



BIDDING DOCUMENTS

FOR THE

Cashless Purchase Card

Consulting Services

December 2011

TABLE OF CONTENTS

SECTION I. REQUEST FOR EXPRESSION OF INTEREST	3
SECTION II. ELIGIBILITY TERMS AND CONDITIONS	5
SECTION III. ELIGIBILITY DATA SHEET	11
SECTION IV. TERMS OF REFERENCE.....	12
SECTION V. BIDDING FORMS	
Expression of Interest	16
Technical Eligibility Questionnaire.....	17



REQUEST FOR EXPRESSION OF INTEREST FOR THE CASHLESS PURCHASE CARD



1. The Department of Budget and Management and the Department of National Defense (the Procuring Entities) jointly calls for the submission of eligibility documents for the implementation of a Cashless Purchase Card System.

Interested bidders must submit their expressions of interest (please see Section V - Bidding Forms) and eligibility documents on or before 20 December 2011, 9 am, at the Executive Lounge, Ground Floor, Boncodin Hall, Department of Budget and Management, General Solano Street, San Miguel, Manila. Applications for eligibility will be evaluated based on a non-discretionary “pass/fail” criterion.

2. The Inter-Agency Bids and Awards Committee (IABAC) shall draw up the short list of bidders from those who have submitted expressions of interest/eligibility documents and have been determined as eligible in accordance with the provisions of Republic Act 9184 (RA 9184), otherwise known as the “Government Procurement Reform Act”, and its Implementing Rules and Regulations (IRR).
3. The short list shall consist of three (3) to seven (7) prospective bidders who shall be entitled to submit bids. The criteria and rating system for short listing are:

Institutional track record/applicable experience	75%
Capacity of digital/data systems	20%
Qualification of personnel who may be assigned to the job, e.g., project manager and team	5%
Total	100%

4. Bidding will be conducted through open competitive bidding procedures using non-discretionary “pass/fail” criterion as specified in the IRR of RA 9184.

It is open to all interested bidders, whether local or foreign, subject to the conditions for eligibility provided in Clause 1.3 of the Eligibility Terms and Conditions/Eligibility Data Sheet.

5. The Procuring Entities do not expect to pay any service or administrative charge for the project. Consequently, bids shall be evaluated using the Quality Based Evaluation procedure. The criteria and rating system for the evaluation of bids shall be provided in the Instructions to Bidders.

6. An orientation on the eligibility and bidding process shall be conducted on December 15, 2011, 2:00 pm, at the Multi-purpose Room, 4th Floor, Boncodin Hall, Department of Budget and Management, Gen. Solano St., San Miguel, Manila. At the option of the IABAC, bidders may be required to make an oral presentation within seven (7) calendar days after the deadline for submission of eligibility documents.
7. The Procuring Entities reserve the right to reject any and all bids, annul the bidding process, not award the contract at any time prior to contract award, or waive any formality in the provisions of the bidding documents, without thereby incurring any liability to the affected bidder or bidders.
8. For further information, please refer to:

Mr. Keefe dela Cruz
Transparency and ICT Initiatives Office
2nd Floor, Boncodin Hall, Department of Budget and Management,
Gen. Solano St., San Miguel, Manila
Tel: 735-1991 or 490-1000 local 2500
Fax: 735-4929
keefedelacruz@gmail.com
www.dbm.gov.ph

RUBY U. ALVAREZ
Chair, IABAC

ELIGIBILITY TERMS AND CONDITIONS

1. Eligibility Criteria

- 1.1. The following persons/entities shall be allowed to participate in the bidding:
 - (a) Duly licensed Filipino citizens/sole proprietorships;
 - (b) Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;
 - (c) Corporations duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;
 - (d) Cooperatives duly organized under the laws of the Philippines, and of which at least sixty percent (60%) interest belongs to citizens of the Philippines; or
 - (e) Persons/entities forming themselves into a joint venture, *i.e.*, a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, That Filipino ownership or interest thereof shall be at least sixty percent (60%). For this purpose, Filipino ownership or interest shall be based on the contributions of each of the members of the joint venture as specified in their JVA.
- 1.2. When the types and fields of Consulting Services involve the practice of professions regulated by law, those who will actually perform the services shall be Filipino citizens and registered professionals authorized by the appropriate regulatory body to practice those professions and allied professions specified in the **EDS**.
- 1.3. If the Request for Expression of Interest allows participation of foreign firms, prospective foreign bidders may be eligible subject to the qualifications stated in the **EDS**.
- 1.4. Government corporate entities may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not dependent agencies of the GOP or the Procuring Entity.

