

TERMS OF REFERENCE

PROCUREMENT OF ONE (1) YEAR OBLIGATIONAL JANITORIAL AND MAINTENANCE SERVICES REQUIREMENT (INCLUDING SUPPLIES AND MATERIALS) FOR THE NEA BUILDING

1. BACKGROUND

- 1.1. The NATIONAL ELECTRIFICATION ADMINISTRATION (**NEA**), a Government-Owned and Controlled Corporation (GOCC) attached to the Department of Energy tasked to fully implement the Rural Electrification Program (REP) of the Philippine Government and reinforce the technical capability and financial viability of the 121 rural Electric Cooperatives (ECs).
- 1.2. The current efforts to rationalize and streamline functions and operations in the government corporate sector pursuant to Executive Order No. 366 have shifted focus towards the current trend of outsourcing of manpower requirements from reputable private manpower agencies to provide general support services needed in the implementation of priority government projects.
- 1.3. In compliance with Republic Act No. 9184 known as the "Government Procurement Reform Act", **NEA** will be conducting a Competitive Public Bidding Procurement for the Supply of Labor, Materials and Equipment for the Janitorial and Skilled Services Requirement of **NEA**.

2. RATIONALE

- 2.1. This Contract is intended to cover all the housekeeping, sanitation/cleanliness, landscape/grounds maintenance and allied services requirements of **NEA** Building and its basement and outside parking areas and landscaped/open grounds/spaces.
- 2.2. This Contract includes the supply of labor/manpower including janitorial materials, supplies, equipment and other paraphernalia. The **CONTRACTOR** shall be responsible to **NEA**, as represented by the General Services Division (GSD), for the implementation and the results of the specified scope of work and shall ensure that the means, methods and details of its performance shall be carried-out according to specifications standards and requirements and in the implementation of the same and shall not cause damage to any of **NEA** employees, properties and third parties.
- 2.3. With manpower requirements sourced from private manpower service providers/contractors, the **NEA** will be free from labor and service liabilities which shall be borne by the contracted private manpower provider.

3. OBJECTIVES

- 3.1. To immediately address the urgent need for manpower support services for the building and grounds maintenance in **NEA**.
- 3.2. To open up employment opportunities to the community and be an active part of the country's campaign to minimize unemployment.

4. APPROVED BUDGET FOR THE CONTRACT

- 4.1. The Approved Budget for the Contract (ABC) is amounting to **EIGHT MILLION ONE HUNDRED FIFTY-SIX THOUSAND FOUR HUNDRED FIFTY-NINE AND EIGHTY-EIGHT HUNDREDTHS PESOS (Php8,156,459.88)**, inclusive of all applicable taxes and will be sourced from Corporate Operating Budget.

5. SCOPE OF WORKS

5.1. Sanitation/Housekeeping and Other Janitorial/Utility Related Works

5.1.1. Daily Routine Works:

- 5.1.1.1. Clean and maintain in tidy condition at all times all the facilities mentioned above including office/work areas, all comfort rooms, wash rooms, function/conference rooms, basement and outside parking areas, landscaped/open grounds and all other facilities within the said building that require sanitation/housekeeping services which include but not limited to sweeping, washing, mopping, dusting, polishing/scrubbing of all areas concerned. Critical areas such as lobbies, main stairways, comfort rooms, wash rooms and corridors must be served continuously to guarantee cleanliness throughout the day.
- 5.1.1.2. Regular deep cleaning, deodorizing, disinfecting of comfort rooms, wash rooms, pantries and kitchen continuously even during hours of public use to maintain its cleanliness throughout the day.
- 5.1.1.3. Cleaning, dusting of all furniture, fixtures, equipment and/or appliances in all areas and ensure its functionality regularly.
- 5.1.1.4. Emptying and cleaning of waste cans/baskets and disposal of its garbage properly.
- 5.1.1.5. Switching off of all lighting fixtures when not in use and report areas where illumination is necessary.
- 5.1.1.6. Checking, clearing and arranging of function/conference rooms before and after meetings.
- 5.1.1.7. Checking and closing of all windows and doors, unused lights and faucets at comfort rooms, wash rooms and other responsibility areas before retiring at 6:00 p.m.
- 5.1.1.8. Report necessary repair works in their areas to **NEA's** authorized representative/s immediately.
- 5.1.1.9. Perform other duties as may be required/assigned from time to time with respect to janitorial, sanitation and utility works.

5.1.2. Weekly Routine Activities:

- 5.1.2.1. Perform deep cleaning activities which includes washing, refinishing, waxing and polishing of floors at all office work areas, function/conference rooms, comfort rooms, wash rooms and other hard to reach areas.

- 5.1.2.2. Washing, cleaning and scrubbing of roof decks, covered walkways, stairways, parking areas, interior and exterior walls of **NEA** Building.
- 5.1.2.3. Thorough cleaning of outside and inside surface of all glass walls of the buildings.
- 5.1.2.4. Vacuuming of all chairs, furniture, floors and walls, including all hard to reach areas.
- 5.1.2.5. Cleaning of window blinds.
- 5.1.2.6. Polishing of all metal rims, reception tables and stair railings.
- 5.1.2.7. Shampooing with approved brand of all carpet and fabric upholstered furniture as scheduled.
- 5.1.2.8. Washing and cleaning of all lighting diffusers.

5.2. Indoor and Outdoor Landscape/Gardener Maintenance Activities

5.2.1. General Activities:

- 5.2.1.1. Daily cleaning of premises, open spaces, landscaped areas and all parking areas by sweeping and proper clearing of wastes.
- 5.2.1.2. Daily watering of all plants at the landscape area, covered grass and indoor area including weeding and cultivating of garden soil to improve drainage.
- 5.2.1.3. Trimming, pruning and removing of dried leaves, branches of ornamental plants inside the building and those trees at the landscape area including removing of waste and stagnant waters on pots and plant boxes as may be needed.
- 5.2.1.4. Disposal of garden waste and all debris every day.
- 5.2.1.5. Provide plant set-up at key areas of the office as well as during corporate activities or exhibits as may be directed including replacement of plants set-ups/display from time to time. Prepare dish gardens, potted plants for display and/or replacement of the same for key areas.
- 5.2.1.6. Regular cleaning of waste depot area as designated by **NEA** while waiting for its hauling/disposal. See to it that there will be no filling of waste. Disposal of waste shall be made every day.
- 5.2.1.7. Application of fertilizer and plant nutrients to all landscaped and indoor plants. Spraying of insecticide, pesticide, fungicide chemical on shrubs if necessary.

5.2.2. Garbage Disposal and Collection

- 5.2.2.1. Collect trash twice a day from Monday to Saturday and/or as often as needed.

