

CONTRACT AGREEMENT

THIS AGREEMENT, made this OCT 25 2024 day of _____, _____ between the **ILOILO SCIENCE AND TECHNOLOGY UNIVERSITY**, La Paz, Iloilo City Campus, a public institution of higher learning, organized and existing under Republic Act No. 10595, with office address at Burgos Street, La Paz, Iloilo City, Philippines, represented herein by **DR. GABRIEL M. SALISTRE, JR.**, in his capacity as SUC President III (hereinafter called the "ISAT U") and **NQA PHILIPPINES INC.** with office address at 1504B, 15/F Richville Corp. Tower, 1107 Alabang-Zapote Rd., Ayala Alabang, Muntinlupa City, Philippines represented by its Chief Finance Officer, **MS. MARITNESS B. BERNARDINO** (hereinafter referred to as the "CERTIFYING BODY").

WITNESSETH – That,

WHEREAS, to ensure consistency of quality products and services through quality processes, all government agencies and government owned and controlled corporations (GOCCs) are hereby enjoined to established an ISO-aligned Quality Management System to be recognized for demonstrated conformity of such quality management system to applicable Philippine National Standards, the International Organization for Standardization (ISO) has developed standards for Quality Management System pursuant to Administrative Order No. 161, Series of 2006;

WHEREAS, Executive Order No. 605, Series of 2017 was then issued to institutionalize the structure, mechanism and standards to implement the Government Quality Management Program;

WHEREAS, to ensure continual improvement of the Quality Management System of ISAT U, it engaged in the PROCUREMENT OF ISO 9001:2015 RECERTIFICATION AND SURVEILLANCE AUDITS FOR QAC through a yearly contract to commence this year, 2024;

WHEREAS, the ISAT U through its Bids and Awards Committee (BAC), issued its Request for Quotation (RFQ) for the **Procurement of ISO 9001:2015 Recertification and Surveillance Audits for QAC**, with an Approved Budget for the Contract (ABC) of Three Hundred Thousand Pesos (PhP 300,000.00) Only with Project Reference No. ISAT U GOODS 2024-02-024;

WHEREAS, in a Negotiated Procurement – 2 Failed Biddings held for the purpose under Section 53.1 of the 2016 Revised IRR of RA 9184, only the CERTIFYING BODY was able to submit a responsive quotation;

WHEREAS, the CERTIFYING BODY represents itself as a qualified certifying body having the requisite government permit and the necessary expertise, experience and resources to perform the required services;

NOW THEREFORE, for and in consideration of the foregoing premises, the parties hereto agree as follows:

I. SCOPE OF WORKS

The CERTIFYING BODY shall:

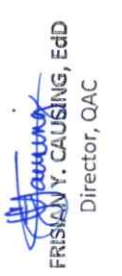
1. Prepare Audit Plan/Itinerary for the Recertification for the 1st year for ISAT U;
2. Conduct ISO 9001:2015 Recertification on the 1st year on a schedule mutually agreed upon with ISAT U;
3. Provide and report to ISAT U, the result of Recertification and Surveillance Audits;
4. Provide ISAT U suggestions and recommendations for further improvement of the Quality Management System; and


