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## TERMS OF REFERENCE

For the Engagement of Services of a Certifying Body to Provide Re-Certification Audit for the Re-Issuance of ISO 9001:2015 Certificate and Surveillance Audits for the Quality Management System (QMS) of General Santos City Water District (GSCWD).

### I. PURPOSE

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

### II. INTRODUCTION

In line with the Philippine Government's program to promote efficiency and responsiveness, public sector organizations are urged to enhance operations and delivery of services.

The General Santos City Water District (GSCWD), a government-owned and controlled corporation, has already been certified compliant with the ISO 9001:2015 standards as the foundation for the attainment of its quality objectives. GSCWD's three-year re-certification was awarded last March 7, 2021 and is valid until March 6, 2024. Continued compliance with said standards will increase the Agency's operational efficiency and productivity, as work responsibilities and processes will be clearly-defined, transparent, guided and controlled.

With the aim to continuously improve its Quality Management System (QMS), GSCWD will have its services certified using the ISO 9001:2015 standards.

### III. OBJECTIVE

The overall objective is to contract a Certifying Body (CB) competent and qualified to provide independent confirmation that GSCWD QMS meets ISO 9001:2015 requirements in all of its processes and, if found compliant, be issued the corresponding Certification and conduct the required Surveillance Audits for all its services.

Specifically, the following objectives is expected to contribute to the attainment of the primary objective:

- a. To conduct re-certification audit of GSCWD's QMS based on ISO 9001:2015 Standard; and
- b. To conduct two surveillance audits within the ISO 9001:2015 certificate validity.

### IV. SCOPE OF SERVICES

The Certification and Surveillance Audits shall cover GSCWD's QMS particularly its provision of water supply and distribution. The scope of services to be provided by the Certifying Body shall include the following:



<p>1. Re-Certification Audit</p>	<ul style="list-style-type: none"> <li>• Conduct Document Review (as applicable)</li> <li>• Prepare and submit re-certification audit plan not later than two (2) weeks prior to re-certification audit schedule;</li> <li>• Conduct re-certification audit; and</li> <li>• Prepare and submit audit report detailing observations, opportunities for improvement and any non-conformity to ISO 9001:2015 standards for documented procedures, and suggestions on addressing the same not later than five (5) working days after the conduct of an on-site audit.</li> </ul>
<p>2. Issuance of ISO 9001:2015 Certificate valid for three (3) years within one (1) month from date of GSCWD's receipt of the written recommendation for certification.</p>	
<p>3. Surveillance Audit for the 2<sup>nd</sup> year</p>	<ul style="list-style-type: none"> <li>• Prepare and submit surveillance audit plan at least 45 days before the Surveillance Audit Schedule;</li> <li>• Conduct surveillance audit; and</li> <li>• Prepare and submit audit report detailing observations, opportunities for improvement and any non-conformity to ISO 9001:2015 standards for documented procedures, and suggestions on addressing the same not later than five (5) working days after the conduct of an on-site audit.</li> </ul>
<p>4. Surveillance Audit for the 3<sup>rd</sup> Year</p>	<ul style="list-style-type: none"> <li>• Prepare and submit surveillance audit plan at least 45 days before the Surveillance Audit Schedule;</li> <li>• Conduct surveillance audit; and</li> <li>• Prepare and submit full audit report detailing observations, opportunities for improvement and any non-conformity to ISO 9001:2015 standards for documented procedures, and suggestions on addressing the same not later than five (5) working days after the conduct of an on-site audit.</li> </ul>





5. Provision of regular updates and assistance to new versions of ISO 9001 standards.

The Certifying Body shall adhere to the agreed scope of work/ deliverables approved by the GSCWD ISO Core Team.

The Certifying Body shall develop a procedure for GSCWD appeals. If resolutions for disputes between the GSCWD and the Certifying Body cannot be made, GSCWD shall be afforded the right to lodge appeals on the decisions of the audit team to an arbitration panel.

The mutually agreed-upon arbitration panel shall consist of three (3) members: one chosen by GSCWD, one chosen by the Certifying Body, and one (1) acceptable to both parties (i.e certified auditor with proven familiarity on Philippine Government QMS). If the arbitration panel decides in favor of GSCWD, all fees and expenses to convene the panel shall be paid by the Certifying Body.

**V. DURATION OF SERVICES**

The services subject of the procurement shall be for a period of three (3) years.

**VI. CRITERIA FOR EVALUATION/ SELECTION**

The Certifying Body shall be evaluated based on the Quality-Cost Based methodology pursuant to the pertinent provisions of RA 9184. The criteria and rating system for the selection of the winning CB in terms of quality are as follows:

CRITERIA	RATING SYSTEM		WEIGHT
<b>Firm Experience and Capability</b>			
Company's number of years in existence	5 years or more	10	<b>30%</b>
	3-4 years	5	
	1-2 years	3	
Number of years of auditing experience in the area of ISO 9001 Quality Management System	5 years or more	10	
	3-4 years	5	
	1-2 years	3	
Number of government agencies certified for quality management	10 projects or more	10	
	8-9 projects	5	
	6-7 projects	3	
<b>Quality of Auditors To Be Assigned</b>			
<b>Audit Team Leader</b>			
• Number of years of auditing experience in the area of Quality Management System ISO 9001	5 years or more	15	<b>40%</b>
	4 years	10	
	3 years	5	
<b>Audit Team Members</b>			
	3 years or more	15	<b>60 po</b>



• Number of years of auditing experience in the area of Quality Management System ISO 9001	2 years	10	
	1 year	5	
• Number of members with minimum of three (3) years in ISO 9001 auditing experience	3 members or more	10	
	2 members	5	
	1 member	3	
<b>Quality Total Rating</b>			

Interested bidders shall attach proof of qualification as to firm experience and capability, and as to quality of auditors to be assigned, such as Curriculum Vitae.