- 5.2.2.2. Trash shall be collected from all pick-up points and specified temporary trash collection areas before disposing to permanent dumping area as provided by the **CONTRACTOR**.
- 5.2.2.3. **CONTRACTOR** shall see to it that all collected garbage shall be disposed/collected within the day either to their maintained temporary dumping area outside **NEA** Building premises or thru the regular collection schedule by the local government. All collection charges shall be the responsibility of the **CONTRACTOR**.
- 5.2.2.4. Clean all trash cans inside and outside after trash collection by washing if necessary every after the collection.
- 5.2.2.5. Trash cart shall be covered with suitable net to prevent collected garbage to litter.

5.3. Allied Manpower Services Activities

5.3.1. Carpenters/Masons/Tile Setters/Welders/Painters

- 5.3.1.1. Provides assistance in the carpentry, masonry services, paint jobs and tiling services in the rehabilitation/renovation and maintenance of **NEA** Building and offices as well as official functions and corporate events.
- 5.3.1.2. Undertake repairs on office equipment and facilities such as cabinets, partitions, shelves, tables and the like.
- 5.3.1.3. Undertake repair works, emergency carpentry works and other maintenance activities of the building.
- 5.3.1.4. Perform other duties as may be required/assigned from time to time with respect to facilities maintenance works.

5.3.2. Plumbers

- 5.3.2.1. Routine check-up of main water lines, reservoir, comfort rooms, wash rooms, lavatories, toilets and drainage system.
- 5.3.2.2. Repairs and replaces any damaged and clogged pipes in water lines and wastewater lines.
- 5.3.2.3. Responsible for maintenance of water pumps.
- 5.3.2.4. Lay-out installation of any additional water line requirements of **NEA** building facilities.
- 5.3.2.5. Perform other duties as may be required/assigned from time to time with respect to facilities maintenance works.

5.3.3. Wireman

- 5.3.3.1. Routine check-up of main power lines, generator set, switch boards, electrical rooms, electric motors and electrical systems.

- 5.3.3.2. Repairs and replaces any damaged and faulted power lines and its fixtures.
- 5.3.3.3. Responsible for maintenance of motor controls as well as electric motors.
- 5.3.3.4. Lay-out installation of any additional electrical line requirements of **NEA** building facilities.
- 5.3.3.5. Perform other duties as may be required/assigned from time to time with respect to facilities maintenance works.

5.3.4. Working Supervisor

- 5.3.4.1. Provides overall monitoring of the janitorial and skilled personnel activities. Conduct daily roving activities and inspection of the maintenance and cleanliness of whole building/premises. Responsible for the administrative works of their agency's concerns.

6. MANPOWER REQUIREMENTS

- 6.1. For the performance of the services specified, the **CONTRACTOR** shall provide the required number of personnel for the following:

DESIGNATED AREA	No. of Personnel
A. Janitorial Requirements	
Ground Floor	2
Second Floor (Left and Right Wing)	2
Third Floor (Left and Right Wing)	2
Fourth Floor (Left and Right Wing)	2
Fifth Floor (Left and Right Wing)	2
Sixth Floor (Left and Right Wing)	2
Seventh Floor (Left and Right Wing)	4
Roof Deck	1
Basement 1 & 2	2
Grounds	1
SUB-TOTAL	20
B. Allied Manpower Services	
Carpenter / Mason / Tile Setter / Welder / Painter	1
Plumber	1
Wireman	1
Supervisor	1
SUB-TOTAL	4
TOTAL PERSONNEL REQUIREMENT	24

7. RESPONSIBILITIES OF THE CONTRACTOR

- 7.1. The number of personnel as set for the above may increase or decrease from time to time whenever necessary. These changes shall not entitle the **CONTRACTOR** to any claim against **NEA** except for the payment of the contract price for the additional/reduced number of manpower in service. Corresponding billing shall be adjusted accordingly.

- 7.2. This contract covers deployment of janitorial personnel including supplies at **NEA** Building located at #57 NIA Road, Government Center, Diliman, Quezon City as maybe needed and determined/requested by NEA subject to necessary amendment of this contract. Computation of the Labor Cost requirement shall be in accordance with the existing Minimum Wage Order within the locality as mentioned above. Cost of materials supplies and equipment (MSE) shall follow the same terms and conditions as the original contract. The winning **CONTRACTOR** shall shoulder shipment cost of the said MSE. Details of payment scheme as well as delivery of supplies shall be covered by the subject amendment in conformity with the **CONTRACTOR**.
- 7.3. The **CONTRACTOR** shall only employ personnel who meet the following qualifications:
- 7.3.1. Male or Female
 - 7.3.2. Legal age as attested by the City/Municipal Certificate of Live Birth
 - 7.3.3. Physical and Mentally fit to Work as attested by a Physical/Psychological Examination Result for the personnel the **CONTRACTOR** to be assigned. This certification shall be required annually.
 - 7.3.4. Of good moral character as supported by the Philippine National Police. Any misrepresentation by the **CONTRACTOR** with respect to such qualifications shall be sufficient ground for the termination/cancellation of the Contract.
 - 7.3.5. Any misrepresentation by the **CONTRACTOR** with respect to such clearances, certifications, and qualifications should be sufficient ground for the cancellation/termination of the Contract.
- 7.4. The **CONTRACTOR's** personnel shall be quarterly evaluated by random employees' representative based on the following criteria which shall be 70% of the total performance rating:

Performance	50%
1. Quality of Work	
2. Quantity of Work	
3. Timeliness	
Critical Factors	50%
1. Knowledge/Skills	
2. Human Relations	
3. Work Attitude	
4. Initiative	
5. Cooperation	
6. Punctuality and Attendance	

Performance Rating System

94- 100	Excellent
87- 93	Very Satisfactory
80- 86	Satisfactory
50- 79	Unsatisfactory
0- 49	Very Poor

Note: 2 Consecutive Ratings below "Very Satisfactory"- Subject for Replacement

- 7.5. The General Services Division (GSD) shall also evaluate the **CONTRACTOR's** personnel which shall be 30% of the total performance rating based on the following:

Performance	50%
1. Quality of Work	
2. Quantity of Work	
3. Timeliness	
Critical Factors	50%
1. Knowledge/Skills	
2. Human Relations	
3. Work Attitude	
4. Initiative	
5. Cooperation	
6. Punctuality and Attendance	

Performance Rating System

94- 100	Excellent
87- 93	Very Satisfactory
80- 86	Satisfactory
50- 79	Unsatisfactory
1- 49	Very Poor

