-day pilot testing activity for the OPPCIS was conducted with fourteen (14) government agencies to determine the system's reliability, ease of use, interoperability, compatibility with the manual procurement process, scalability, functionality, security and user acceptance. Among the participants are members of Bids and Awards Committee and other procurement staffs with experience in preparing PPMPs and APPs.

The results of the pilot test suggest that several functionalities that will cover the actual procurement processes need to be incorporated in the upgraded OMES.

III. SCOPE OF WORK

Specifically, this TOR shall focus on the hiring of individual consultant, under Activity 2 of Component A, who shall perform the following:

1. Review the current OPPCIS by including additional functionalities that will cover actual procurement activities, such as, but not limited to, Downloading of Funds, Contract Extension, Variation Order, Amendment to Order, Ordering Agreement, Multi-Year Obligational Authority, Savings, and Realignment. These features were not part of the upgraded OMES, whose basic modules include Project Procurement Management Plans (PPMP), Budget Approval, Annual Procurement Plan (APP), Procurement Monitoring Report (PMR), Consolidated Procurement Monitoring Report (CPMR) and Agency Procurement Compliance and Performance Indicators (APCPI);
2. Train the GPPB-TSO officers and personnel on Ruby on Rails, the platform used to develop the OPPCIS, to enable the GPPB-TSO to maintain the OPPCIS after system rollout;
3. Support in the pilot testing of additional OPPCIS functionalities, implementation and post-implementation of the OPPCIS; and
4. Perform other related and necessary activities and services, necessary and desirable to implement and execute the objective of the Project.

IV. DELIVERABLES AND TIMELINE

The period of engagement for the Consultant is thirty (30) person-days for a project duration of three (3) months. The Consultant will work intermittently for the Project duration, subject to the approval of the GPPB-TSO.

The Consultant shall allocate specific number of working days to incorporate revisions and changes to the final output and propose next steps/recommendations for the sustainability of the Project.

The schedule of deliverables shall be as follows:

Activity	Level of Effort	Deliverable/s	Progress Report Schedule	Payment Percentage
(1) Inception Report	One (1) Man-day	Inception Report	Within two (2) weeks after receipt of NTP	5%
(2) Ruby on Rails Training	Five (5) Man-Days	1. Training Plan 2. Ruby on Rails Training Materials 3. Training Report	Within two (2) weeks after the training	25%

(3) Delivery of Additional Functionalities of OPPCIS	Twenty (20) Man-Days	Program Source Code	Within the 2 nd month from issuance of NTP	40%
(4) Pilot Test Support	Four (4) Man-Days	1. Pilot Test Report 2. Program Source Code	Within the 3 rd month from issuance of NTP	30%

V. QUALIFICATIONS OF THE CONSULTANT

The individual consultant shall possess the following requirements:

- a. At least three (3) years of extensive experience in development and implementation of information systems in a web-based environment, preferably with relevant Certification, in the use of MySql and Ruby on Rails; and, with experience in implementing website and website applications for government information systems;
- b. Bachelor's Degree in Computer Science, Computer Engineering, Information and Communication Technology, or other related fields. A Master's Degree in a related field is preferred;
- c. Higher training in the ICT field both local and abroad is likewise preferred.

VI. REPORTING

The GPPB-TSO shall be the Implementing Agency for this project. The Office will provide the Consultant with data, reports, and other available documentation or information. The Consultant will report directly to the IDF Grant Project Management Office (PMO).

The Consultant shall prepare Period Progress Reports, based on the timetable provided, to which shall be attached all outputs and deliverables for the particular period under consideration, description of any difficulties or problems, particularly those which may delay progress and completion of the assignments and the Project as a whole; and, set out the activities expected to be undertaken during the period. The Consultant shall prepare and submit to the IDF Grant PMO two (2) copies of all written outputs and reports, together with an electronic copy thereof, specified under the schedule of deliverables provided herein.