

CONSULTANCY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This contract is made and entered into by and between:

The **PHILIPPINE HEALTH INSURANCE CORPORATION (PhilHealth)**, a government owned and controlled corporation created and existing by virtue of R.A. 7875 as mandated, with office address at No. 709 Shaw Blvd., Citystate Center Bldg., Oranbo, Pasig City and duly represented by President and CEO, **ALEXANDER A. PADILLA**;

- and -

MR. JIMUEL I. PITEL, of legal age, married, with residence address at No. 087 Area 5 Luzon Ave., Matandang Balara, Diliman, Quezon City, herewith referred to as **Mr. Pitel**;

WITNESSETH

WHEREAS, the Senior Vice President for Fund Management Sector approved the re-hiring of consultancy services of **Mr. Pitel** as consultant for Comptrollership Department, for the enhancement and technical support of the PhilHealth Budget System – Phase 1 (Budget Preparation) and 2 (Budget Execution) for a period of six (6) months.

WHEREAS, the Bids and Awards Committee for Consulting Services recommends the renewal of the contract of **Mr. Pitel** as Information Technology Consultant for Comptrollership Department per Resolution No. _____;

WHEREAS, the consultancy service of **Mr. Pitel** will be for the period June 1, 2015 – November 30, 2015 in recognition for his expertise and knowledge in fiscal management processes and Information Technology and for the enhancement of the PhilHealth Budget System (PBS) Module 1 and Module 2;

WHEREAS, the enhancement of the PhilHealth Budget System (PBS) shall facilitate the following: (1) Preparing projections of expenditures using pre-defined models; (2) Preparing budget proposals by cost center and consequent consolidation of the same into pre-defined levels (i.e., Sector, Group, Corporate) using decentralized procedures; (3) Enhancing the integrated planning and budget process through sequencing and standardizing the process for developing and submitting plans and budget and the use of cost-standards and cost indicators; (4) Monitoring and ensuring that expenses are within the limits allocated for the purpose both for the PhilHealth Regional Offices (PROs) and the Central Office Cost Centers; (5) Generation of real-time, user-friendly and relevant management information and reports which can be accessed anywhere thereby increasing efficiency in the entire process; and (6) Documenting realignments/changes in activity and budget using audit trail capacities.

NOW THEREFORE, for and in consideration of the premises, the parties have mutually agreed on the following terms and conditions:

1. That the PhilHealth hereby contracts the services of **Mr. Pitel** for the enhancement of the PhilHealth Budget System (PBS). Deliverables based on the attached approved Terms of References (TOR) shall be completed for a period of six (6) months - June 1, 2015 to November 30, 2015 as covered by this contract.
2. That for the services rendered, **Mr. Pitel** shall receive a remuneration of Sixty Two Thousand Five Hundred Pesos (P62,500.00) per month gross of tax, which

shall be released within fifteen (15) days after his submission of a certificate of services rendered and an accomplishment report;

3. That, **Mr. Pitel** shall facilitate and deliver the following:

Part I : Bug Fixes of Modules I and completion of Module II

Part II : New Features of Module I

A. Budget Preparation

- a. Work and Financial Plan
 - i. Adjustment on the Table structure and User Interface (UI)
 - ii. Layout for the New Work and Financial Plan Report
- b. Continuing Appropriations
 - i. Development of Table structure and its User Interface (UI)
 - ii. Development of process for Continuing Appropriations Budget Proposal which includes, data entry, evaluation and recommendation/approval component
 - iii. Beta Testing for this Module

B. Evaluation / Override

- a. Work and Financial Plan
 - i. Adjustment on the Table structure and User Interface (UI)
 - ii. Layout for the New Work and Financial Plan Report
- b. Development of User Interface (UI) for Evaluation of Continuing Appropriations Proposal;
- c. Report Generation
 - i. Generation of Reports, consolidated, per PhilHealth Regional Offices (PROs) /units, per Cost Center, per level of Evaluation

- 4. That **Mr. Pitel** shall submit a monthly accomplishment report or, at any time as may be required by the Senior Manager for Comptrollership Department or by the Senior Vice President for Fund Management Sector (SVP-FMS), a written report on the status or progress of the work assigned to him during the term of this contract;
- 5. That **Mr. Pitel** shall fully document and turn over to PhilHealth at no additional cost the ownership of the source codes and executable programs of all the application/systems developed as well as any hardware or software that has been configured or customized for the project, the settings, configuration, scripts, codes, or passwords used;
- 6. That **Mr. Pitel** for purposes of system development and enhancement shall work on the test environment of ITMD only and that upon acceptance and implementation of the system will be transferred to the production environment;
- 7. That **Mr. Pitel** guarantees that the services performed are free from patent and latent defects and shall function according to the objectives for which the services were contracted and undertakes to address and fix the said defects should any arises within a period of twelve (12) months from acceptance;
- 8. That **Mr. Pitel** attests that he is not related within the third civil degree of consanguinity or affinity of any of the following: a) appointing authority; b) recommending authority; c) Chief of the Office, d) person exercising immediate supervision over him and that he has not been previously dismissed from government service by reason of an administrative offense;