Note: 2 Consecutive Ratings below "Very Satisfactory"- Subject for Replacement

- 7.6. **NEA** reserves the right to retain the existing personnel assigned at areas that are of security importance and requires experience and knowledge in the daily operation requirements of **NEA** office.
- 7.7. The **CONTRACTOR** shall inform in writing their commencement of the Contract on the first day of their work. The **CONTRACTOR** shall submit in writing the list of regular personnel including the reliever personnel subject to conformity and agreement of **NEA** authorized representative. Should there be any changes in their official line-up of personnel, an appropriate Conforme Letter should validate the changes.
- 7.8. Deployment/work schedule should be in such manner that there will be available manpower/personnel throughout the day until 6:00 PM, if necessary subject to approval/confirmation of **NEA**. The **CONTRACTOR's** supervisor shall see to it the work assignments are strictly followed. All assigned personnel shall have their permanent work assignments but may be reshuffled by **NEA** authorized representative every six months, except the staff in the Office of the Administrator, and whenever necessary, may direct the **CONTRACTOR** to perform regular work herein contracted.
- 7.9. All absences, tardiness and under time shall be deducted from the labor cost of the **CONTRACTOR's** billing. Since these actions affect not only the **CONTRACTOR** but **NEA** as well, thus **NEA** authorized representative may direct the **CONTRACTOR** to remove these habitual offender/s from the list of assigned personnel.
- 7.10. Apart from the five (5) incentive leaves, janitorial personnel are allowed a maximum of five (5) days of unpaid absence and five (5) incidences of tardiness/under time.

Any janitorial staff who is absent for two (2) consecutive days shall be required to submit a medical certificate issued by a government physician.

- 7.11. Any janitorial personnel who shall incur more than five (5) unpaid absences, three (3) consecutive absences and three (3) consecutive tardiness/under time per semester shall be subject for replacement.
- 7.12. The Daily Time Record Card (DTR Card) shall be properly filled up for each assigned personnel and shall be punched in/out individually on the appropriate portion of the clock. The **CONTRACTOR** authorized representative shall submit to **NEA** these DTR Cards after 15th and the end of each month, together with the **CONTRACTOR** billing.
- 7.13. Furthermore, no janitorial personnel shall leave the **NEA** premises without approval from the **NEA** authorized representative. Absence from the workplace anytime during work hours shall be deducted from labor cost. Hence, valid employee's pass issued by the GSD shall be surrendered to the lobby guard on duty to avoid deductions.
- 7.14. **CONTRACTOR** personnel shall be in complete uniform proper identification card at all times. This item shall be provided by the **CONTRACTOR** to all assigned personnel and at no cost to **NEA**.
- 7.15. Alternate/reliever shall not be allowed to assume duties of the regular personnel unless written notification duly received, evaluated and confirmed by the **NEA** authorized representative. Said alternate personnel shall have likewise complied with all the hiring requirements of the **CONTRACTOR**.
- 7.16. Similarly, the **CONTRACTOR**, upon the advice of **NEA**, shall replace any of its personnel whose performance does not meet **NEA's** satisfaction, found to commit actions prejudicial to the interest/image of the **NEA** and **CONTRACTOR** personnel has neglected his/her duties that is detrimental to the safety, security of life and property of **NEA**.
- 7.17. The **CONTRACTOR** warrants, subject to the provision of the Contract for the period of ONE (1) YEAR that the Work furnished by the **CONTRACTOR** shall be in accordance with **NEA** specifications. During the said period, **NEA** shall notify the **CONTRACTOR** in writing within twenty-four (24) hours of any observed deficiencies in the work.
- 7.18. The **CONTRACTOR** shall perform such remedial or corrective measures/actions as may be agreed upon with **NEA** as necessary and adequate to meet such obligations and/or provisions. Deliberated and unreasonable failure of the **CONTRACTOR** to remedy or correct reported deficiency shall constitute sufficient ground for rescission/termination of the contract.
- 7.19. The **CONTRACTOR** shall be answerable or accountable for any accident, or any kind of injury or death, which may occur to any employee of the **CONTRACTOR** during the time and consequence to the performance of the work.
- 7.20. The **CONTRACTOR** shall be responsible for payment of all indemnities arising out of any labor accident which may occur in the course of work and for which he may be responsible under the pertinent labor law more particularly Presidential Decree

No. 442, as amended otherwise known as the Labor Code of the Philippines and such other pertinent laws and applicable hereto.

- 7.21. The **CONTRACTOR** shall provide signs and barriers and maintain same during the course of work to effectively prevent any accident in the consequence of work. These items, although the property of the **CONTRACTOR**, shall be presented for inspection on the first day of work. Otherwise, work shall not be allowed to commence.
- 7.22. The **CONTRACTOR** shall be responsible for the safety and health/life of its employees and shall do all means to protect or prevent causes that would be detrimental to the employees and the public. They shall provide the necessary safety and sanitation gadget and paraphernalia such as mouth respirator, ear muff, gloves, goggles, etc.
- 7.23. The **NEA** shall in no manner be answerable or accountable for any accident, injury of any kind or death which may occur to any employee of the **CONTRACTOR** during the time of the performance of the work/task consequential to this Contract.
- 7.24. The **CONTRACTOR** shall see to it that these employees strictly observe the laws of the Philippines relative to their operations under the Contract.
- 7.25. The **CONTRACTOR** shall, upon recommendation and request of **NEA**, replace its erring employees who are inefficient and negligent in the performance of their duties. The replacement personnel shall also be subject to acceptance by **NEA**.
- 7.26. **NEA**, upon written notice to the **CONTRACTOR**, shall not accept continued services of undesirable and/or inefficient worker.
- 7.27. Allied Manpower Qualification Standards

Position	Qualification Standards
Working Supervisor	Trade school graduate with TESDA National Certification (NC II) and with at least 5 years' administrative experience
Carpenter / Mason / Tile Setter / Welder / Painter	High School Graduate, with five (5) years' experience
Plumber	High School Graduate, with five (5) years' experience and with TESDA National Certificate (NC II)
Electrician	High School Graduate, with five (5) years' experience and with TESDA National Certificate (NC II)

8. LABOR COST COMPUTATION

- 8.1. The position for bids is classified into three (3) salary levels: Level A, B and C where the lowest level (Level C) receives the minimum wage salary as set forth in Wage Order laws. Other level shall have the corresponding position and wage level structure set hereunder. This is in accordance to the law to effectively obliterate the distinctions embodied in such wage difference based on skills.

Wage / Position Level	Position Title	Minimum Wage / Day
Level A	Working Supervisor	Php 733.00

Level B	Plumber, Electrician, Carpenter, Mason, Tile Setter, Welder, Painter	Php 683.00
Level C	Janitors, Gardeners	Php 570.00

8.2. The **CONTRACTOR** shall refer to the following computation for the basis of standardization of all labor cost composition, including other obligation such as SSS, Philhealth, State Insurance Fund (ECC) and Pag-ibig, for the supply of manpower service requirements of **NEA**.