Authorized Representative


MARITNESS B. BERNARDINO
Chief Finance Officer


GABRIEL M. SALISTRE, JR., PEE, DIT
SUC President III


RUSS ALLEN B. NAPUD, DIT
VP for Administration and Finance


FRISLAN Y. CAUSING, EdD
Director, QAC

5. Recommend the maintenance of the ISO 9001:2015 certificate, taking into consideration the validity period of ISAT U.

II. RESPONSIBILITIES OF THE CERTIFYING BODY

1. The CERTIFYING BODY shall conduct Recertification and subsequent Surveillance Audits subject to deliverables on mutual agreed schedules;
2. The CERTIFYING BODY shall provide ISAT U of the Audit Plan/Itinerary at least one (1) week before the schedule date or within thirty (30) calendar days after receipt of Notice to Proceed (NTP);
3. Issue Certification indicating that ISAT U was audited and compliant to the clauses under ISO 9001:2015 Quality Management System in the four (4) major programs:
 - a. Higher Education Program
 - b. Advanced Education Program
 - c. Research Program
 - d. Technical Advisory Extension Program
4. The CERTIFYING BODY shall submit billing statement to ISAT U upon the completion of Services rendered;
5. The CERTIFYING BODY shall cooperate with Inter-Agency Task Force on Harmonization of National Government Performance Monitoring, Information and Reporting Systems (AO 25, s. 2011) on the compliance of ISAT U to Annex 3.1 of Memorandum Circular No. 2022-01;
6. The CERTIFYING BODY shall accommodate requests of Government Quality Management Committee (GQMC) – DBM Secretariat, i.e., Systems and Productivity Improvement Bureau (SPIB) and/or other oversight validating agencies on the information or documents relative to ISO QMS certification/recertification;
7. The CERTIFYING BODY shall provide necessary information and/or clarifications to GQMC-DBM Secretariat in relation to the submitted ISO QMS certification/recertification of ISAT U;
8. The CERTIFYING BODY shall provide their respective contact person(s) and contact information to dbm-spib@dbm.gov.ph to facilitate the conduct of verification by the GQMC-DBM Secretariat (SPIB); and
9. The CERTIFYING BODY must maintain strict confidentiality of final audit results and shall disclose the same upon clearance of the Head of the Procuring Entity (HoPE) and the Director of the University Quality Assurance Center.

III. RESPONSIBILITIES OF ISAT U

1. ISAT U agrees to process the payment of the cost of ISO Recertification (2024) upon receipt of the billing statement subject to the usual accounting and auditing rules;
2. ISAT U will provide the venue, transportation, meals, and accommodation of the representatives of the CERTIFYING BODY;
3. ISAT U will provide meals to the process owners/auditee during the ISO Certification and Surveillance Audits; and
4. ISAT U shall submit an authorization and consent to the CERTIFYING BODY (Annex 3.1 of Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring and Reporting Systems Memorandum Circular No. 2022-1) to provide information/documentation to the GQMC-DBM Secretariat and/or oversight/validating agencies relative to ISO QMS certification/recertification.


Authorized Representative


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SUC President NI


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IV. PROJECT TEAM

The foregoing mentioned services, including surveillance audit, shall be carried out by the CERTIFYING BODY's Audit Team which shall be composed of:

1. The Lead Auditor. He/She must have completed a Master's Degree relevant to management, public administration, industrial engineering and/or other related fields; and
2. The Audit Team. He/She must have at least completed a Bachelor's Degree relevant to management, public administration, industrial engineering and/or related field.

The CERTIFYING BODY should have adequate technical and management capability in conducting the audit. Likewise, the CERTIFYING BODY shall have the capacity to deploy a team composed of two (2) qualified experts (lead auditor and member of the audit team) in accordance with the qualification and competencies of key personnel. Hence, the CERTIFYING BODY shall satisfy the following:

- a. Has at least fifteen (15) years of experience in conducting ISO QMS audits with clients from private and government sectors;
- b. Has experience in conducting ISO Quality Management System audits related to the nature of the processes of ISAT U;
- c. Has competent auditors with at least ten (10) years and audit experience who have jointly or individually audited at least five (5) government agencies;
- d. Has audited at least fifteen (15) government organizations;
- e. Positive feedback from previous clients especially on delivering services on time and quality of work; and
- f. Current workload relative to capacity.

V. REPRESENTATION AND WARRANTIES

The CERTIFYING BODY represents and warrants that:

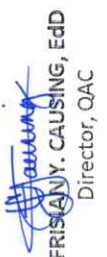
- a. It is a corporation duly registered, validly existing and in good standing under the laws of the Republic of the Philippines in which the conduct of its business requires it to so qualify and has all requisite powers and authority to carry on its business as now conducted;
- b. Must be a duly accredited by the Department of Trade and Industry Philippine Accreditation Bureau (DTI-PAB) Accredited Certifying Body with Philippine National Standard International Organization for Standardization;
- c. Must meet the minimum requirement under the provisions RA 9184, otherwise known as the "Government Procurement Reform Act" on the special Mode of Procurement;
- d. Possess a proof of qualification to provide ISO 9001:2015 Quality Management System Certification and Audit services;
- e. Must have a capability to conduct Remote Audit Services, if necessary, other than the usual modes of conducting the audit;
- f. Must be able to conduct the recertification and surveillance audit services during the contracted three-year cycle;
- g. Must be accredited to audit and certify QMS for the specified scopes which are deemed relevant to the nature and functions of the Procuring Entity i.e., accreditation under ISO 9001 QMS; and
- h. Be able to submit the agreed deliverables in accordance with the Schedule of Requirements.


