

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT is made and entered into this 28th day of August 2014 by and between:

The **TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY (TESDA)**, a national government agency created and existing under and by virtue of Republic Act No. 7796 with principal address at TESDA Complex, East Service Road, South Luzon Expressway, Taguig City, Metro Manila, Philippines, represented herein by its Director General, **Secretary EMMANUEL JOEL J. VILLANUEVA** and hereinafter referred to as the **"FIRST PARTY"**;

- and -

TUV SUD PSB PHILIPPINES, INCORPORATED, a private business entity, registered under the laws of the Republic of the Philippines with business address at Unit 1808, The Orient Square Building, F. Ortigas Jr. Road, Ortigas Center, Pasig City, herein represented by its Deputy General Manager, **MS. FEMELYN S. LATI**, and hereinafter referred to as the **"SECOND PARTY"**.

- WITNESSETH -

WHEREAS, the **FIRST PARTY** through its Bids and Awards Committee (BAC) issued and posted a Request for Expression of Interest in the Philippine Star and in the Philippine Government Electronic Procurement System (PHILGEPS) on 13 June 2014 in compliance with Section 21 of the Revised Implementing Rules and Regulations of Republic Act No. 9184, otherwise known as the Government Procurement Reform Act, for the hiring of certification body for the preponed-repeat-expansion audit of all TESDA regional and provincial offices for program registration and assessment and certification and TESDA's process of development of training regulations (TRs) and competency assessment tools (CATs) to ISO 9001:2008;

WHEREAS, during the submission of eligibility documents, three (3) bidders submitted their respective bids namely Certification International Philippines, Incorporated, TUV SUD PSB Philippines, Incorporated and Bureau Veritas SA, which passed the preliminary eligibility requirements and were even short listed;

WHEREAS, upon careful examination, validation and verification of all the technical and financial proposals submitted by the **SECOND PARTY**, the bid of the **SECOND PARTY** amounting to **One Million Two Hundred Ninety Two Thousand Two Hundred Fifty Six Pesos (Php 1,292,256.00)** has satisfactorily passed the legal, financial and technical requirements set forth by Republic Act No. 9184 and the bidding documents;

WHEREAS, after post-qualification prescribed by Section 34 of the Revised Implementing Rules and Regulations of Republic Act No. 9184, the bid offered by the **SECOND PARTY** has been found to be the highest rated responsive bid;

NOW, THEREFORE, for and in consideration of the foregoing, this Agreement is entered by and between the **FIRST PARTY** and the **SECOND PARTY** with the following covenants, to wit:

Emmanuel J. Villanueva
Femelyn S. Lati
[Signature]

Section I

SCOPE OF WORK AND RESPONSIBILITIES OF THE PARTIES

A. The SECOND PARTY shall conduct audit which will cover the following processes of the FIRST PARTY:

1. Core Processes
 - a.) Program Registration (UTPRAS)
 - b.) Assessment and Certification (PTQCS)
 - c.) Development of Training Regulations (TRs)
 - d.) Development of Competency-based Assessment Tools (CATs)
2. Support Services
 - a.) Human Resource
 - b.) Purchasing/Procurement
 - c.) Infrastructure (Building/Equipment and Service Vehicle Maintenance)
 - d.) Work Environment
3. Quality Procedures
 - a.) Control of Documents - QP-01
 - b.) Control of Records - QP-02
 - c.) Internal Quality Audit - QP-03
 - d.) Control of Nonconforming Service and Corrective and Preventive Action Procedure - QP-04
4. Central/Regional/Provincial Customer Satisfaction
5. Members of National/Regional Quality Management Committee

B. The following are the areas/sites to be covered by the application for ISO 9001:2008 Certification:

1. Central Office
 - Program Registration;
 - Assessment and Certification;
 - Development of TRs and CATs; and
 - Support Services

2. Regional/Provincial Offices

NCR

- Regional Office
- District Office - CaMaNaVa
- District Office - Manila
- District Office - MuntiParLasTaPat
- District Office - PaMaMariSan
- District Office - Pasay/Makati
- District Office - Quezon City



CAR

- Regional Office
- Provincial Office - Abra
- Provincial Office - Apayao
- Provincial Office - Benguet
- Provincial Office - Ifugao
- Provincial Office - Kalinga
- Provincial Office- Mountain Province

CARAGA

- Regional Office
- Provincial Office - Agusan del Norte
- Provincial Office - Agusan del Sur
- Provincial Office - Dinagat Islands
- Provincial Office - Surigao del Norte
- Provincial Office - Surigao del Sur