Labor Cost Computation based on DOLE Handbook Workers' Statutory Monetary Benefits

Estimated Equivalent Monthly Rate (EEMR) = (ADR x 313 days) / 12 months

Applicable daily wage rate (ADWR) x total equivalent number of days per year
12 months

Total Equivalent Number of Days per Year, for Janitors/Gardeners/Skilled

295.00 days	=	ordinary working days/year
12.00 days	=	regular holidays
6.00 days	=	Special non-working days*
<u>313.00 days</u>		

**The six (6) National Special Holidays are EDSA People Power Revolution Anniversary, Black Saturday, Ninoy Aquino Day, All Saints Day, Feast of Immaculate Conception of Mary, Last Day Of the Year*

Monthly Breakdown of Labor (in Peso Value)

- | | | | |
|--------|----------------------------|---|---|
| 8.2.1. | Basic Salary (RA 6727) | = | Daily Rate x total equivalent no. of days |
| 8.2.2. | 13 th Month Pay | = | Basic Salary / 12 |
| 8.2.3. | Employee's Contribution | = | SSS, Philhealth, Pag-ibig, ECC Table of contribution payment schedules. Based on Basic Salary |
| 8.2.4. | Incentive Leave (5 days) | = | (Daily Rate / day x 5) / 12 |
| 8.2.5. | Uniform Allowance | = | Php 1,500.00 |

Cost Estimate for the Procurement of Janitorial and Skilled Works Services

Particulars	Daily Minimum Wage Level A	Daily Minimum Wage Level B	Daily Minimum Wage Level C
	₱ 733.00	₱ 683.00	₱ 570.00
Basic Daily Wage (DW)			
	WORK SCHEDULE		
	6 days 8 hours work/day (8 AM - 5 PM) Level A	6 days 8 hours work/day (8 AM - 5 PM) Level B	6 days 8 hours work/day (8 AM - 5 PM) Level C
No. of days/year	313	313	313
Average Pay per Month (<i>DW x no. of days per yr/12</i>)			
13th Month Pay (<i>Ave. Pay/mo / 12</i>)			
5 Days Incentive Pay (<i>DW x 5/12</i>)			
Uniform Allowance (Php1,500.00 / 12)			
Total Amount to Manpower (₱)			
SSS Premium			
Philhealth Contribution (<i>(Ave. Pay/mo x 4.50%)/2</i>)			
State Insurance Fund			
Pag-Ibig Fund			
Total Amount Directly to Govt in Favor of Manpower (₱)			
A.1 TOTAL AMOUNT TO MANPOWER & GOVT. (₱)			
A.2 SUPPLIES AND EQUIPMENT (₱) (@12% of Item A.1)			
A.3 No. of Manpower	1	3	20
A.4 MINIMUM CONTRACT RATE - MONTHLY (₱) (A.1+A.2 x A.3)			
B. AGENCY FEE (₱) Administrative Overhead and Margin			
C. VALUE ADDED TAX = [(A.4+B) x 12%]			
D. NO. OF MONTHS	12	12	12
E. TOTAL BID AMOUNT (₱) (A.4+B+C x D)			

9. WORKING PERIOD

9.1. The **CONTRACTOR's** personnel shall work on the regular six (6) day- schedule, eight (8) hours daily, regardless of position or nature of work, from Monday to Saturday/Sunday except Holidays/Special Holidays as cited below within 6:00 AM to 10:00 PM. **CONTRACTOR's** personnel may also be directed to report on holidays/rest days. If circumstances so warrant, to perform overtime service with due overtime compensation.

9.1.1. Non-Working / Regular Holidays & Special Non-Working Holidays for 2022

9.1.1.1. Regular Holidays

- | | | |
|-------------------------------|---|------------------------|
| 9.1.1.1.1. New Year's Day | - | January 1 |
| 9.1.1.1.2. Maundy Thursday | - | Movable Date |
| 9.1.1.1.3. Good Friday | - | Movable Date |
| 9.1.1.1.4. Araw ng Kagitingan | - | Monday nearest April 9 |
| 9.1.1.1.5. Labor Day | - | Monday nearest May 1 |

9.1.1.1.6.	Independence Day	-	Monday nearest June 12
9.1.1.1.7.	National Heroes Day	-	Last Monday of August
9.1.1.1.8.	Eid'l Fitr	-	Movable Date
9.1.1.1.9.	Eid'l Adha	-	Movable Date
9.1.1.1.10.	Bonifacio Day	-	Monday nearest November 30
9.1.1.1.11.	Christmas Day	-	December 25
9.1.1.1.12.	Rizal Day	-	Monday nearest December 30
9.1.1.2. Special Non-working Holidays			
9.1.1.2.1.	EDSA People Power Revolution Anniversary	-	Monday nearest August 21
9.1.1.2.2.	Black Saturday	-	Monday nearest April 16
9.1.1.2.3.	Ninoy Aquino Day	-	Monday nearest August 21
9.1.1.2.4.	All Saints Day	-	November 1
9.1.1.2.5.	Feast of Immaculate Conception of Mary	-	December 8
9.1.1.2.6.	Last Day of the Year	-	December 31

10. SALARIES AND WAGES

- 10.1. Prevailing labor laws provide that the employee is entitled to one hundred percent (100%) of daily wage even if he/she did not report to work provided that he/she is present or on leave of absence with pay on the day immediately preceding a Regular Holiday. If he/she reports for work, he/she shall be entitled to another one hundred percent (100%) as Holiday Premium or total of two hundred percent (200%) daily wage. (Art. 94 – Labor Code)
- 10.2. Wage Increase - If in case during the duration of the Contract, the DOLE shall issue order of wage increase, it shall apply to Level C employees with corresponding adjustment to the wages of level A and B employees to avoid wage distortion.
- 10.3. Premium Pay – Additional pay shall be observed during the Special Non-working Holidays. Meaning, if the employee did not report for work on the special holiday, he/she shall still be entitled to receive his daily basic pay. If he/she reports for work, h/she is entitled to an additional thirty percent (30%) premium, apart from his/her daily wage.
- 10.4. Extra Services – Other non-working days declared by the government shall be considered “no work, no pay” policy except the Five (5) Special Non-Working Holidays on National Level stated above as per Proclamation No. 555 issued on August 15, 2018 as shown in the above computation of number of work days, which is 313 days.

