

TERMS OF REFERENCE:

Engagement of the Services of a Certifying Body for the Re-Certification of the JHMC to the ISO 9001:2015 Standards: Quality Management System (QMS)

I. RATIONALE

Administrative Order No. 161 “Institutionalizing Quality Management System (QMS) in Government” was issued on 05 October 2006, as one of the National Competitiveness Summit (NCS) Action to effect actual improvements in public governance in recognition of the International Organization for Standardization (ISO) 9000 series which ensures consistency of products and services through quality processes.

Administrative Order No. 605 “Institutionalizing the Structure, Mechanisms and Standards to Implement the Government Quality Management Program, amending for the Purpose Administrative Order No. 161, s. 2006” was issued in 23 February 2007 to identify with more particularly guidelines in the pursuit of the components of the Government Quality Management Program (GQMP) for the effective implementation of the law, including the expansion in its coverage and the necessary structure that shall formulate the policies and oversee the GQMP.

A.O. No. 605 directs all departments and branches of the Executive branch, including all government-owned and/or controlled corporations (GOCCs) and government financial institutions (GFIs) to adopt the ISO 9001:2000 QMS as part of the implementation of a government-wide quality management program. The QMS shall be certified for demonstrated conformity with ISO 9001:2000 and the applicable Government Quality Management Systems Standards (GQMSS), with priority to be given to frontline services.

The JHMC, as the steward of the Camp John Hay, continues to develop the estate into a premier tourist and investment destination and center for human resource development. It continues to be a strong catalyst for economic growth and job generation, manages its forest watershed areas with a goal of sustainable multiple use and administers effective and efficient regulation in the John Hay Special Economic Zone (JHSEZ) and the John Hay Reservation Area (JHRA) and have been building partnership with various stakeholders for a lasting and positive impact in the City of Baguio and the Country.

In 16 March 2016, the JHMC was certified to the ISO 9001:2008 for its Quality Management System (QMS) in clear recognition of its achievement of an elevated capacity for and quality of public governance.

In 10 November 2016, the JHMC was awarded a Certificate of Recognition by the Government Quality Management Committee chaired by the DM Secretary Benjamin E. Diokno for its certification to ISO 9001:2008 standards.

In 31 December 2018, JHMC has been assessed and recommended for the certification of the ISO 9001:2015 by the AJA Registrars Inc., valid until 20 March 2022, for its 2nd cycle.

In 31 December 2021, true to its policy to continually improve its management system, the 3rd Party Certifying Body (SOCOTEC Certification Philippines, Inc.) has commended JHMC for its efforts in maintaining its compliance with ISO 9001:2015 and was issued its renewed ISO 9001:2015 Certificate, **valid until 20 March 2025**, after successfully hurdling the Recertification Audit conducted on 03 November 2021. This Certificate is for its 3rd cycle.

II. GENERAL TERMS AND CONDITIONS

1. The Certifying Body (CB) must be accredited by the International Accreditation Forum (IAF) members. Preferably, the CB is accredited by the Philippine Accreditation Bureau (PAB) under the Department of Trade and Industry, which is an IAF member and the recognized national accreditation body in the Philippines pursuant to Executive Order No. 802, s. 2009.

Similar internationally recognized bodies promoting Total Quality Management (TQM) shall be considered.

2. The CB must have at least five (5) years ISO 9001:2015 auditing experience.
3. The CB must have conducted at least five (5) similar engagements within the last five (5) years for government institutions, of which three (3) are for government institutions.
4. Its Audit Team should satisfy the following:
 - Consist of at least two (2) Auditors with actual hands-on experience on QMS *who are qualified to conduct audits in the name of the CB*;
 - With at least one (1) team member with a minimum of three (3) years ISO 9001: 2015 auditing experience; and,
 - With at least one (1) team member with actual hands-on experience on the Government QMS Process.

5. The CB must be duly registered with the Securities and Exchange Commission (SEC) or the Department of Trade and Industry (DTI) for sole proprietorship.
6. The CB must be duly registered with PhilGEPS.
7. The proponent is required to submit to JHMC, through its Bids and Awards Committee (BAC), copies of the following:
 - a. Company Profile highlighting related projects;
 - b. Accreditation from the IAF members (preferably from the Philippine Accreditation Bureau under the Department of Trade and Industry, which is an IAF member and the recognized national accreditation body in the Philippines pursuant to Executive Order No. 802, s. 2009);
 - c. Proposal, including a complete and clear scope of work and implementation methodology;
 - d. Professional License/ Curriculum Vitae of the proposed certification Audit Team;
 - e. List of Clients (with contact person and contact number), services rendered and contract amount; and,
 - f. BAC documentary requirements under the provisions of R.A. 9184, otherwise known as the “Government Procurement Reform Act” specifically under the Mode of Procurement on Negotiated Procurement – Small Value Procurement (SVP) as may be identified in the Request for Expression of Interest (REI).
8. Proposals shall be evaluated based on Quality-Cost Based Evaluation (QCBE).