2. Eligibility Requirements

- 2.1. The following eligibility requirements shall be submitted on or before the date of the eligibility check specified in the Request for Expression of Interest and Clause 5 for purposes of determining eligibility of prospective bidders:
 - (a) Class "A" Documents –

Legal Documents

- (i) Certificate of Registration issued by the Securities and Exchange Commission (SEC) for corporations, Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives, or any proof of such registration as stated in the **EDS**;
- (ii) Certificate of Authority to Operate as a Commercial Bank or a Universal Bank issued by the Bangko Sentral ng Pilipinas (BSP);
- (iii) Mayor's permit issued by the city or municipality where the principal place of business of the prospective bidder is located;

Technical Documents

- (iv) Corporate profile and experience containing all the information required under Section V – Technical Eligibility Questionnaire.

Financial Document

- (v) The bidder's last annual report and audited financial statements, showing, among others, the bidder's total and current assets and liabilities, stamped "received" by the BIR or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission.
- (b) Class "B" Document –
- Valid joint venture agreement (JVA), in case a joint venture is already in existence. In the absence of a JVA, duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful, shall be included in the bid. Failure to enter into a joint venture in the event of a contract award shall be ground for the forfeiture of the bid security. Each partner of the joint venture shall submit the legal eligibility documents. The submission of technical and financial documents by any of the joint venture partners constitutes compliance.

- 2.2. The eligibility requirements or statements and all other documents to be submitted to the IABAC must be in English.
- 2.3. Prospective bidders may obtain a full range of expertise by associating with other firms or entities through a JV or subcontracting arrangements, as appropriate. However, subcontractors may only participate in the bid of one short listed bidder.
- 2.4. If a prospective bidder has previously secured a certification from the Procuring Entity to the effect that it has previously submitted the above-enumerated Class

“A” Documents, the said certification may be submitted in lieu of the requirements enumerated in Clause 2.1 above.

3. Format and Signing of Eligibility Documents

- 3.1. Prospective bidders shall submit their eligibility documents through their duly authorized representative on or before the deadline specified in Clause 5.
- 3.2. Prospective bidders shall prepare an original and copies of the eligibility documents. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 3.3. The eligibility documents, except for unamended printed literature, shall be signed, and each and every page thereof shall be initialed, by the duly authorized representative/s of the prospective bidder.
- 3.4. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the prospective bidder.

4. Sealing and Marking of Eligibility Documents

- 4.1. Unless otherwise indicated in the EDS, prospective bidders shall enclose their original eligibility documents described in Clause 2.1, in a sealed envelope marked “ORIGINAL – ELIGIBILITY DOCUMENTS”. Each copy shall be similarly sealed duly marking the envelopes as “COPY NO. ___ - ELIGIBILITY DOCUMENTS”. These envelopes containing the original and the copies shall then be enclosed in one single envelope.
- 4.2. The original and the number of copies of the eligibility documents as indicated in the EDS shall be typed or written in indelible ink and shall be signed by the prospective bidder or its duly authorized representative/s.
- 4.3. All envelopes shall:
 - (a) contain the name of the contract to be bid in capital letters;
 - (b) bear the name and address of the prospective bidder in capital letters;
 - (c) be addressed to the Procuring Entity’s IABAC specified in the EDS;
 - (d) bear the specific identification of this Project indicated in the EDS; and
 - (e) bear a warning “DO NOT OPEN BEFORE...” the date and time for the opening of eligibility documents, in accordance with Clause 5.
- 4.4. If the eligibility documents are not sealed and marked as required, the Procuring Entity will assume no responsibility for its misplacement or premature opening.

5. Deadline for Submission of Eligibility Documents

Eligibility documents must be received by the Procuring Entity's IABAC at the address and on or before the date and time indicated in the Request for Expression of Interest and the EDS.

6. Late Submission of Eligibility Documents

Any eligibility documents submitted after the deadline for submission and receipt prescribed in Clause 5 shall be declared "Late" and shall not be accepted by the Procuring Entity.

7. Modification and Withdrawal of Eligibility Documents

7.1. The prospective bidder may modify its eligibility documents after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline specified in Clause 5. The prospective bidder shall not be allowed to retrieve its original eligibility documents, but shall be allowed to submit another set equally sealed, properly identified, linked to its original bid marked as "ELIGIBILITY MODIFICATION" and stamped "received" by the IABAC. Modifications received after the applicable deadline shall not be considered and shall be returned to the prospective bidder unopened.