- 10.5. If extra services beyond regular working hours will be needed or required by **NEA**, **NEA's** authorized representative/s may order the **CONTRACTOR** to perform such services provided that such extra services shall be made-upon thru written notice/authority from **NEA** to be duly approved by the **CONTRACTOR's** authorized representative.
- 10.6. Night Shift Differential – Night Shift Differential refers to the additional compensation of ten percent (10%) of an employee's regular wage for each hour of work performed between 10:00 PM and 6:00 AM.
- 10.7. Suspension of work by reason by weather disturbances and similar occurrences shall implement according to Labor Advisory No. 17 Series of 2022.
- 10.8. The **CONTRACTOR** shall pay all salaries and wages to his regular and/or alternate personnel for the period 1 to 15 of the month on the 20th of the current month and for 16 to 30 of the month shall be on the 5th of the succeeding month. The salaries and wages due to all alternate personnel shall be based on the **NEA/CONTRACTOR's** Contract.
- 10.9. If salary is made thru cash payroll, payment shall always be made at **NEA's** premises where work is conducted.
- 10.10. For salary remittance thru the **ATM**, **CONTRACTOR** shall provide to **NEA** a copy of payment instructions to the bank together with copy of payroll for the applicable period on or before the scheduled payoff. **NEA** reserves the right to assign representative/s to observe payment of salaries and wages due their personnel. Delayed payment of employee's compensation shall be enough ground for the cancellation and/or termination of the existing contract and/or direct payment of the compensation of **CONTRACTOR's** employees by **NEA** at **NEA's** option.
- 10.11. The net payment of every assigned personnel shall be indicated in the pay slip wherein the following data are clearly indicated:
 - 10.11.1. Company Name and Business Address;
 - 10.11.2. Name of Regular and/or Alternate Personnel and Designation;
 - 10.11.3. Payroll Period;
 - 10.11.4. Gross Pay including 13th month pay, pro-rata;
 - 10.11.5. Itemized Deduction based on **NEA/CONTRACTOR's** Contract; and
 - 10.11.6. Net Pay.
- 10.12. Deduction from salaries of personnel shall be limited to those allowed/authorized by Law. Any deduction beyond the allowed/authorized shall be clearly indicated in the payroll, explained to and concurred by the personnel. Wage increases prescribed by law thru wage orders shall be implemented by the **CONTRACTOR**, being for the benefits of its employees, and **NEA** shall reimburse to the **CONTRACTOR** the appropriate wage increase; hence the contract is deemed amended accordingly.

11. TOOLS AND WORK EQUIPMENT COMPUTATION

- 11.1. The contractor shall furnish its janitorial and gardener personnel the following work equipment/tools necessary for the type services they are to perform per **NEA** specifications for the proper maintenance and sanitation works. The required equipment shall remain to be the property of the **CONTRACTOR**.

Tools and Equipment	Unit	Quantity
Heavy-Duty Single Disc Floor Polisher	unit	7
Flat Cart	unit	7
Mop Bucket with Wringer	unit	14
Wheel Borrow with Metal Rubber Wheels, Heavy Duty	unit	1
Wet/Dry Vacuum Cleaner	unit	2
High Pressure Portable Washer	unit	2
Caution Sign with Accessories	unit	14
Garden Hose, 50 meters with portable reel	unit	1

- 11.2. All required equipment and tools shall be inspected prior to the implementation of the contract. Failure to provide all equipment and tools shall be a ground for the imposition of penalties specified in the contract. The **CONTRACTOR** shall be responsible for the proper maintenance of all its work equipment and tools. Non-working or defective equipment and damage/missing tools must be immediately serviced and/or replaced. Unavailability of equipment shall constrain **NEA** to provide the same, and shall result to the imposition of the penalty/reduction to **CONTRACTOR's** monthly billing. The **CONTRACTOR**, at his own expense, shall be responsible for repair maintenance, and operation of all equipment.

Penalty Charge Formula

$$= \left(\frac{\text{Estimated Cost of Equipment}}{313 \text{ Working Days}} \right) \times \text{No. of days Equipment is Unavailable}$$

- 11.3. The **CONTRACTOR** shall furnish its janitors and skilled personnel with basic working tools necessary for the performance of the services required. These tools are to be supplied/provided from time to time by the contractor which as shall be no cost to **NEA**. These shall not be included in the cost estimate and shall remain to be property of the **CONTRACTOR**.

JANITORIAL/SKILLED PERSONNEL COMMON TOOLS		QTY/Units of Measure
1.	Working Common Tools – (pliers, screw drivers flat and cross tip, meter tape, hammer and saw)	To be provided to skilled personnel
LANDSCAPE MAINTENANCE/GARDENERS COMMON TOOLS		QTY/Units of Measure
1.	Shovel metal	2 pcs
2.	Hand Spade/Soil Cultivator	2pcs
3.	Jungle Bolo	1 pc

12. JANITORIAL/LANDSCAPE SUPPLIES/MATERIALS COMPUTATION

- 12.1. Listed down are the materials and supplies to be provided by the **CONTRACTOR** as part of the contract to be delivered as set forth. Prior to the commencement of the contract. **CONTRACTOR** shall provide sample of their offered supplies subject for approval. **NEA** shall have the right to reject the items if not conform with the required specifications.

A. Monthly Supplies

Janitorial Supplies/Materials	Unit	Quantity
Air Freshener	tube	16
Liquid Hand Soap	gal	10
Furniture Shine/Polish	tube	16
Detergent Washing Powder	kg	15
Bleach	gal	5
Dish Washing Liquid	gal	35
Plastic Garbage Bag, Big	pc	1000
Plastic Garbage Bag, Small	pc	1000
Steel Wool	pack	12
Complete Wax	gal	24
All Purpose Cleaner	Gal	12
Toilet Bowl Cleaner	Gal	12
Rugs (Flanella)	Pc	40
Muriatic Acid	Gal	5
Deodorant Cake	Pc	256
Glass Cleaner	Gal	15
Insecticide Spray	canister	15
Stopa Rug	kl	5
Wax Stripper	gal	24
Liquid Sosa	Gal	5
Rubber Gloves	Pair	20
Safety Gloves, Cloth	Pair	6

B. Quarterly Supplies

Janitorial Supplies/Materials	Unit	Quantity
Mop Heads	Pc	20
Soft Broom	Pc	20
Polishing Pad	Pc	20
Stripping Pad	Pc	20
Hand Brush	Pc	20
Broom Sticks	Pc	20

C. Annual Supplies

Janitorial Supplies/Materials	Unit	Quantity
Mop Handle	Pc	20
Spray Gun	Pc	20
Dust Pan	Pc	20
Toilet Pump	Pc	66
Toilet Bowl Brush	Pc	66
Water Pail	Pc	20

D. One-Time Supplies

Materials	Unit	Quantity
Safety Shoes	Pair	4
Safety Harness	Pc	6
Safety Goggles	Pc	4
Safety Mask	Pc	4
Rain Coats	Pc	6
Rain Boots	Pair	6
Hard Hat	pc	6

