

TERMS OF REFERENCE

For the Engagement of Consulting Services of a Certifying Body to Provide Certification Audit for the Issuance of ISO 9001:2015 Certificate and Surveillance Audits for the Quality Management System (QMS) of Metropolitan Waterworks and Sewerage System MWSS Corporate Office (MWSS CO).

I. PURPOSE

The purpose of this Terms of Reference (TOR) is to engage the services of a Certifying Body that will conduct assessment and audit of MWSS QMS for certification to ISO 9001:2015 Standard, together with the cycle of surveillance audits until the time for re-certification audit.

II. BACKGROUND

In line with the need for government agencies to improve quality in their operations and service delivery, *Executive Order No. 605: Institutionalizing the Structure, Mechanisms and Standards to Implement the Government Quality Management Program (GQMP)*, was issued on February 23, 2007 to all departments and agencies of the executive branch, including all Government-Owned and/or Controlled Corporations (GOCCs) and Government Financial Institutions (GFIs) to enhance public sector efficiency and customer satisfaction.

The Philippine Development Plan (PDP) 2017-2022 strengthens compliance to E.O. No. 605 to enhance and sustain government performance in the delivery of quality services by upgrading the Government Quality Management Systems (QMS) to be more client- and citizen-oriented and driving agencies towards performance excellence to boost citizen trust in government. Thus, GQMP is considered a tool and among the priorities to ensure people centered, clean and efficient governance. The MWSS, in the previous years has complied with the GCG and IATF Requirements for ISO via the submission of the Quality Manual and conduct of Internal Audit, which satisfied the GCG requirements. However, for 2018 all GOCCs are required to acquire certification for ISO 9001:2015 of at least one (1) process.

For MWSS, we are aiming for ISO Certification of the Project Management process which is considered to be one of the core processes relative to our mandate. Thus, the MWSS hired an ISO Consultant to help us prepare for the eventual certification process. We are now proceeding with the bidding for the procurement of a qualified ISO certifying body that will conduct the necessary audit services leading to certification to ISO 9001: 2015.

III. OBJECTIVE

The overall objective of the engagement is to provide independent confirmation that MWSS QMS meets ISO 9001:2015 requirements, and if found compliant, issue the corresponding Certification and conduct the required Surveillance Audits. Specifically, the objectives are: (1) to conduct initial audits (Stage 1 and 2) of MWSS QMS based on ISO 9001:2015 Standard and issue the certification and (2) to conduct surveillance audits within a two-year period after MWSS 9001:2015 QMS gains certification.

IV. SCOPE OF WORK

The Certification and Surveillance Audits shall cover the MWSS QMS, in particular, the project management process conducted by the MWSS Project Management TEAM, and the facilitation of the Project Management approval process, limited to procedures conducted and within the control of the MWSS. The said Third Party Certification Audit shall involve the following activities:

1. Conduct ISO 9001:2015 Certification Audits of MWSS QMS, as follows:
 - a. Stage 1 Audit – ISO 9001:2015 QMS adequacy and readiness review; and
 - b. Stage 2 Audit – ISO 9001:2015 QMS implementation audit.
2. Issue ISO 9001:2015 Certificate to MWSS QMS upon satisfactory compliance to the Standard and Certification requirements;
3. Conduct at least one surveillance audit every year for two consecutive years after the issuance of Certificate to maintain MWSS QMS Certification.

Additional Inputs to scope of certification audit:

1. Total number of personnel complement involved in the certification audit is less than 60;
2. MWSS has only one office location (i.e., no satellite locations)

V. CLIENT'S RESPONSIBILITY

On behalf of MWSS, the Quality Management Representative (QMR) or his duly designated representative, with the assistance of the ISO Consultant, shall evaluate the quality of work delivered by the Certifying Body based on this TOR to ensure the quality and relevance of work being conducted. Based on this, the QMR shall issue a written project acceptance/approval, retention, or discontinuance. The following comprise the general expectations from MWSS, as client:

