

CONTRACT OF SERVICE

KNOW ALL MEN BY THESE PRESENTS:

This **CONTRACT OF SERVICE** is made and entered into this 2nd day of August 2013, by and between:

PHILIPPINE HEALTH INSURANCE CORPORATION, a government owned and controlled corporation created and existing by virtue of RA 7875 as amended, otherwise known as the "National Health Insurance Act of 1995", with regional office address at the Builders Place, Del Rosario St., Tuguegarao City, Cagayan, represented by its Regional Vice President **MR. OSCAR B. ABADU, JR.**, hereinafter referred to as the "**CLIENT**",

-and-

REGION MANPOWER SERVICES, a corporation duly organized and existing under pertinent laws of the Republic of the Philippines, with business address at # 37 Diversion Road, Caritan Centro, Tuguegarao City, represented by its manager, **P/C SUPT. ROMEO S. PAGALILAUAN, (Ret.) Ph.D.**, hereinafter referred to as the "**AGENCY**",

-Witnesseth:

WHEREAS, the **CLIENT** desires to engage the services of a competent, qualified and able janitorial service agency who shall clean and maintain in sanitary condition its office premises;

WHEREAS, the **AGENCY**, a duly registered and licensed professional service maintenance agency, offered to render janitorial services and clean and maintain in sanitary condition the entire office premises of the **CLIENT**, and further offered to render other related services including the movement of office equipment and supplies from one place to another;

WHEREAS, the **AGENCY** has quoted a bid deemed most advantageous to the government among the janitorial agencies, which submitted a bid price, hereto attached as Annex "A",

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties hereto agreed to be bound under the following terms and conditions, to wit:

DUTIES & RESPONSIBILITIES OF THE AGENCY:

The Agency shall provide efficient janitorial services to PRO 2; has a pool of well trained personnel who are able to provide adequate, reliable maintenance services to ensure orderliness and sanitation within the PRO's premises, to wit:

I. Daily Routine. The daily routine services to be rendered by the janitors assigned by the Janitorial Agency shall include:

- a. Sweeping, dusting, mopping and polishing floors of all rooms, corridors, lobbies, stairs and entrances or areas which may be specified by the client;
- b. Cleaning and wiping of all office tables, glass tops, furniture and fixture, equipment, appliances, window ledges, counters, doorknobs, and glass partitions and doors;
- c. Cleaning and sanitizing of comfort rooms and pantries, bath and sinks and removal of spots or stains from floors and other surfaces;
- d. Fetching water and filling of containers in the comfort rooms when water is not available;
- e. Cleaning driveways, parking spaces and immediate surroundings of the building;
- f. Proper disposal of solid waste from various parts of the area assigned to the designated trash storage of the PhRO's compound;
- g. Upkeep of indoor potted plants.

CLIENT

II. WEEKLY ROUTINE. The weekly routine services to be rendered by janitors assigned by the Janitorial Agency includes:

- a. Spot scrubbing, dirt stain removal and cleaning of chairs, carpets and rugs;
- b. Thorough cleaning, washing and scrubbing of all rooms and comfort room facilities;
- c. Cleaning and polishing on the inner surfaces of all window glasses, sun baffles, walls, counters, light diffusers, picture frames and wall hanging, and;
- d. Washing, scrubbing, stripping, waxing and polishing floors.

III. MONTHLY ROUTINE. Monthly routine services to be rendered by janitors assigned but the Janitorial Agency includes:

- a. Dusting and removing of cobwebs from ceiling of the premises;
- b. Cleaning of ornamental plants and polishing of metal signs;
- c. General cleaning of draperies and blinds;
- d. Spraying of insecticides and other pest control activities;
- e. Disinfecting of all bathrooms;
- f. Refilling of liquid deodorizers in all bathrooms;
- g. Grass cutting of Philhealth Lot located at Regional Government Center, Carig, Tuguegarao City.

IV. QUARTERLY ROUTINE. Quarterly routine services to be rendered by janitors assigned by the Janitorial Agency include:

- a. Thorough and general cleaning of all areas;
- b. Thorough shampooing of all chairs, panels, carpets and rugs.