7.2. A prospective bidder may, through a letter of withdrawal, withdraw its eligibility documents after it has been submitted, for valid and justifiable reason; provided that the letter of withdrawal is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of eligibility documents.

7.3. Eligibility documents requested to be withdrawn in accordance with this Clause shall be returned unopened to the prospective bidder concerned. A prospective bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the IABAC before the deadline for submission and receipt of eligibility documents. A prospective bidder that withdraws its eligibility documents shall not be permitted to submit another set, directly or indirectly, for the same project.

8. Opening and Preliminary Examination of Eligibility Documents

8.1. The Procuring Entity's IABAC will open the envelopes containing the eligibility documents in the presence of the prospective bidders' representatives who choose to attend, at the time, on the date, and at the place specified in the EDS. The prospective bidders' representatives who are present shall sign a register evidencing their attendance.

8.2. Letters of withdrawal shall be read out and recorded during the opening of eligibility documents and the envelope containing the corresponding withdrawn eligibility documents shall be returned unopened to the withdrawing prospective bidder. If the withdrawing prospective bidder's representative is present during the opening, the original eligibility documents and all copies thereof shall be returned to the representative during the opening of eligibility documents. If no

representative is present, the eligibility documents shall be returned unopened by registered mail.

- 8.3. A prospective bidder determined as “ineligible” has three (3) calendar days upon written notice or, if present at the time of the opening of eligibility documents, upon verbal notification, within which to file a request for reconsideration with the IABAC: Provided, however, that the request for reconsideration shall not be granted if it is established that the finding of failure is due to the fault of the prospective bidder concerned: Provided, further, that the IABAC shall decide on the request for reconsideration within seven (7) calendar days from receipt thereof. If a failed prospective bidder signifies his intent to file a request for reconsideration, in the case of a prospective bidder who is declared ineligible, the IABAC shall hold the eligibility documents until such time that the request for reconsideration or protest has been resolved.
- 8.4. The eligibility documents envelopes and modifications, if any, shall be opened one at a time, and the following read out and recorded:
 - (a) the name of the prospective bidder;
 - (b) whether there is a modification or substitution; and
 - (c) the presence or absence of each document comprising the eligibility documents vis-à-vis a checklist of the required documents.
- 8.5. The eligibility of each prospective bidder shall be determined by examining each bidder’s eligibility requirements or statements against a checklist of requirements, using non-discretionary “pass/fail” criterion, as stated in the Request for Expression of Interest, and shall be determined as either “eligible” or “ineligible.” If a prospective bidder submits the specific eligibility document required, he shall be rated “passed” for that particular requirement. In this regard, failure to submit a requirement, or an incomplete or patently insufficient submission, shall be considered “failed” for the particular eligibility requirement concerned. If a prospective bidder is rated “passed” for all the eligibility requirements, he shall be considered eligible to participate in the bidding, and the IABAC shall mark the set of eligibility documents of the prospective bidder concerned as “eligible.” If a prospective bidder is rated “failed” in any of the eligibility requirements, he shall be considered ineligible to participate in the bidding, and the IABAC shall mark the set of eligibility documents of the prospective bidder concerned as “ineligible.” In either case, the IABAC chairperson or his duly designated authority shall countersign the markings.

9. Short Listing of Bidders

- 9.1. Only prospective bidders whose submitted contracts are similar in nature and complexity to the contract to be bid as provided in the **EDS** shall be considered for short listing.
- 9.2. The IABAC of the Procuring Entity shall draw up the short list of prospective bidders from those declared eligible using the detailed set of criteria and rating system to be used specified in the **EDS**.

- 9.3. Short listed bidders shall be invited to participate in the bidding for this project through a Letter of Invitation to Bid issued by the IABAC of the Procuring Entity.
- 9.4. Only bids from short listed bidders shall be opened and considered for award of contract. These short listed bidders, whether single entities or JVs, should confirm in their bids that the information contained in the submitted eligibility documents remains correct as of the date of bid submission.