Region I

- Regional Office
- Provincial Office - Ilocos Norte
- Provincial Office - Ilocos Sur
- Provincial Office - La Union
- Provincial Office - Pangasinan

Region II

- Regional Office
- Provincial Office - Batanes
- Provincial Office - Cagayan
- Provincial Office - Isabela
- Provincial Office - Nueva Vizcaya
- Provincial Office - Quirino

Region III

- Regional Office
- Provincial Office - Aurora
- Provincial Office - Bataan
- Provincial Office - Bulacan
- Provincial Office - Nueva Ecija
- Provincial Office - Pampanga
- Provincial Office - Tarlac
- Provincial Office - Zambales



Region IV-A

- Regional Office
- Provincial Office - Batangas
- Provincial Office - Cavite
- Provincial Office - Laguna
- Provincial Office - Quezon
- Provincial Office - Rizal

Region IV-B

- Regional Office
- Provincial Office - Marinduque
- Provincial Office - Occidental Mindoro
- Provincial Office - Oriental Mindoro
- Provincial Office - Palawan
- Provincial Office - Romblon

Region V

- Regional Office
- Provincial Office - Albay
- Provincial Office - Camarines Norte
- Provincial Office - Camarines Sur
- Provincial Office - Catanduanes
- Provincial Office - Masbate
- Provincial Office - Sorsogon

Region VI

- Regional Office
- Provincial Office - Aklan
- Provincial Office - Antique
- Provincial Office - Capiz
- Provincial Office - Guimaras
- Provincial Office - Iloilo
- Provincial Office - Negros Occidental

Region VII

- Regional Office
- Provincial Office - Bohol
- Provincial Office - Cebu
- Provincial Office - Negros Oriental
- Provincial Office - Siquijor



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Region VIII

- Regional Office
- Provincial Office - Biliran
- Provincial Office - Eastern Samar
- Provincial Office - Leyte
- Provincial Office - Northern Samar
- Provincial Office - Samar
- Provincial Office - Southern Leyte

Region IX

- Regional Office
- Provincial Office - Sibugay
- Provincial Office - Zamboanga del Norte
- Provincial Office - Zamboanga del Sur

Region X

- Regional Office
- Provincial Office - Bukidnon
- Provincial Office - Camiguin
- Provincial Office - Lanao del Norte
- Provincial Office - Misamis Occidental
- Provincial Office - Misamis Oriental

Region XI

- Regional Office
- Provincial Office - Compostela Valley
- Provincial Office - Davao del Norte
- Provincial Office - Davao del Sur
- Provincial Office - Davao Oriental

Region XII

- Regional Office
- Provincial Office - North Cotabato
- Provincial Office - Sarangani
- Provincial Office - South Cotabato
- Provincial Office - Sultan Kudarat

ARMM

- Regional Office
- Provincial Office - Basilan
- Provincial Office - Maguindanao
- Provincial Office - Sulu



- Provincial Office - Tawi-Tawi
- Provincial Office - Lanao del Sur

Sampling shall be utilized during the actual conduct of the audit in the identified sites.

Moreover, the details of the activities, deliverables and timelines are specified in the attached GANNT chart hereto attached as Annex "A" and shall become an integral part of this agreement.

C. The expected outputs of the SECOND PARTY shall be as follows:

1. Registration, certification/surveillance audit plans and audit checklists;
2. Certification audits which will consist of Stage 1 and Stage 2;
3. Audit reports on Stage 1 and Stage 2 audits and annual surveillance audits which shall cover the following:
 - 3.1 The second year surveillance audit shall include the following sites: a) central office, b) 3 regional offices and c) fifty (50) percent of the remaining provinces; and
 - 3.2 The third year surveillance audit shall include the following sites: a) central office, b) 3 regional offices and c) fifty (50) percent of the remaining provinces; and
4. ISO 9001:2008 **main certificate** which shall be awarded to TESDA Central Office and **sub-certificates which shall be issued to the other one hundred three (103) audit sites** covered.

D. The FIRST PARTY shall:

1. Provide furnished working space for the SECOND PARTY during the audit period;
2. Provide access and use of the facilities necessary for the rendition of services of the SECOND PARTY; and
3. Provide funding for payment of the services rendered by the SECOND PARTY subject to the government accounting and auditing rules and regulations.

Section II

TERMS AND CONSIDERATIONS

The FIRST PARTY shall pay the SECOND PARTY the amount of **One Million Two Hundred Ninety Two Thousand Two Hundred Fifty Six Pesos (Php 1,292,256.00)** for the actual services rendered by the SECOND PARTY, chargeable against Fund 101, subject to the following:

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[Signature]

Year 1	Preponed Repeat Audit	Php 525,800.00
Year 2	1 st Surveillance Audit	Php 329,000.00
Year 3	2 nd Surveillance Audit	Php 299,000.00
	Taxes	Php 138,456.00
	Total	Php 1,292,256.00

Payment shall only take effect after actual rendition of the services as herein prescribed and acceptance by the FIRST PARTY of the output of the SECOND PARTY is made.