Authorized Representative


MARITESS B. BERNARDINO
Chief Finance Officer


GABRIEL M. SALUSTRE, JR., PEE, DIT
SUC President III


RUSS ALLEN B. NAPUD, DIT
VP for Administration and Finance


FRISANNY. CAUSING, EdD
Director, QAC

VI. CONTRACT PRICE

For in consideration of the services of the CERTIFYING BODY:

1. ISAT U agrees to pay the CONTRACT PRICE of **Two Hundred Fifty Thousand Pesos (PhP 250,000.00) Only**, inclusive of VAT.
2. ISAT U agrees to pay the CERTIFYING BODY of the recertification/surveillance fee after the completion of the services rendered subject to the usual accounting and auditing rules and upon submission of billing statement of the CERTIFYING BODY.


Authorized Representative

VII. CONFIDENTIALITY

1. ISAT U and the CERTIFYING BODY undertakes not to divulge at any time to any third person any confidential information relating to the other, except upon prior written consent of the other or where required under the law or regulation or by a valid order of a court or other governmental authority with competent jurisdiction.
2. The CERTIFYING BODY's breach of this confidentiality provision shall entitle ISAT U to legal and other equitable remedies including, but not limited to, the immediate cancellation of this Contract and shall entitle ISAT U for claim for damages. ISAT U may also elect to terminate further access by the CERTIFYING BODY to any data information obtained through this Contract.
3. The CERTIFYING BODY and its audit team members shall execute and sign a *Confidentiality and Non-Disclosure Undertaking* upon CERTIFYING BODY's receipt of the Notice to Proceed.


MARITES B. BERNARDINO
Chief Finance Officer

VIII. LIABILITY AND INDEMNITY

Except in the case of deliberate neglect on the part of the CERTIFYING BODY, its employees or agents, the CERTIFYING BODY shall not be liable for any loss or any damage sustained by any of ISAT U directors, officials and employees due to any act or omission or error whatsoever or howsoever caused during the performance of its assessment, certification or other services.


GABRIEL M. SALUSTRE, JR., PEE, DIT
SUC President III

IX. DURATION OF ENGAGEMENT, TIMELINE AND LEVEL OF EFFORT

1. The CERTIFYING BODY shall upon receipt of the Notice to Proceed (NTP) from the Procurement Management Office (PMO) – Planning and Contract Management Section, conduct the Recertification and Surveillance Audits within thirty (30) calendar days; and
2. The CERTIFYING BODY shall ensure that the Recertification and Surveillance Audits will be delivered subject to the terms and condition as stated in the Terms of Reference (TOR).


RUSS ALLEN B. NAPUD, DIT
VP for Administration and Finance

Schedule of Requirements

The delivery schedule expressed as weeks/months stipulated hereafter the date of particular requirements at the project site.

Item	Description	Deliverable	Delivery Schedule
2024			
1	Submission of Audit Plan and Completion of Recertification Audit	Audit Plan and Recertification Audit Report	Upon receipt of the Notice to Proceed


FRISAJ Y. CAUSING, EdD
Director, QAC


Authorized Representative

2		ISO 9001:2015 Certificate	Within 7 calendar days from receipt of Recertification Audit Report without non-conformities, 30 calendar days from submission by ISAT U of the corrective action plan that is determined by the CERTIFYING BODY (CB) as compliant
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MARITESS B. BERNARDINO
Chief Finance Officer

The CERTIFYING BODY shall furnish the Office of the University Quality Assurance Center, Quotation for the 1st and 2nd Surveillance Audits six (6) months prior to the schedule of Audits.

X. AMENDMENTS

1. Modifications, amendments, and supplements to this Contract shall be binding only upon written agreement signed by the parties.
2. The Contract Price under Title VI shall remain fixed. In no case shall any modifications, amendments, supplements to the Contract allow for an increase in the Contract Price.

XI. TERMINATION


GABRIEL M. SALISTRÉ, JR., PEE, DIT
SUC President III

ISAT U shall terminate this Contract after fifteen (15) calendar days following the receipt of the CERTIFYING BODY of a written notice from ISAT U for any default when any of the following conditions attend its implementation:


1. Upon mutual agreement of the Parties;
2. In the event that the CERTIFYING BODY cannot deliver the above-mentioned services on the stipulated number of calendar days, a written notice containing valid reason(s) shall be provided by the CERTIFYING BODY to ISAT U for failure to conduct such services. Provided, however that, the circumstances are beyond the control of the CERTIFYING BODY such as fortuitous events/force majeure;

For causes not attributable to the CERTIFYING BODY, such termination shall entitle the CERTIFYING BODY to payment determined on a *pro rata* basis for services satisfactorily performed or delivered as well as reimbursement for reasonable expenses incurred in performing its obligations prior to the termination.