V. MISCELLANEOUS ROUTINE. Miscellaneous services to be rendered by janitors per request of the concerned units through Emir L. Iringan (Administrative Officer III) to include but not limited to:

- a. Miscellaneous work such as carrying, transporting or moving of office furniture, equipment supplies within the premises as may be assigned from time to time;
- b. Rendition of overtime services during emergency and urgent situations may be allowed as determined by Emir L. Iringan (Administrative Officer III) and subject to approval of the Regional Vice President;
- c. Report to Emir L. Iringan (Administrative Officer III), any damaged/leaking pipe plumbing, water, and toilet facilities, electrical installations, and any damaged furniture and fixture that will need immediate repair.

VI. SUPPLIES, MATERIALS AND EQUIPMENT

The **AGENCY** shall provide the type and quantity of needed tools, supplies, materials and equipment. All supplies and materials to be provided by the **AGENCY** should be of guaranteed quality to ensure and maintain optimum cleaning results. Below is the distribution schedule of all cleaning supplies and materials for one (1) year in the Regional Office, Local Health Insurance Offices and Cauayan Business Center:

ITEM	DESCRIPTION	Regional		LOCAL HEALTH INSURANCE OFFICE						TOTAL
		Unit	Qty.	Aparri	Ilagan	STG.	Solano	Tug	Cauayan	
				Qty.	Qty.	Qty.	Qty.	Qty.	Qty.	Qty.
BROOM	Soft,tambo, wooden or rattan handle,standard size	piece	16	5	12	12	12	5	5	67
BROOM	Stick	piece	16	5	6	6	6	5	5	49
CHLOROX	1 liter	liter	40	5	12	12	12	5	5	91
CLEANSER	powder, 350 gms./can	can	80	5	12	12	12	5	5	131
CLOG REMOVER	500ml.	bottle	40	5	12	12	12	5	5	91
Detergent Powder	500gms.	pouch	90	12	16	16	16	12	12	174
DIPPER	plastic	piece	20	4	6	6	6	4	4	50
Dishwashing Liquid	per bottle	bottle	10	2	1	1	1	2	2	19
DOORMAT	Cotton	piece	50	12	24	24	24	12	12	158
DUSTER	feather, retractable, plastic handle	piece	48	10	12	12	12	10	10	114
DUSTER	cotton	piece	12	4	3	3	3	4	4	33
DUST PAN	plastic. w/ handle, large	piece	16	4	3	3	3	4	4	37
FLOOR BRUSH	plastic handle	piece	30	4	6	6	6	4	4	60
Furniture Cleaner	aerosol type, multi-purpose, 400 ml./ can	can	4	1	1	1	1	1	1	10
Gas Mask	linen	piece	50	6	6	6	6	12	12	98
Glass Cleaner	wiper	bottle	4	1	1	1	1	1	1	10
Mophandle	screw type, heavy duty, wooden handle	piece	30	3	6	6	6	3	3	57
Mophead	all cotton, twisted, 400 grams	piece	60	6	16	16	16	6	6	126
PAIL	small	piece	16	2	2	2	2	2	2	28
PRANELA	different colors	piece	22	2	4	4	4	2	2	40
PUSH BRUSH	plastic handle	piece	20	2	4	4	4	2	2	38
RAGS	cotton, approx. 203mm (8") in diameter	kilo	40	3	5	5	5	3	3	64
SCOURING PAD	economy size, color green	pack	20	1	4	4	4	1	1	35
TAPE	Teflon	piece	21	4	6	6	6	4	4	51
Toilet Bowl Freshener	bactericidal, 900ml per bottle, Albatross brand	bottle	40	5	12	12	12	5	5	91
Toilet Brush		piece	20	6	16	16	16	6	6	86
Toilet Deodorant Cake	deodorizer moth proofer, 99% paradichlorobenzene,	pack	40	12	16	16	16	12	12	124
TOILET PUMP	wooden handle	piece	24	2	4	4	4	2	2	42
TRASHBAG	plastic, black, gusseted type, 0.04mm thickness, height/length 101	roll	50	6	16	16	16	10	10	124