Section III

The following documents shall be deemed to form and be read and construed as part of this Agreement:

- (a) Bidding Documents of TUV SUD PSB Philippines, Incorporated;
- (b) BAC Resolution No. 09-2014 dated 04 August 2014;
- (c) Notice of Award dated 06 August 2014;
- (d) Performance Security; and
- (e) Notice to Proceed

Section IV AMENDMENT CLAUSE

No amendment, modification, or alteration of this Agreement shall be valid and binding on either Party unless expressed in writing and executed with the same formalities observed in this Agreement.

Section V EFFECTIVITY

This Agreement shall be valid and effective upon signing of the Parties and may be terminated by either party subject to written notification to the other Party within thirty (30) calendar days prior to the intended date of termination subject to whatever obligations already incurred.

IN WITNESS whereof, the Parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year indicated above.

Am... [Handwritten Signature]

[Handwritten Signature]

[Handwritten Signature]

TECHNICAL EDUCATION AND SKILLS
DEVELOPMENT AUTHORITY

TUV SUD PSB PHILIPPINES,
INCORPORATED



SEC. EMMANUEL JOEL J. VILLANUEVA,
Director General



MS. FEMELYN S. LATI
Deputy General Manager

SIGNED IN THE PRESENCE OF:



IRENE M. ISAAC
Deputy Director General
Policies and Planning/
National Quality Manager



CELESTE M. BITONG
Certification Manager



ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) S.S.

BEFORE ME, a Notary Public for and in the Province /City of
SEP 04 2014 2014 personally came and appeared:

NAME	GOVERNMENT ISSUED ID	ISSUED BY
SEC. EMMANUEL JOEL J. VILLANUEVA	TESDA ID NO. 1998-2454	
MS. FEMELYN S. LATI		

Known to me and to known to be the same persons who executed the foregoing instrument which they acknowledge before me as their free and voluntary act and deed.

WITNESS MY HAND AND SEAL this SEP 04 2014 day of _____ 2014 at
CITY OF MANILA

Ronald C. Ching

Doc. No. 74
Page No. 15
Book No. 2
Series of 2014

ATTY. RONALD SEGUNDINO C. CHING
 NOTARY PUBLIC-CITY OF MANILA
 ADMIN. NO. 2013-HEC-0011-DEC-51-2014
 ROLL NO. 54243
 IBP NO. 923492-12-11-2013-MLA
 PTR. NO. MLA. 34267168 1-2-2014 MLA
 MCI E-COMPLIANCE NO. III-0016300

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Annex "A"

TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY (TESDA)