12.2. The materials, supplies and equipment to be provided by the **CONTRACTOR** must conform with the prescribed specifications and quantity. The following are the prescribed delivery schedules of subject materials/supplies which shall be distributed to the **CONTRACTOR's** personnel at the GSD Office and the acknowledgement receipt also signed by the GSD representative:

12.2.1. Monthly : within the first five (5) working days of the month

12.2.2. Quarterly : within the first five (5) working days of the beginning month of the quarter

12.2.3. Annual Supplies : within the first five (5) working days upon the start of the contract. There shall be the same delivery period on the succeeding year

12.2.4. One Time Supplies : within the first five (5) working days upon the start of the contract

12.3. In the event the **CONTRACTOR** fails to deliver the required supplies, materials and equipment within the above schedule, **NEA** shall provide/procure undelivered items and charge the cost thereof including freight, rental, incidental expenses against the **CONTRACTOR**. Such amount shall be deducted from the monthly billing of the **CONTRACTOR** without prejudice to the imposition of sanction.

13. TECHNICAL PARAMETERS

Based on GPPB Circular No. 24-2007

Item No.	DESCRIPTION	Bidder's Compliance
1.	Stability of the Company	
	a) Years of Experience - Has been in the business for five (5) years - Has provided janitorial services to government and financial institution - Bidder shall submit certification under oath of list of contracts completed for the past five (5) years.	

	<p>b) Liquidity of the Contractor - Submit Audited Financial Statement for CY 2020 and 2021 duly stamped received by BIR or its duly accredited and authorized institutions)/ BIR Acknowledgement Receipt through email - Computation: Current Assets over Current Liabilities The ratio should be at least 3:1 based on 2020 and 2021 Audited Financial Statements</p> <p>c) Organizational Set-up - Submit a certification under oath of an updated copy of Company profile, list of key officials, incorporators or stockholders</p>	
2.	Resources	
	<p>a.) Number & Kind of Cleaning Equipment - Submit an undertaking on the ownership of the equipment - Submit an undertaking on the adequacy of supply for one (1) month</p> <p>b.) Number of Janitors/Supervisors - Submit certification under oath of its janitorial service complement (supervisor and staff) deployed to clients for CY 2021 & 2022</p>	
3.	Housekeeping Plan	
	a) Scope of work should be both exterior and	

	interior parts of the building - NEA Bldg. - Submit proposed housekeeping plan for NEA	
4.	Other factors	
	a) Recruitment & Selection Criteria - Submit company policy on recruitment/selection criteria of supervisors and janitors b) Accessibility Submit sketch/map of office going to the NEA c) Benefits entitled to Janitors/Supervisor - Submit certification under oath of the additional benefits entitled for Janitors and Supervisors to be deployed in the NEA.	

I hereby certify to comply and deliver all of the above requirements.

Name of Company Signature over Printed Name _____
of the authorized representative Date

14. DAMAGES TO PROPERTY OF NEA

- 14.1. All damages to and/or loss of any property belonging to NEA and its employees, which is caused by failure of the CONTRACTOR's employee/s to take reasonable precaution, and/or illegal acts committed by the CONTRACTOR's employee and all deterioration and/or damages to permanent work due to accident or negligence on the part of the CONTRACTOR's employee/s shall be repaired/replaced by the CONTRACTOR without additional expense to the NEA.
- 14.2. Repairs and/or replacement shall be borne by the CONTRACTOR and must be acted upon within seventy-two (72) hours.
- 14.3. Should CONTRACTOR fail to affect the necessary repairs/replacements within the said period, NEA shall affect the repair or replacement and deduct the cost thereof from the CONTRACTOR's billing.

15. CREDIT LINE

- 15.1. The CONTRACTOR, when awarded, shall be required to open a Credit Line for the duration equivalent to one (1) month salary of its personnel. Said credit line shall be used should the CONTRACTOR's billing for the month is delayed so as to assure payment of salary by the CONTRACTOR of its employees on time, and to be replenished upon collection from NEA.

- 15.2. **NEA** reserves the right to inspect and verify the said credit line any time. **CONTRACTOR** shall issue an authorization to **NEA's** authorized representative that he/she be issued a Certification by the bank as to the above-mentioned credit line, upon the **CONTRACTOR's** request but not more than once in a month. The **CONTRACTOR** shall be required to explain in writing within forty-eight (48) hours upon receipt of notice for any clarification regarding the subject account. Delayed and/or non-submission of subject report and/or clarification letter will mean non-compliance or non-conformance with the Contract.

16. TERMS OF PAYMENT

- 16.1. The terms of payment comprising this contract shall be made on a bi-monthly or a monthly basis whichever is applicable for and in consideration of the works to be undertaken by the **CONTRACTOR**. Absences and tardiness of **CONTRACTOR's** personnel shall be deducted from its monthly billing on the labor cost with pro-rated based on the contracted rate. The payment shall be paid upon submission to and acceptance by **NEA** of the complete documents.
- 16.2. The **NEA** shall prepare check payment for each billing statements received payable to the **CONTRACTOR** as replenishment of the withdrawals for the period and for payment for the remittances to SSS, State Insurance Fund, Philhealth and Pag-Ibig Fund and respective agency fees and other due deductions.
- 16.3. The **CONTRACTOR** shall submit monthly notarized affidavit including proof of remittance that all contributions are remitted in favor of the personnel. The following documents are hereby required in processing of claims:
- 16.3.1. First Claim
- 16.3.1.1. Certified True Copy of Contract;
 - 16.3.1.2. Original Copy of Invoice or Statement of Account (Service Invoice);
 - 16.3.1.3. Original Copy of Time Card;
 - 16.3.1.4. Signed Payroll with notation by **NEA's** authorized representative;
 - 16.3.1.5. Certified True Copy of Notice to Proceed;
 - 16.3.1.6. Certified True Copy of SSS (R5), R-3 every end of the quarter, Pag-Ibig and Philhealth remittances duly received and machine validated by Landbank of the Philippines (Original to be presented for authentication);
 - 16.3.1.7. Delivery Receipt of Materials and Supplies duly acknowledged by **NEA's** authorized representative;
 - 16.3.1.8. Attendance Sheet;
 - 16.3.1.9. Original Copy of Credit Line Certification, dated during current billing period; and
 - 16.3.1.10. **CONTRACTOR's** Affidavit of Payment of Salaries duly notarized (executed by **CONTRACTOR** attesting to payment of salaries to its personnel for a given period).