ELIGIBILITY DATA SHEET

Eligibility Terms	
1.2	Not applicable.
1.3	<p>Foreign bidders may be eligible to participate in this Project, subject to the following qualifications:</p> <p>a) must be registered with the Securities and Exchange Commission;</p> <p>b) must be duly licensed by the Bangko Sentral ng Pilipinas to operate as a commercial bank or a universal bank.</p>
(i)	Latest articles of incorporation or by-laws, or any amendments thereto, duly approved by the Securities and Exchange Commission.
4.2	Each prospective bidder shall submit one (1) original and two (2) copies of its eligibility documents.
4.3(c)	Inter-Agency Bids and Awards Committee
4.3(d)	Cashless Purchase Card System
5	<p>The address for submission of eligibility documents is at:</p> <p>Executive Lounge, Ground Floor, Boncodin Hall, Department of Budget and Management, San Miguel, Manila</p> <p>The deadline for submission of eligibility documents is on 20 December 2011, 9 am.</p>
8.1	<p>The place of opening of eligibility documents is at:</p> <p>Executive Lounge, Ground Floor, Boncodin Hall, Department of Budget and Management, San Miguel, Manila</p> <p>The date and time of opening of eligibility documents is on 20 December 2011, 9 am.</p>
9.1	No further instructions.
9.2	<p>Institutional track record/applicable experience – 75%</p> <p>Capacity of digital/data systems – 20%</p> <p>Qualification of personnel who may be assigned to the project (e.g., project manager and team – 5%</p>

TERMS OF REFERENCE

I. Background

In order to reduce the number and value of cash advances in government, the Government of the Philippines (GOP) intends to implement a “cashless” system through the use of purchase cards.

Purchase cards shall be plastic or “virtual” cards. It shall be used for low value payments of a restricted number and type of goods and services, including airline tickets for official travel. While these cards would resemble commercial charge cards, they will have additional restrictions and controls more applicable to a governmental context.

The Cashless Purchase Card Program will be implemented on a pilot basis starting with the Department of Budget and Management (DBM) and the Department of National Defense (DND).

II. Objectives

The Cashless Purchase Card Program shall have the following objectives:

- A. Reduce cash handling by limiting the frequency and amount of cash advances;
- B. Shorten the time to liquidate government obligations to suppliers of goods and services;
- C. Develop a database of financial information derived from transaction records of purchasing card activity that can be used to improve overall financial management; and
- D. Maintain sufficient internal controls on the issuance and use of cards so as not to undermine existing financial management (i.e., accounting, auditing, budget and treasury) standards.

III. Eligibility Requirement

These cards shall be issued by a bank with experience, whether domestically or abroad, of managing such card programs for corporations, governments, or not-for-profit organizations of a similar size to the GOP.

IV. Scope of Services

In general

The bank shall issue the cards, manage the card program, and provide training to government employees on the use and management of the card program, as follows:

1. Providing 30-day revolving credit financing of purchases, made through the cards, for the benefit of government;
2. Issuing purchase cards to authorized users (or cardholders);
3. Billing and sending account statements to cardholders and/or the relevant finance unit/division;

4. Resolving disputes between cardholders and vendors;
5. Providing accurate and timely data and reporting as may be prescribed by DBM, DND and other authorized users;
6. Providing technical support to DBM, DND, and other authorized users in marketing, delinquency management, account administration, and detection and prevention of waste, fraud and abuse;
7. Coordinating and cooperating with the DBM and the relevant investigative authorities regarding inquiries concerning instances of waste, fraud or abuse within an agency;
8. Providing training and other informational resources to the government; and
9. Sustaining an effective business relationship with the government.

Digital/Data System Requirements

The Bank shall provide access to an on-line card management system that will allow all program and transaction data to be available and accessible electronically. At a minimum, the electronic access system shall:

1. Provide the ability to perform the functions for program implementation and management which shall include, but not limited to:
 - a. Purchase card application and account set-up;
 - b. Account maintenance;
 - c. Activating/deactivating a card;
 - d. Renewing a card;
 - e. Updating and adjusting required authorization controls;
 - f. Data extracts and management reports of card activity;
 - g. Set up of controls using any combination of:
 - i. Value limit per transaction, month, billing cycle or day;
 - ii. Number of transactions per day, month or billing cycle;
 - iii. Supplier type (Merchant Category Classification Codes);
2. Allow electronic review and control of all captured transaction information to include the ability to:
 - a. Sort data by any field;
 - b. Filter out unnecessary information;
 - c. Edit account allocation manually, as needed;
 - d. Split transaction amounts across multiple cost categories prior to processing, including summary roll-up, review, and control at different levels;
3. Generate standard commercial reports and *ad hoc* reports;
4. Allow downloading/exporting of reports in Excel and Pdf format;
5. Be user friendly.
6. Ensure that all program and transaction data on the card program is secured and kept confidential, at a minimum, according to standard commercial practices;
7. Provide the ability to export card transactions into either a fixed-length or comma-delimited file suitable for processing by any authorized user for its general ledger accounting system;
8. Allow government to dispute transactions electronically as well as track transactions from the time of charge through final resolution of the charge;

9. Perform electronic reconciliation;
10. Be available 24 hours a day, every day of the year;
11. Be a web-based solution that is easily deployable to users, and operates under MS Internet Explorer 6.0; and
12. There should be no requirement to install and operate vendor software on authorized user's personal computers and servers.