ISO 9001:2008 PREPONED REPEAT EXPANSION AUDIT: MATRIX / SAMPLING SCHEDULE



PSB Philippines

Location	# of Employees		PRA (2014)		1SA (2015)		2SA (2016)	
			Onsite	Offsite	Onsite	Offsite	Onsite	Offsite
HQ	149	HQ	5.00	0.80	2.50	0.50	2.50	0.50
Site98 - Regional Office	16	ARMM	1.50	0.50				
Site99 - Basilan	11	ARMM						
Site100 - Maguindanao	11	ARMM						
Site101 - Sulu	11	ARMM						
Site102 - Tawi-Tawi	11	ARMM						
Site103 - Lanao del Sur	11	ARMM			0.80	0.50		
CAR (Baguio)	22	CAR	1.30	0.50				
Site4 - Benguet	9	CAR	1.00	0.50				
Site5 - Ifugao	8	CAR						
Site6 - Kalinga	9	CAR						
Site7 - Abra	8	CAR			0.50	0.50		
Site8 - Apayao	9	CAR						
Site9 - Mt. Province	9	CAR						
Site58 - Caraga	22	Caraga			0.80	0.50		
Site93 - Agusan del Norte	9	Caraga	1.00	0.50				
Site94 - Agusan del Sur	9	Caraga						
Site95 - Surigao del Norte	11	Caraga						
Site96 - Surigao del Sur	8	Caraga						
Site97 - Dinagat Island	8	Caraga						
Site23 - NCR (Taguig)	22	NCR	1.30	0.50				
Site28 - MuntIParLasTaPat	10	NCR	1.00	0.50				
Site29 - Pasay-Makati	9	NCR						
Site30 - Manila	11	NCR			0.80	0.50		
Site31 - Camanava	9	NCR						
Site32 - Quezon City	11	NCR						
Site33 - PaMaMarisan	10	NCR					0.80	0.50
Site24 - Region 1 (San Fernando)	31	R1						
Site34 - Ilocos Norte	8	R1	1.00	0.50				
Site35 - Ilocos Sur	8	R1						
Site36 - La Union	8	R1					0.50	0.50
Site37 - Pangasinan	8	R1			0.80	0.50		
Site56 - Region 10 (Cagayan de Oro)	23	R10	1.50	0.50				
Site84 - Bukidnon	9	R10	1.00	0.50				
Site85 - Camiguin	8	R10					0.50	0.50
Site86 - Lanao del Norte	9	R10						
Site87 - Mizamiz Occidental	9	R10						
Site88 - Mizamiz Oriental	9	R10						
Site27 - Region 11 (Davao)	21	R11	1.50	0.50	0.80	0.50		
Site47 - Davao Oriental	8	R11	1.00	0.50				
Site48 - Compostela Valley	8	R11						
Site49 - Davao del Norte	8	R11					0.50	0.50
Site50 - Davao del Sur	12	R11					0.80	0.50
Site57 - Region 12 (Koronadal, Gen. Santos)	23	R12					0.80	0.50
Site89 - North Cotabato	11	R12	1.30	0.50				
Site90 - South Cotabato	10	R12						
Site91 - Sultan Kudarat	8	R12						
Site92 - Sarangani	9	R12						
Site51 - Region 2 (Tuguegarao, Cagayan)	21	R2					0.80	0.50
Site59 - Batanes	8	R2						
Site60 - Cagayan	10	R2						
Site61 - Isabela	10	R2	1.00	0.50				
Site62 - Nueva Vizcaya	8	R2						
Site63 - Quirino	8	R2			0.80	0.50		
Region 3 (San Fernando, Pampanga)	21	R3			0.80	0.50		
Site10 - Bulacan	10	R3	1.00	0.50				
Site11 - Nueva Ecija	9	R3						
Site12 - Tarlac	9	R3						
Site13 - Aurora	8	R3						
Site14 - Bataan	9	R3						
Site15 - Pampanga	10	R3	1.00	0.50				
Site16 - Zambales	9	R3						

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Site25 - Region 4-A (Taguig)	21	R4A	1.30	0.50					
Site38 - Batangas	11	R4A							
Site39 - Cavite	11	R4A			0.80	0.50			
Site40 - Laguna	10	R4A							
Site41 - Quezon	9	R4A					0.80	0.50	
Site42 - Rizal	10	R4A							
Site52 - Region 4-B (Oriental, Mindoro)	21	R4B	1.50	0.50					
Site64 - Marinduque	9	R4B							
Site65 - Occidental Mindoro	8	R4B							
Site66 - Oriental Mindoro	9	R4B							
Site67 - Palawan	8	R4B					0.50	0.50	
Site68 - Romblon	8	R4B							
Site53 - Region 5 (Legaspi)	22	R5			0.80	0.50			
Site69 - Albay	9	R5	1.00	0.50					
Site70 - Camarines Norte	8	R5							
Site71 - Camarines Sur	10	R5					0.50	0.50	
Site72 - Catanduanes	8	R5							
Site73 - Masbate	9	R5							
Site74 - Sorsogon	8	R5							
Site54 - Region 6 (Iloilo)	24	R6							
Site75 - Aklan	9	R6	1.00	0.50					
Site76 - Antique	10	R6							
Site77 - Capiz	9	R6							
Site78 - Guimaras	8	R6							
Site79 - Iloilo	12	R6			0.80	0.50			
Site80 - Negros Occidental	12	R6							
Site26 - Region 7 (Cebu)	21	R7					0.80	0.50	
Site43 - Cebu	12	R7	1.00	0.50					
Site44 - Bohol	9	R7							
Site45 - Negros Oriental	10	R7							
Site46 - Syquijor	8	R7							
Site3 - Region 8 (Tacloban)	23	R8							
Site17 - Leyte	12	R8							
Site18 - Samar	9	R8							
Site19 - Southern Leyte	7	R8							
Site20 - Biliran	7	R8							
Site21 - Eastern Samar	9	R8			0.50	0.50			
Site22 - Northern Samar	8	R8							
Site55 - Region 9 (Pagadian)	21	R9					0.80	0.50	
Site81 - Zamboanga del Norte	9	R9	1.00	0.50					
Site82 - Zamboanga del Sur	10	R9							
Site83 - Zamboanga Sibugay	8	R9							
	1317	104	29.20	11.30	11.50	6.50	10.60	6.50	