16.3.2. Succeeding Claims

- 16.3.2.1. Original Copy of Invoice or Statement of Account (Service Invoice);
- 16.3.2.2. Original Copy of Time Card;
- 16.3.2.3. Signed Payroll with notation of **NEA's** authorized representative;
- 16.3.2.4. Delivery Receipt of Materials and Supplies duly acknowledged by **NEA's** authorized representative (first half of the month);
- 16.3.2.5. Certified True Copy of SSS (R5 every half of the month, R-3 every end of the quarter), Pag-Ibig and Philhealth remittances duly received and machine validated by Landbank of the Philippines (Original to be presented for authentication);
- 16.3.2.6. Attendance Sheet;
- 16.3.2.7. Original Copy of Credit Line Certification; and
- 16.3.2.8. **CONTRACTOR's** Affidavit of Payment of Salaries (executed by **CONTRACTOR** attesting to payment of salaries to its personnel for a given period).

16.3.3. Last Claim

- 16.3.3.1. Original Copy of Invoice or Statement of Account (Service Invoice);
- 16.3.3.2. Original Copy of Time Card;
- 16.3.3.3. Signed Payroll with notation of **NEA's** authorized representative;
- 16.3.3.4. Delivery Receipt of Materials and Supplies noted by **NEA's** authorized representative (first half of the month);
- 16.3.3.5. Certified True Copy of SSS (R5 every half of the month, R-3 every end of the quarter), Pag-Ibig and Philhealth remittances duly received and machine validated by Landbank of the Philippines (Original to be presented for authentication);
- 16.3.3.6. Attendance Sheet;
- 16.3.3.7. Copy of Credit Line Certification;
- 16.3.3.8. **CONTRACTOR's** Affidavit of Quit Claim duly notarized; and
- 16.3.3.9. Notice of Termination.

16.3.4. Submission of Billing

- 16.3.4.1. The **CONTRACTOR** shall observe a proper schedule of submission of billings. Billing should be submitted within one (1) week after the bill periods (15th or 30th) or end of the month whichever is applicable or preferred by the **CONTRACTOR** subject to auditing requirement. Failure

to comply with the submission schedule will result in the delay of collection and will consequently affect the prompt payment of salaries of personnel.

17. SSS, PHILHEALTH AND PAG-IBIG REMITTANCES

17.1. SSS remittances can be made to any Landbank of the Philippines Branch in Metro Manila or to any nearest SSS branch every second week of the succeeding quarter and a proof of monthly payment/remittance with stamp received shall be attached to their monthly billing. Philhealth and Pag-Ibig remittances can be made to any of their respective branch offices once in a month.

18. 13TH MONTH PAY/FIVE (5) DAYS INCENTIVE PAY & UNIFORM ALLOWANCE

18.1. **CONTRACTOR** shall include in pro rata payment of 13th month pay and clothing allowance in the monthly payroll of their employees. For the 5-day incentive pay, the **CONTRACTOR** shall execute an affidavit attesting the payment for the given period together with duly signed payroll.

19. EXTRA SERVICES

19.1. If extra services beyond regular working hours will be needed or required by **NEA**, **NEA's** authorized representative/s may order the **CONTRACTOR** to perform such services provided that such extra services shall be made-upon thru written notice/authority from **NEA** to be duly approved by the **CONTRACTOR's** authorized representative.

20. MAN-HOUR OFF-SETTING

20.1. In the exigency of the service, man-hour off-setting may be imposed by **NEA** to facilitate the performance of the job and services required to respond to urgent situations requiring immediate reaction.

21. RIGHT OF NEA TO VARY SERVICES REQUIREMENT

21.1. **NEA** shall have the right, as its interest may require, to vary its manpower requirement, to increase and/or decrease the number of personnel, including the right to increase/decrease or change materials and supplies requirements as the necessity for the same arises. Then **CONTRACTOR** shall correspondingly comply within twenty-four (24) hours, upon receipt of a written notice to the effect from **NEA**. An increase in the number of manpower may involve and require extension of services. An increase in the number of personnel does not necessarily mean increase in the delivery of equipment, materials and supplies.

22. SUPERVISION AND INSPECTION

22.1. **NEA** shall have the right to inspect and/or conduct performance audit to confirm the **CONTRACTOR's** conformity with the provisions of the Contract and specifications.

22.2. The **CONTRACTOR** shall allow **NEA's** duly appointed inspectors/auditors free access to records, documents and facilities for inspection and audit. It shall likewise provide any and all relevant information as may be required by **NEA**.

23. RIGHT OF NEA TO EXTEND THE CONTRACT

23.1. A contract of one (1) year shall be issued for the one (1) year requirement. The same service contract is subject for renewal by the approving authority of the original contract up to the bidden contract duration provided that the Agency has maintained the following:

23.1.1. Renewal is subject to the approval of the approving authority provided that Agency has maintained the following:

23.1.1.1. Two satisfactory ratings/level of performance within the four (4) rating periods to be conducted quarterly by **NEA** as per criteria indicated below; and

23.1.1.2. Updated record of remittance/payment of statutory deductions as required in this Contract (SSS, Philhealth and Pag-Ibig) prior to the commencement of the proposed renewal period.

23.1.2. Quarterly assessment on the performance of the **CONTRACTOR** shall be conducted based on the following set of performance criteria:

1. Quality of Service Delivered	(40%)
a. Implementation of a control system in the workplace and ensuring the cleanliness of the workplace and premises	20%
b. Responsiveness to clients' needs and to complaints and/or incident reports	10%
c. Availability of cleaning paraphernalia and supplies	5%
d. Courtesy and decorum	5%
2. Management and Suitability of Personnel	(25%)
a. Supervision and accountability	8%
b. Qualification of assigned janitor and skilled workers	7%
c. Physical Appearance (proper uniforms and other paraphernalia)	5%
d. Change and/or replacement of assigned janitor and skilled workers	5%
3. Contract Administration and Management	(25%)
a. Assignment of janitors and skilled workers at designated area(s)	10%
b. Implementation of NEA rules and regulations and compliance to other obligations per contract	8%
c. Compliance to labor laws and social insurance regulations	7%
4. Time Management	(5%)
a. Tasks which are important and urgent	3%
b. Tasks which are either important or urgent, but not both	1%
c. Tasks which are neither important nor urgent, but routine	1%
5. Provision of Regular Progress Reports	(5%)
a. Exception/Incident Report	2%
b. Monthly Deployment Report	2%
c. Other Reports that may be required by the Human Resources and Administration Department (HRAD)	1%

- 23.2. Circumstances beyond the control of **NEA**, the maximum bidden contract may still be extended on a monthly basis pursuant to GPBB existing rules and regulations but not to exceed one (1) year as should there be exigency of the service, or should there be a delay in the selection and award of a replacement contractor through a comprehensive bidding and selection process. However, **NEA** shall report to GPBB in its writing of its intent to extend beyond six (6) months in accordance with GPBB Resolution No. 23-2007.
- 23.3. Renewal of the Janitorial & Skilled/Allied Services Contract. Performance Security in accordance with Section 39 of the IRR-A of R.A. 9184 shall be required.