Employee Training:

The bank, as may be requested by DBM, DND or other government agencies that may be authorized to participate in the purchase card program, shall provide training to government employees designated to use the cards. The training will include but not be limited to: (i) how to use the card; and (ii) the employee's responsibilities for use of the card.

Management Training:

1. The bank shall provide DBM, DND and other government agencies that may be authorized to participate in the purchase card program, participant manuals, technical materials, industry information, and training in the use of the bank's card program management systems.
2. The bank will develop a reference guide in monitoring and supervising the purchase card program. At a minimum, this guide shall include:
 - a. Card application procedures;
 - b. Account set-up and maintenance procedures;
 - c. Transaction dispute procedures;
 - d. Reconciliation procedures;
 - e. Account suspension and cancellation procedures;
 - f. Payment requirements;
 - g. Authorized uses;
 - h. A list of cardholder, agency and responsibilities;
 - i. A list of samples and explanation of reports and how to read them;
 - j. Explanation of electronic access screens, necessary key sequences and functions for performing the account set up, cardholders maintenance and management; and
 - k. The bank's telephone numbers and email addresses for key contacts.

Other Requirements

1. The design of the issued cards may be customized.
2. The cards must be accepted at the widest number of possible locations, both domestically and abroad.
3. The purchase cards must have either a revolving credit limit or a declining balance limit, depending on the needs of the authorized government agency.

BIDDING FORMS

Expression of Interest

[Date]

[Name and address of the Procuring Entity]

Ladies/Gentlemen:

In connection with your Request for Expression of Interest dated [insert date] for [Title of Project], [Name of Bidder] hereby expresses interest in participating in the eligibility and short listing for said Project and submits the attached eligibility documents in compliance with the Eligibility Documents therefor.

In line with this submission, we certify that:

- a) [Name of Bidder] is not blacklisted or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board, and that each of the documents submit; and
- b) Each of the documents submitted herewith is an authentic copy of the original, complete, and all statements and information provided therein are true and correct.

We acknowledge and accept the Procuring Entity's right to inspect and audit all records relating to our submission irrespective of whether we are declared eligible and short listed or not.

Yours sincerely,

Signature
Name and Title of Authorized Signatory
Name of Bidder
Address

BIDDING FORMS

Technical Eligibility Questionnaire

Corporate Profile

Please identify all organizational components and other companies or organizations with which you are affiliated, including subsidiaries, which may be directly or indirectly a party to this proposed contract with the Government.

Conflicts of Interest

Please identify any potential conflicts of interest that may exist related to conducting business with the Government.

Experience

Please state your qualifications to meet the specifications in the Terms of Reference in terms of past card program experience with the same or similar requirements.

Please specify the number of corporate/business, nongovernmental and government customers using this service and provide the names of your customers.

Please provide a high level summary of the type of companies in your portfolio and a general overview of various card programs under your management.

Please provide the number of transactions and amount processed each calendar year.

Please provide the number of programs and number of cards.

Please describe your firm's commitment to the various card programs and how this business fits into your firm's general business strategy.

How long has your firm been actively engaged in providing the card services for your clients?

How many commercial card accounts does your firm manage and what is their total volume annually?

How many accounts are currently in pilot phase and how many are fully "rolled out"?

Lost Accounts

Please provide a list of significant accounts that you have lost during the past three (3) years.

Software and Licensing

Please describe any software provided to help manage card activity. The Government desires to capture as much data as possible from the source without the need for subsequent re-entry of data. The goal is to eliminate multiple handling of data, minimize errors and increase accuracy.

The Government requires a fully hosted system that is capable of interfacing in both directions with current and future systems. Please describe how many of these clients are importing card data to their ERP Systems.

Existing Card Attributes

Card Branding

Please state the brand(s) of commercial cards issued by your firm (i.e.: Visa, MasterCard, American Express, other).

Card Types

Please state all types of cards, such as Procurement, Travel, One-Card, Ghost cards, Declining balance cards, Disaster cards, etc. that are being used by existing institutional clients.

Personnel Qualification

Project Manager

The Government prefers a specific project manager and team for implementation and ongoing support be assigned to each agency. If this is the case, please designate the individuals and state their qualifications and experience. Also, advise if an experienced technical (systems) person will be assigned to our account to streamline project implementation and to aid in program maintenance.

Customer Service Support

Please describe your customer support department, its average service response times, and indicate whether customer service is available 24/7.