Supply Officer Designates from the Regional Office, five (5) LHIOs and Cauayan Business Center shall inspect the supplies on a monthly basis (every first working day of the month) for the former and quarterly basis (every first working day of the first month of the applicable quarter) for the latter, vis/a vis the Delivery Receipt/Billing Statement of the Agency. They shall also be responsible in preparing Inspection and Acceptance Reports which shall be submitted to the Agency immediately after the conduct of inspection of the delivered items. In the event that there shall be an excess in the delivered supplies, they shall not be considered as advance and shall be forfeited in favor of Regional Office or LHIOs or Business Center as the case may be.

6. The PRO reserves the right to request for an increase and decrease in the number of janitors if the exigency of work requires.
7. The janitorial Agency shall submit a schedule of periodic general cleaning of areas herein covered for reference and guidance of the PRO. Areas covered under the contract shall be maintained clean and sanitary at all times. Cleaning includes floor, toilet, walls, windows, grounds and other areas.
8. The Janitorial Agency together with its employees agree to abide with the performance and janitorial requirements of the PRO in general and in the office where they are assigned at all times and comply promptly with directives, instructions and existing rules and regulations of the PhRO
9. The Janitors shall be under the supervision of GSU. Before they assume their functions, an orientation **of the scope of responsibility, rules and regulations of the PRO and related matters shall be conducted** by GSU. No janitor shall assume his/her post without this orientation.
10. The janitors to be assigned by the Janitorial Agency to restricted office(s) where highly accountable assets and security documents are kept shall perform their duties under the supervision of officials designated by the client concerned.
11. The Janitorial Agency shall see to it that the janitors are screened and declared physically and mentally fit before they are allowed to report to their assigned post.
12. Any janitor who may be found and considered undesirable and incompetent by the head of Office/Services concerned shall be replaced by the Janitorial Agency immediately upon receipt of request and verification.

II. DUTIES AND RESPONSIBILITIES OF THE CLIENT

1. For and in consideration of the services rendered by the **AGENCY** to the **CLIENT** during the first year of the effectivity of the contract, the latter shall pay in Philippine Currency the former the total amount of **ONE MILLION ONE HUNDRED FIFTY THOUSAND SIX HUNDRED EIGHTY PESOS and 64/100 (P 1,150,680.64), to be broken down as follows:**
- Salary - Php1,079,461.14
Supplies - Php 71,219.50
- inclusive of holiday pay and all other benefits in favor of the janitorial personnel under Labor laws. The payment shall be made monthly depending on the number of working days, including holiday pays for the month upon presentation by the Agency of the Monthly Statement of Account in support of such payment. The **CLIENT** shall remit and pay to the Bureau of Internal Revenue the required withholding tax and provide the **AGENCY** with the certificate of remittance.
2. To assign other tasks as may be necessary to be accomplished by the janitorial personnel provided;
3. To review, change, and approve the work schedule as it deems necessary.
4. To request for the replacement, increase or decrease in number of janitorial personnel as it deems necessary.
5. To give sufficient storage space for all supplies and materials of the janitorial personnel provided for the **AGENCY** and suitable dressing room for their utility.

III. GENERAL PROVISIONS:

1. It is hereby understood that there is no employer-employee relation between the **CLIENT** and the **AGENCY** nor between the **CLIENT** and the janitorial personnel provided for by the **AGENCY**. The **CLIENT** shall not be liable for any injury, damage, or death suffered by the janitorial personnel in the performance of their functions.
2. Notice of loss/or damage incurred by the janitorial personnel shall be served in writing by the **CLIENT** within forty-eight hours from discovery to the **AGENCY**, if discovery is made at any day from Monday to Thursday. If the loss and/or damage is discovered on a Friday or Saturday, or on a day before a holiday, the notice shall be served on the following working day.

3. All taxes, license and permit fees which may be required by, dues to or collectible by the local or national government pursuant to this Contract, shall be the sole responsibility of the AGENCY.