The criteria and rating system for the selection of the winning CB are as follows:

Evaluation Criteria	Weight
Technical Proposal	
<i>a. Applicable Experience and Track Record</i> <ul style="list-style-type: none"> ▪ Number of years of experience (10%) ▪ Similar projects completed within the last five (5) years (10%) ▪ Similar projects conducted for 	35%

<p>government institutions within the last five (5) years (10%)</p> <ul style="list-style-type: none"> ▪ Client feedback (5%) 	
<p>b. Qualification of Audit Team</p> <ul style="list-style-type: none"> ▪ Audit team members with actual hands-on experience on QMS who are qualified to conduct audits in the name of the CB (10%) ▪ With at least one (1) team member with a minimum of three (3) years ISO 9001: 2015 auditing experience (10%) ▪ With at least one (1) team member with actual hands-on experience on the Government QMS Process (10%) ▪ Educational attainment/applicable accreditation of Audit Team members (5%) 	35%
Financial Proposal	30%
TOTAL	100%

9. The contract will be awarded to the CB with the Highest Rated and Responsive Bid of not lower than 80% passing rate.
10. The winning CB shall assume all costs related to its assigned Audit Team members, including their salaries, allowances, meals, field accommodations, transportation and/or logistical support, and other expenses necessary to perform the services throughout the duration of the engagement.
11. All information reviewed and recorded by the CB Audit Team shall be treated in the strictest confidence at all times.

12. All reports and other materials prepared and submitted by the CB for the JHMC under the contract shall belong solely to and remain the property of the JHMC.

III. OTHER RELEVANT INFORMATION PERTAINING to the ENGAGEMENT:

Audit Scope	Public administration covering JHMC's core processes such as Business Development and Events Management, Provision of Regulatory Services, Forest and Environment Management, and Land and Asset Management.
Audit Site	JHMC Office Complex, John Hay Special Economic Zone, Camp John Hay, Baguio City
Total number of personnel (as of 31 March 2024)	79, consisting of 52 personnel on plantilla positions and 27 personnel on Contract of Services.
Outsourced services	General support services (e.g. security services, janitorial and ground maintenance, gardening, solid waste collection, forest care management, equipment/vehicle/facility repair and maintenance services) and real estate development.

IV. EXPECTED DELIVERABLES and OUTPUTS from the CB

Activity	Deliverable
1. Pre-Audit Capability Assessment.	Assessment Report.
	Preparation and submission of audit plan.
	Conduct of on-site/ remote assessment audit.

2. Recertification Audit of the JHMC QMS to ISO 9001:2015 (Year 1).	Preparation and submission of audit report.
	Recertification/ Issuance of ISO 9001:2015 Certificate (valid for three years).
3. First Surveillance Audit (Year 2) of the JHMC QMS to ISO 9001:2015.	Preparation and submission of audit plan.
	Conduct of on-site/ remote assessment audit.
	Preparation and submission of audit report.
4. Second Surveillance Audit (Year 3) of the JHMC QMS to ISO 9001:2015.	Confirmation of ISO 9001:2015 Certificate.
	Preparation and submission of audit plan.
	Conduct of on-site/ remote assessment audit.
	Preparation and submission of audit report.
4. Second Surveillance Audit (Year 3) of the JHMC QMS to ISO 9001:2015.	Confirmation of ISO 9001:2015 Certificate.
	Preparation and submission of audit plan.
	Conduct of on-site/ remote assessment audit.
	Preparation and submission of audit report.

V. EXPECTED DELIVERABLES OF JHMC

1. Designate a counterpart support team that will coordinate with the CB regarding the technical and administrative requirements of the activities, including progress monitoring;
2. Provide logistical requirements during the activities (e.g. venues, equipment, etc), as may be necessary;
3. Provide location guides during the audit activities, as may be necessary; and,
4. Ensure availability and participation of concerned staff during the conduct of the audits, and other activities necessary in the course of the audit process.

VI. APPROVED BUDGET

Total Approved Budget for the Contract for the three (3) – year audit cycle under the JHMC Corporate Operating Budget for CY 2024 is **Three Hundred Sixty Thousand Pesos (PhP 360,000.00)**, inclusive of all applicable taxes and fees.

VII. MODE OF PROCUREMENT

The mode of procurement under the approved JHMC Annual Procurement Plan CY 2024 is **Small Value Procurement under Section 53.9** of the R.A. 9184 Implementing Rules and Regulations (IRR), with assigned *PAP Code of CON-2*.

VIII. TERMS OF PAYMENT

Payments, inclusive of applicable taxes and fees, shall be based on the completion of each of the following milestones and submission of the required deliverables, to wit:

Activity/ Deliverable	Payment
1. After the recertification audit and issuance of ISO 9001:2015 Certificate	50%
2. After the 1 st surveillance audit and confirmation of ISO 9001:2015 Certificate	25%
3. After the 2 nd surveillance audit and confirmation of ISO 9001:2015 Certificate	25%