Meanwhile, the cost of the engagement (with a weight of 30%) will be evaluated using the formula below.

$$\text{Cost Rating} = \frac{\text{Lowest Financial Bid}}{\text{Quoted Amount}} \times 100\%$$

The weight of the two factors – Quality and Cost – are presented below.

<b>QUALITY</b>	70%
<b>COST</b>	30%
<b>Total Rating</b>	<u>100%</u>

#### VII. RESPONSIBILITIES OF CERTIFICATION BODY

- a. At least one (1) auditor of the initial team shall participate in all audits of the three-year audit cycle;
- b. The CB shall provide the GSCWD its company profile highlighting related projects, scope of work and implementation methodology. Curriculum vitae of the proposed certification team shall also be submitted;
- c. The CB shall abide with the auditing principles, technologies and guidelines as specified in the ISO 19001:2005 – Guidelines for QMS auditing;
- d. The certification body audit team shall provide GSCWD with a full report on the procedures audited, consistent with the approved scope of work/deliverables within five (5) working days from each initial assessment, surveillance and re-certification audit, unless otherwise waived by the GSCWD;
- e. Treat with utmost confidentiality all information and materials gathered and used relating to this engagement or GSCWD's business or operations;
- f. Prepare Re-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 ISO Facilitator through the ISO Core Team secretariat regarding any changes on the dates of audit schedules or any delay in the activities related to ISO re-certification;





- g. Conduct at least two (2) surveillance audits within the period of certification of GSCWD's QMS to ISO 9001:2015 Standard, but not more than a year for the first and more than two (2) years after the second audit, respectively. The CB shall continue to perform the necessary tasks at no additional cost to GSCWD, except the amount provided in this TOR, until the time for re-application to ISO 9001:2015 QMS re-certification.

#### **VIII. ENGAGEMENT FEE**

In consideration of the services performed by the CB, the GSCWD shall pay the former the contract price based on the following schedule of payments:

Deliverables/ Issuance of Certificates	Amount
Year 1 <ul style="list-style-type: none"><li>• Management/Application Fee</li><li>• Re-certification Audit</li><li>• Issuance of ISO 9001:2015 Certificate (valid for 3 years)</li></ul>	50% of contract price (VAT-inclusive)
Year 2 <ul style="list-style-type: none"><li>• 1<sup>st</sup> Surveillance Audit</li><li>• Issuance of Attestation Certificate</li></ul>	25% of contract price (VAT-inclusive)
Year 3 <ul style="list-style-type: none"><li>• 2<sup>nd</sup> Surveillance Audit</li><li>• Issuance of Attestation Certificate</li></ul>	25% of contract price (VAT-inclusive)
<b>TOTAL</b>	<b>100%</b>

This amount shall include all tax obligations that may be imposed on the CB.

Payments thereof shall be based on the completion of the activities as evidenced by the submission and acceptance of the required deliverables for the identified processes.

However, GSCWD may refuse to make payments when the terms and conditions of the services are not satisfactorily performed by the CB.

The engagement fee is exclusive of transportation and lodging expenses incurred by the representatives of the Certifying Body during the site audit, over the course of the contract. Such expenses shall be covered by GSCWD.

#### **IX. CONFIDENTIALITY AND IMPARTIALITY CLAUSE**

- a. Except with the prior written consent of the GSCWD, CB shall not, at any time, communicate to any person or entity any confidential information acquired during the course of the services, nor shall the CB make public the findings/ observations/ commendations formulated in the course of, or as a result of, the services.



Republic of the Philippines  
**GENERAL SANTOS CITY WATER DISTRICT**  
E. Fernandez St., Brgy. Lagao, General Santos City  
Telephone No. (083) 552-3824; Telefax No. 553-4960  
www.gensanwater.gov.ph



- b. The CB shall value the importance of impartiality in the certification of the system and shall use all reasonable efforts to manage possible conflicts of interest and ensure the objectivity of the certification process.

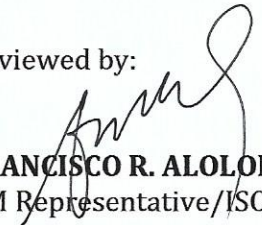
#### **X. SPECIAL PROVISIONS**

- a. GSCWD reserves the right to review other relevant information affecting the proponent or the proposal before the approval of the contract. Should such review uncover any misrepresentation made in the proposal documents or any change in the situation of the proponent which affects the substance of the proposals, GSCWD may disqualify the proponent from obtaining the award.
- b. GSCWD reserves the right to reject the proposal of any proponent who:
- Does not offer the required services as provided for in this Terms of Reference;
  - Is discovered to have suppressed, disclosed or falsified information; or
  - Failed to satisfactorily perform/ complete any contract previously awarded to it.

Prepared by:

  
**VANNE THEA G. BALBOA / RICA MAE O. ALIMA, CPA**  
Document Control Custodian

Reviewed by:

  
**FRANCISCO R. ALOLOD, JR., CPA, CESE**  
QM Representative/ISO Facilitator

  
**ENGR. MICHAEL G. GABALES**  
TWG-Head

Approved by:

  
**FERDINAND S. FERRER, MPA**  
Acting General Manager