ALEXANDER A. PADILLA
President and CEO

GREGORIO C. RULLODA
Senior Vice President
Fund Management Services

WILLIE M. BUMACOD
Fiscal Controller IV
Comptrollership Department

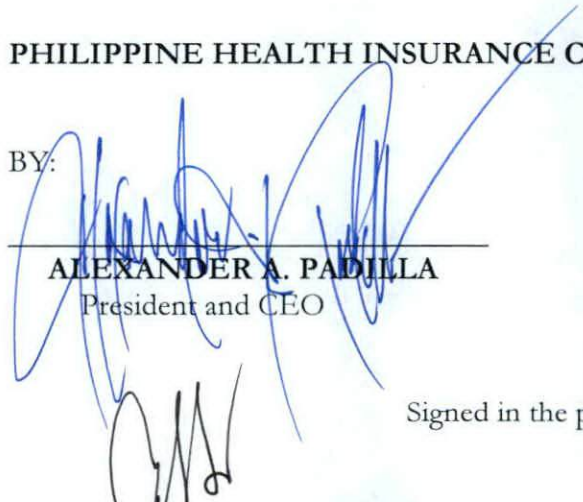
JIMUEL R. PITEL
Consultant

9. That **Mr. Pitel** undertakes to comply with Office Order No. 0018-2015 entitled "Reiteration of PhilHealth No Gift Policy (Revision 1)" which provides that No PhilHealth personnel shall solicit, demand, or accept, directly or indirectly, any gift from any person, group, association, or juridical entity, whether from the public or private sector, at anytime, on or off the work premises where such gift is given in the course of official duties or in connection with any transaction which may affect the functions of their office or influence the actions of directors or employees, or create the appearance of a conflict of interest
10. That, this Contract may be terminated at the instance of any of the parties hereto upon service of a written notice of termination by one to the other party at least fifteen (15) days prior to the intended date of termination;
11. That it is understood that this contract does not create an employer-employee relationship between the consultant and PhilHealth, that the services rendered hereunder are not considered and will not be accredited as government services and that the consultant is not entitled to benefits enjoyed by the regular personnel of PhilHealth.
12. The consultant shall not disclose any propriety or confidential information relating to PhilHealth or to this agreement without prior written consent from the latter.
13. This document constitutes the entire agreement between PhilHealth and **Mr. Pitel**, the provisions of which supersede any and all prior negotiations, understanding, or contracts relating to the same subject matter.
14. Any revision or amendment of this Agreement shall require the written consent of all the parties.

IN WITNESS HEREOF, the parties have hereunto set their hands this ____ day of _____, 2015.

PHILIPPINE HEALTH INSURANCE CORPORATION

BY:




ALEXANDER A. PADILLA
President and CEO




MR. JIMUEL I. PITEL
Contractor

Signed in the presence of:



GREGORIO C. RULLODA
OIC - Senior Vice President
Fund Management Sector



WILLIE M. BUMACOD
Fiscal Controller IV
Comptrollership Department
POF # 03-2015-058
CAF # 2015-03-12

ACKNOWLEDGMENT

ALEXANDER A. PADILLA
President and CEO

REPUBLIC OF THE PHILIPPINES)
PASIG CITY **ALEXON CH**) S.S.

Before me this JUL 29 2015 2015 in **ALEXON CH**,
Philippines personally appeared **ALEXANDER A. PADILLA**, in his capacity as
President and CEO of the Philippine Health Insurance Corporation and **MR. JIMUEL**
I. PITEL, exhibiting to me their respective Community Tax Certificate Nos.
_____, issued on _____ at _____ and
24274440, issued on February 13, 2015 at Rosario Batangas, known unto me to be the
same persons who executed the foregoing Consultancy Agreement and acknowledged
that the same is their voluntary act and deed.

This instrument consisting of four (4) pages including the page on which this
acknowledgement is written has been signed hereof.

Witness my hand and seal on the date and place first above written.

GREGORIO C. RULLODA
Senior Vice President
Fund Management Services

WILLIE M. BUMACOD
Fiscal Controller IV
Comptrollership Department

Doc. No. 374
Page No. 75
Book No. 16
Series of 2015

NOTARY PUBLIC

Until _____

PTR No. _____

IBP No. _____

ROLL No. _____

ATTY. EVARISTO B. URBINA
NOTARY PUBLIC
UNTIL DEC. 31-2016
PTR NO. 9945186-15/1-15
TIN # 168-417-241
MCLE COMP. NO. IV-0000830

JIMUEL I. PITEL
IT Consultant