24. PENALTIES FOR OFFENSES OR VIOLATION OF RULES

- 24.1. **NEA's** authorized representative shall impose on **CONTRACTOR** penalties for violations of this Contract committed by the **CONTRACTOR** as listed below:

CONTRACTOR VIOLATIONS	PENALTY
a. CONTRACTOR failed to pay salary of personnel on time.	Deduction from the billing of Php1,000.00 per day.
b. CONTRACTOR failed to issue materials and supplies to personnel.	Deduction from the billing of Php200.00 per staff per day.
c. CONTRACTOR issued a defective equipment.	Deduction from the billing of Php150.00 per equipment per day.
d. CONTRACTOR posted personnel that is not qualified as per Contract.	Deduction from the billing of Php100.00 per day per staff and removal of the staff from any detail upon receipt of NEA's notice.
e. CONTRACTOR failed to provide the required number of equipment as required by the Contract.	Deduction from the billing of Php100.00 per equipment per day.
f. CONTRACTOR failed to comply with the procedure in case of hiring a reliever.	Deduction from the billing of Php1000.00 per staff per day.
g. CONTRACTOR assigned a reliever not part of the pool of relievers approved by GSD.	Deduction from the billing of Php1000.00 per staff per day.

- 24.2. **NEA's** authorized representative shall impose on **CONTRACTOR** penalties for offenses or violations as listed below and to the disciplinary sanctions that may be imposed on the individual erring janitors and skilled workers by **NEA's** authorized representative.

OFFENSES	PENALTY
a. Abandonment of post.	Deduction from the billing of Php200.00 and termination of the staff's service upon receipt of the written notice from NEA .
b. Absences, tardiness and under time more than the allowed five (5) incidences.	Deduction from the billing of Php1000.00 per incident of failure to report for duty. and termination of the staff's service upon receipt of the written notice from NEA .

c. Posted personnel found drunk; drinking intoxicating liquor or found under the influence of prohibited drugs while on duty.	Deduction from the billing of Php200.00 and termination of the staff's service upon receipt of the notice from NEA .
d. Providing confidential information to unauthorized person(s).	Deduction from the billing of Php1000.00 per information and termination of the staff's service upon written notice.
e. Personnel apprehended for alarm, scandal or disorderly conduct within the premises of the assigned department on or off duty.	-do-
f. Personnel engaging in mulcting or extortion activities.	Deduction from the billing of Php100.00 per incident and termination of the staff's service upon receipt of written notice from NEA .
g. Manifested or display of discourteous or rude manner or failure to render appropriate respect or courtesy to NEA's official or employee or visitor.	-do-
h. Personnel found sleeping on duty.	-do-
i. Personnel performing duty for more than eight (8) hours without written permission from the head of the assigned department.	Deduction from the billing of Php100.00 per violation.
j. Failure of the personnel to report to duty without prior notice.	Deduction from the billing of Php1000.00 per incident of failure to report for duty.

25. RIGHTS OF NEA TO TERMINATE THE CONTRACT

25.1. It is expressly understood herein that the relationship of the **CONTRACTOR** with **NEA** is based purely on trust and confidence of the latter to the former. **NEA** shall have the exclusive right to terminate the Contract in case of loss of said trust and confidence in the **CONTRACTOR**, thirty (30) days from receipt of written notice to **CONTRACTOR**, on the following grounds:

- 25.1.1. When **CONTRACTOR's** personnel/workers willfully and intentionally cause irreparable damage to prestige or any vital interest of **NEA** or cause great destruction of **NEA** properties and equipment or cause great economic loss by personal participation or non-performance of his duties and responsibilities.
- 25.1.2. When **CONTRACTOR** violates other obligations/requirement/provision under this Contract and refuses to comply and/or remedy the violation within reasonable period given by **NEA**.
- 25.1.3. When **CONTRACTOR** fails to obtain two (2) satisfactory ratings for the four (4) rating periods to be conducted quarterly by **NEA** and/or when contractor obtain two consecutive unsatisfactory performances during the contact implementation. The same criteria shall apply for sanctioning/blacklisting of erring contractors. This shall be also a ground to disqualify the said contractor from entering into another contract with **NEA**.

- 25.1.4. When the **CONTRACTOR** fails to pay the correct salaries or to pay the salaries of any personnel/worker for two (2) consecutive billing periods without just cause.
- 25.1.5. When the **CONTRACTOR** fails to pay the personnel on time without just cause within:
 - 25.1.5.1. Three (3) payroll periods within six (6) months; and
 - 25.1.5.2. Five (5) payroll billing periods within one (1) year.
- 25.1.6. When **CONTRACTOR** fails to open and maintain the amount equivalent to one (1) month deposit as provided under this Contract or replenish the amount withdrawn from this deposit as provided for in this Contract.
- 25.1.7. When the **CONTRACTOR** fails to pay the statutory remittances as required in this Contract (SSS, Philhealth and Pag-Ibig) for a given quarter or equivalent to three consecutive months. The **CONTRACTOR** shall be required to explain in writing within forty-eight (48) hours upon receipt of notice for any clarification regarding the subject account. Delayed and/or non-submission of subject report and/or clarification letter will mean non-compliance or non-conformance with the Contract.
- 25.1.8. **NEA** shall have the right to immediately terminate this Contract if **CONTRACTOR** subcontracts this Contract to other contractor/s and/or if its employees use or disclose to any unauthorized person, firm or entity any confidential information concerning the business of **NEA** which may have been acquired by them, as provided for in Contract's "Warranty Clause".
- 25.1.9. When the **CONTRACTOR** defrauds or intends to defraud by misrepresentation, tampering of documents, intent or short change, mislead and alter factual information and requirements of this Contract.
- 25.1.10. When the **CONTRACTOR** becomes bankrupt or insolvent. Termination of the Contract shall authorize **NEA** to withhold claims, bonds, bank deposits anent this Contract, and forfeit the same without prejudice to filing a case against the **CONTRACTOR**.

26. SANCTION AND BLACKLISTING OF ERRING CONTRACTORS

- 26.1. **NEA** reserves the right to sanction or blacklist contractors who have violated or have records of any violations of the terms and conditions of any contract with **NEA** or any record of unsatisfactory performance measured within the context of this Contract as deemed significant by **NEA's** representative. The sanction/blacklisting shall be enough ground to disqualify the said contractor from entering into another contract with **NEA**. **NEA** shall act as arbitrary/conciliatory from the complaints against the Contractors, its employees, recommends and / or impose appropriate disciplinary / preventive or legal actions.

TECHNICAL WORKING GROUP



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