1. Prior to any execution of activities related to this Terms of Reference, the MWSS Quality Management Process Owners shall convene a meeting with the representatives of the Certifying Body. A close anchoring and monitoring of all the activities as indicated herein shall be undertaken by the QMR;
2. The QMR and the ISO Core Team Secretariat shall be responsible for providing technical assistance to the project. They shall closely coordinate with the representatives of the Certifying Body in the conduct of the audit and other related certification activities, including monitoring of the progress of related tasks;
3. The QMR, Internal Auditor/s and ISO Core Team Secretariat shall cooperate in the conduct of audit activities, ensuring that the process owners and concerned officials and staff are available on the scheduled dates of audits. For any request for change or cancellation of schedule, however, the said change/ adjustment shall be made based on mutual agreement by both parties; and

VI. CERTIFYING BODY'S RESPONSIBILITY

The Certifying Body undertakes to perform the Audit with the highest standards of professional and ethical competence and integrity. The following are the general expectations from the Certifying Body:

1. Commitment to treat with utmost confidentiality, all information and materials gathered and used relating to this engagement or the Client's business or operations;
2. Preparation of the Certification or Surveillance Audit Plan, as the case may be, with schedule of activities for the entire duration of the engagement. The representatives from the Certifying Body shall coordinate with the QMR through the ISO Core Team Secretariat regarding any changes on the dates of audit schedules or any delay in the activities related to ISO certification;
3. Adherence to certification or surveillance audit schedule/appointment and any changes or adjustments of schedules as may be agreed upon. For any request for change or cancellation of schedule, however, at least a one (1) week notice shall be given and the said change/adjustment shall be made based on mutual agreement by both parties;
4. Provision of information on any conflicts of interest and proposed approach to the resolution thereof;
5. The duly authorized representative of the Certifying Body shall submit an audit report after conducting the certification audit and surveillance audits, as the case may be, on mutually agreed schedules; and
6. Issue Certification to ISO 9001:2015 of Project Management Process of MWSS CO upon compliance with certification requirements.
7. Conduct of at least two (2) surveillance audits within the period of certification of MWSS QMS to 9001:2015 Standard not more than one (1) year for the first and more than two (2) years after for the second audit, respectively. The Certifying Body shall continue to perform the necessary tasks at no additional cost to MWSS other than the amount provided in this TOR, until the time for application to ISO 2015 QMS re-certification.

VII. CERTIFYING BODY'S QUALIFICATION REQUIREMENTS

A. Qualification and Competencies

1. The Certifying Body must be duly accredited by the Department of Trade and Industry-Philippine Accreditation Bureau (DTI-PAB) with PNS ISO/IEC 17021-1:2015 to provide QMS certification to ISO 9001:2015 for L75: Public Administration. Furthermore, the Certifying Body shall have a locally SEC-registered office accredited to both the DTI-PAB and an international accreditation body;
2. The Certifying Body must possess the following: a) Minimum of five (5) years of experience in conducting ISO QMS audits/certification; and b). Minimum of 3 ISO QMS government certification projects conducted.

3. The Certifying Body shall field a team of 1 lead auditor and at least 4 auditors with the following qualifications:

Team Member	Qualifications
Lead Auditor	<ul style="list-style-type: none"> • Degree relevant to the job • At least five (5) similar projects (i.e., ISO QMS Certification) for government institutions; • At least five(5) relevant projects (i.e., ISO QMS Certification) for private companies
Audit Members	<ul style="list-style-type: none"> • Degree relevant to the job • At least five (5) similar projects (i.e., ISO QMS Certification) for government institutions; • At least five(5) relevant projects (i.e., ISO QMS Certification) for private companies

B. Documentary Requirements/Submissions

Interested firms are required to submit one (1) original and three (3) copies of the following in four (4) separate sealed envelopes appropriately marked Original and Copy as the case may be:

1. Eligibility Requirements:

- a. DTI-PAB certification/accreditation;
- b. SEC registration;
- c. Mayor's/Business permit issued by the city or municipality where the principal place of business of the prospective bidder is located, or the equivalent document for Exclusive Economic Zones or Areas. In cases of recently expired Mayor's/Business permits, it shall be accepted together with the official receipt as proof that the bidder has applied for renewal within the period prescribed by the concerned local government unit: Provided, That the renewed permit shall be submitted as a post qualification requirement in accordance with Section 34.2 of the IRR of RA 9184;
- d. PhilGEPS registration certificate/number, pursuant to requirements under Section II, 2.1, a, i of Philippine Bidding Documents, August 2016, 5th edition;
- e. Income/Business Tax Returns; and
- f. Omnibus Sworn Statement.