XII. MISCELLANEOUS PROVISIONS


RUSS ALLEN B. NAPUD, DIT
VP for Administration and Finance

1. **NO EMPLOYER-EMPLOYEE RELATIONSHIP.** Nothing in this Contract shall create an employer-employee relationship, a partnership and/or principal and agent between ISAT U and the CERTIFYING BODY or its officers, representatives, and employees.
2. **NON TRANSFERABILITY.** The CERTIFYING BODY is an independent contractor and shall have no authority to bind ISAT U without its written consent. It shall not enter into any contract, agreement, or make any warranty or representation, nor assume any obligation, express or implied, on behalf of ISAT U.
3. **INDEMNITY.** The CERTIFYING BODY shall render ISAT U free and harmless from any claims of the CERTIFYING BODY's employees arising from violations of labor laws and social legislation and from third persons for any and all acts/violations attributable to the CERTIFYING BODY in the performance of its duties.
4. **VENUE.** In the event of any legal action arising from or incident to this Contract, the Parties hereby agree and submit exclusively to the proper court of Iloilo City, to the exclusion of all other venues.


FRISIAN Y. CAUSING, EdD
Director, QAC

5. **SEPARABILITY.** If any part of this Contract is declared unenforceable or void, the rest of the Contract shall nevertheless remain in force and effect.
6. **NON-WAIVER.** No failure, omission or delay of ISAT U in exercising any of its right, privileges and remedies hereunder shall operate as a waiver thereof. No waiver of departure from the terms of this Contract shall be valid unless made in writing and signed by the Party's authorized representative. Such waiver shall be effective only in the specific instance and for the purpose for which it is given.
7. **ASSIGNEES.** The Contract may not be assigned in whole or in part by the CERTIFYING BODY.
8. **BINDING EFFECT.** This Contract shall be binding on the Parties and their respective successors-in-interest.

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 first above written.

**ILOILO SCIENCE AND TECHNOLOGY
UNIVERSITY (ISAT U)**

By:

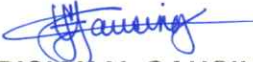

GABRIEL M. SALISTRE, JR., PEE, DIT
SUC President

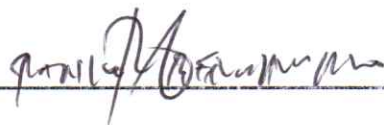
NQA PHILIPPINES INC.

By:


MARITESS B. BERNARDINO
Chief Finance Officer

WITNESSETH:


FRISIAN Y. CAUSING, EdD
Director, Quality Assurance Center




RUSS ALLEN B. NAPUD, DIT
Vice President for Administration and Finance

REPUBLIC OF THE PHILIPPINES:
CITY OF ILOILO : S.S
X-----X

ACKNOWLEDGMENT

OCT 25 2024

Before me, a Notary Public, in the City of Iloilo, this _____ day of _____, 2024 personally appeared the following persons who exhibited their identification cards to establish their identities, to wit:

	Name	Government ID	Place Issued	Date Issued
1	GABRIEL M. SALISTRE JR., PEE, DIT	<u>ID NUMBER</u> <u>04-0232</u>	<u>ISAT</u> <u>UNIVERSITY</u> <u>ILOILO CITY</u>	<u>05 August</u> <u>2023</u>
2	MARITESS B. BERNARDINO	<u>018-1400742</u>	_____	_____

They are known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free, voluntary act and deed as well as the voluntary act of the institution / agencies they represent.

The instrument consists of seven (7) pages including this page wherein this acknowledgement is written and duly signed by the parties and their witnesses on each and every page hereof.

WITNESS MY HAND AND SEAL, on the date and place above written.

Notary Public

ATTY. CARL RUPERT CRISME MUELA
NOTARY PUBLIC FOR CITY AND PROVINCE OF ILOILO
NOTARIAL COMMISSION DEPT. OF JUSTICE UNTIL DEC. 31, 2025
IBP NO. 417907/31/12/2023 / ILOILO CITY
PTR NO. 8344376/01/08/2023 / ILOILO CITY
ROLL NO. 65129
MCLE COMPLIANCE NO. VII-0023920 UNTIL APRIL 14, 2025
DOOR NO. 2 DACLIS BLDG., BONIFACIO DRIVE, ILOILO CITY

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