



Annex B: Sample Memorandum of Agreement

PROCUREMENT WATCH INCORPORATED

Unit 2507, 25/F Medical Plaza Ortigas,
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MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement (the Agreement) entered into and executed by and between:

Procurement Watch INC., a non-stock, non-profit organization, duly registered and existing under and by virtue of Philippine laws, with principal office address at Unit 2507, Medical Plaza Ortigas, San Miguel Avenue, Ortigas Center Pasig City, represented by its President, Atty. Amador F. Astudillo and hereafter referred to as "**PWI**"

-and-

Department of Education, an agency of the Government, with principal office at DepEd Complex, Meralco Avenue Avenue, Pasig City, represented herein by Undersecretary Teodosio C. Sangil and hereinafter referred to as "**DepEd**"

Witnesseth: That-

WHEREAS, DepEd recognizes that Republic Act No. 9184, otherwise known as the Government Procurement Reform Act ("GPRA") was promulgated in line with the efforts of the government to uphold transparency, efficiency and economy in government procurement;

WHEREAS, the GPRA covers all branches and instrumentality of the Government, its departments, offices and agencies, including government owned and controlled corporations as well as local government units;

WHEREAS, Section 13 of the GPRA mandates that the Bids and Awards Committee shall invite, in all stages of the procurement process, observers to monitor their bidding procedures, PWI is not exclusive and that other CSOs may observe;

WHEREAS, in line with the policy of the government, DepEd has issued Department Order No. 59 series of 2007, institutionalizing non-government organization and private sector participation in the Department's procurement process;

WHEREAS, the same Department Order encourages the participation of non-government organizations as well as the private sector and the local community in observing the procurement procedures as well as contract implementation;

WHEREAS, PWI offers, without consideration, its services to the DepEd as observers in their public bidding as well as monitors in the implementation of the contract as specifically provided for in this agreement as allowed under Government Procurement Reform Act (GPRA) and other existing laws and rules;

WHEREAS, DepEd recognizes and accepts the offer of PWI, it being in line with the policy of both the government and DepEd of furthering transparency in the procurement process;

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

I. COVERAGE

The Agreement shall be implemented in three (3) phases namely; monitoring of the procurement or bidding process, the monitoring of the implementation of the contract, and the application of the Differential Expenditure and Efficiency Measurement (DEEM) Tool, a tool developed by PWI to empirically measure efficiency in government procurement.

The pilot sites for this Agreement are the six (6) School Division of the DepEd namely in the National Capital Region (NCR), Ilocos Norte, Bulacan, Rizal, Bohol and Davao, specifically focusing on the procurement and delivery of school furniture.

II. SCOPE OF WORK

PWI, and DepEd agree that they shall undertake and perform the following tasks and services:

PWI

As project monitor

1. Monitor project implementation;
2. Coordinate with local volunteers;
3. Organize and conduct focus group discussion, workshop/orientation to be provided by PWI; the same will also be the official launching of the project.
4. Develop tool kits for procurement and contract implementation monitoring volunteers
5. Identify volunteers/observers to monitor the bidding of school furniture.
6. Provide training on the GPRA for procurement observers and contract implementation monitoring volunteers
7. Consolidate all reports made and submitted by observers and monitors

II. As part of the pool of observers

1. Monitor all procurement stages of the DepEd School Furniture Project for the pilot regions which includes but not limited to: Pre-Procurement Conference, Pre-Bid Conference, Bid Opening, Bid

Evaluation, Post Qualification and Special Meetings of the BAC on project under procurement.

2. Draft and submit diagnostic reports stating their findings on the procurement process especially the use of alternative modes of procurement.

III. As part of contract monitoring team

1. Act as the monitoring team leader
2. Mobilize volunteer monitoring teams with proper identification
3. Conduct monitoring during actual delivery
4. Draft reports stating findings on contract implementation
5. Consolidate all reports submitted by monitors

IV. As part of the DEEM assessment

1. Determine efficiency indicators and factors to be considered.
2. Conduct market research
3. Gather all project documents including but not limited to disbursement vouchers, purchase orders, delivery receipts and inspection and acceptance reports.
4. Process data gathered
5. Develop a price index of the school furniture included in the project
6. Submit the developed price index to DepEd

DepEd

1. Provide PWI and other observers trained by the former with relevant project documents and information such as but not limited to:
 - Minutes of related proceedings of the BAC
 - Abstract of Bids
 - Post-qualification summary report
 - APP and related PPMP; and
 - Copies of "opened" proposals
2. Provide PWI and other monitors trained by the former with photocopies of documents relevant to the contract being monitored such as but not limited to:
 - Copy of the approved contract
 - Purchase Request and Purchase Order
 - Delivery receipt
 - Inspection and Acceptance Report
3. Assist PWI in the identification and selection of volunteers/observers
4. Assign a point person for every Division that would be tasked to coordinate with the PWI in the conduct of the project
5. Validate reports submitted reports in case of deviations from project specifications.

6. To provide training and FGD venues, wherever practicable.
7. PWI may request from COA if needed, invoice and disbursement vouchers relevant to the project.

III. DURATION OF THE AGREEMENT

This Agreement shall be for a period of eighteen months (18) commencing on _____ and ending on _____.

IN WITNESS WHEREOF, the parties have hereunto set their hands this _____ day of _____, 2009 at _____.

PROCUREMENT WATCH INC.

DEPARTMENT OF EDUCATION

By: _____

By: _____

ATTY. AMADOR F. ASTUDILLO
President

HON. TEODOSIO C. SANGIL
Undersecretary for Finance and Administration

Signed in the presence of:

[Signature]

[Signature]

REPUBLIC OF THE PHILIPPINES
CITY OF MANILA

JURAT

SUBSCRIBED AND SWORN TO, Before Me, this APR 16 2009, at
the City of MANILA, personally appeared Atty. Amador F. Astudillo and Mr.
Teodosio Sangil, both respectively presenting their Community Tax Certificate
No. 11251857 issued by Q.C. on 02 FEB 09 and Community Tax Certificate
No. 204 229 45 issued by MANILA on 21 JAN 09.

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[Signature]
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ATTY. DELFIN A. ESCALANTE
NOTARY PUBLIC
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PTR NO. 174089-B-01-07-09
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MCLE NO. II-0015073
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