2. Technical Proposal:

- a. Statement of the prospective bidder of all its ongoing and completed government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid, within the relevant period provided. The statement shall include, for each contract, the following:
 - i. the name and location of the contract;
 - ii. date of award of the contract;
 - iii. type and brief description of consulting services;
 - iv. consultant's role (whether main consultant, sub-consultant, or partner in a JV)
 - v. amount of contract;

- vi. contract duration; and
- vii. certificate of satisfactory completion or equivalent document issued by the client, in the case of a completed contract;
- b. Statement of the consultant specifying its nationality in compliance with Section 24.3.1 of the 2016 Revised IRR of RA 9184, and confirming that those who will actually perform the service are registered professionals authorized by the appropriate regulatory body to practice these and allied professions;
- c. Curriculum vitae of the proposed certification audit team with audit experience relevant to this project;
- d. Complete and clear scope of work and implementation methodology, including team composition and tasks, time schedule for professional personnel, and activity work schedule.

3. Financial Proposal:

The quotation should be stated simply on a lump sum basis contained in a sealed letter (Note: Please see letter template on RFQ) addressed to the following:

Chairman, Bids and Awards Committee (BAC) Secretariat
 MWSS Corporate Office
 4th Flr., Admin Building, MWSS Complex
 Balara, Quezon City

The four envelopes, one (1) original and three (3) copies, each containing the Eligibility Requirements, Technical Proposal and Financial Proposal, should be submitted to the following:

Chairman, BAC Secretariat
 MWSS Corporate Office
 4th Flr., Admin Building, MWSS Complex
 Balara, Quezon City

C. Evaluation and Selection Criteria

1. Only the financial proposals of those bidders who have complied with the eligibility and technical requirements will be opened;
2. The bidder who submits the lowest quotation will be declared the winner

VIII. DURATION OF ENGAGEMENT AND APPROVED BUDGET FOR THE CONTRACT

The services of the Certifying Body will be engaged from the time the NTP is issued in 2018 up to the time the second surveillance audit has been accomplished in 2020. The Approved Budget for the Contract is P300,000 inclusive of all taxes and other charges imposed under applicable laws.

IX. DELIVERABLES AND TERMS OF PAYMENT

1. The following services and outputs will be expected from the Certifying Body to be submitted/delivered to MWSS with the timelines specified below and based on the agreed general Work Plan:

Activity	Output	*Timeline
a. Submission of Draft Certification audit plan	Stage 1 Audit Plan (Draft) Stage 2 Audit Plan (Draft)	Within 10 calendar days upon CB's receipt of the Notice to Proceed (NTP)
b. Conduct certification audits	Stage 1 Audit Plan conducted Stage 2 Audit Plan conducted	Within 1 week from approval of audit plans. Immediately after Stage 1 Audit
c. Submission of audit reports	Stage 1 Audit Plan report Stage 2 Audit Plan report	Two days after Stage 1 Audit Two days after Stage 2 Audit
d. Issuance of ISO 9001:2015 certificate**	ISO 9001:2015 Certificate	Within Month 3 upon receipt of NTP
e. Conduct of two (2) surveillance audits and confirmation of ISO 9001:2015 certificate within Year 1 and Year 2	Annual surveillance audits, plans, procedures, schedules and reports: 1 st Surveillance Audit 2 nd Surveillance Audit	 Within Year 1 after the Certification Within Year 2 after the Certification

Notes: *Changes in the project schedule shall be allowed subject to MWSS approval. **Subject to satisfactory results of assessment audit

2. **Payment** shall be made in three (3) installments upon completion of each of the following milestones and submission of the required deliverables:

Activity/Deliverable	Payment
a. After Certification Audit and Issuance of ISO 9001:2015 Certificate Valid for Three (3) Years	50%
b. After Surveillance Audit for the 1 st Year	25%
c. After Surveillance Audit for the 2 nd Year	25%

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