4. In the event of any significant increase in the opening costs of the AGENCY due to the amendments/changes in the present laws, rules and regulations such as increase in the minimum wage, taxes, SSS and PhilHealth contributions, the parties may negotiate for a reasonable adjustment in the contract price.

IV. PERFORMANCE BOND

The AGENCY hereby undertakes to furnish the CLIENT an annual Performance Bond in the amount equivalent to Thirty Percent (30%) of the total contract price, **Three Hundred Forty Five Thousand Two Hundred Four and 19/100 (345,204.19)**, either in the form of cash, surety bond guaranteed by the Government Service Insurance System (GSIS) or any reputable bonding company which may be increased whenever the requirement of the CLIENT also increases, as guarantee in the payment of any claim made by the CLIENT for losses, liability, injury or damage arising from or growing out of the AGENCY's operations under this contract, and for the faithful performance by the AGENCY of the covenants, obligations and undertakings assumed and agreed to by the parties hereunder, such bond to be and to remain in force until the period of prescription provided by law for the filing of such claim(s) or loss, liability, injury or damage shall have lapsed. Provided, however, that if any claim for any of the foregoing has been filed within said period, then in any such case, the bond shall continue.

V. DURATION OF THE CONTRACT.

This contract shall take effect on September 1, 2013 until August 31, 2016, unless sooner terminated in accordance with the provisions hereof. After expiration of this contract and no new contract has been made or issued by the CLIENT or that the result of the bidding is not yet issued if one is conducted, this contract shall be deemed extended on a month to month basis up to such period as may be allowed by law, rules and regulations.

VI. TERMINATION OF CONTRACT AND VENUE OF ACTION.

The CLIENT and AGENCY reserves the right to terminate this Contract for any cause or reason upon thirty (30) days of prior notice to the other party. Provided that, in case of litigation arising from or in connection with this Contract, the parties agree that the venue of any action shall be at the proper courts on Tuguegarao City.

VII. MISCELLANEOUS PROVISIONS.

In case any provision or stipulation hereof is declared invalid, null and void or contrary to law, rules and regulations by a court of competent jurisdiction, the unaffected provision or stipulation thereof shall remain valid and effective.

IN WITNESS WHEREOF, the parties hereto have hereunto signed this Contract on this 28th day of August 2013 in Tuguegarao City.

REGION JANITORIAL SERVICES

PHILIPPINE HEALTH
INSURANCE CORPORATION

BY:

BY:

P/C SUPT. ROMEO S. PAGALILAUAN, (Ret.) PhD.
Manager

MR. OSCAR B. ABADU, JR.
Regional Vice President

Signed in the presence of;

MS. LILIA QUINTO
Fiscal Controller IV

MR. JOSUE ANOG
Official Canvasser, PRO 2

ACKNOWLEDGEMENT

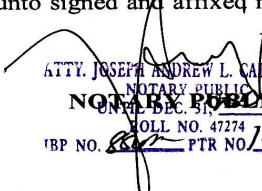
REPUBLIC OF THE PHILIPPINES)
Municipality/ CITY OF Taguig) S.S.

BEFORE ME, personally appeared this 28th day of Aug. 2013, at TUGUEGARAO CITY, Cebu Philippines.

NAME	VALID ID NO.	DATE/PLACE OF ISSUE
MR. OSCAR B. ABADU, JR.	<u>DRIVERS License NO 2-9527 0119</u>	<u>Taguegarao City</u>
P/C SUPT. ROMEO S. PAGALILAUAN, (Ret)	<u>EB1048166</u>	<u>28 Sep 10 / DFA TUGUEGARAO</u>

Known to me and to me known to be the same persons who executed the foregoing instrument and they acknowledged that the same is their free and voluntary act and deed and that of the institution they represent.

IN TESTIMONY WHEREOF, I have hereunto signed and affixed my notarial seal on the date and place first above-written.


ATTY. JOSEPH ANDREW L. CALUBAQUIB
NOTARY PUBLIC
ROLL NO. 47274
BP NO. 687 PTR NO. 71426

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