

**CONTRACT FOR THE
NATIONWIDE COMPENSATION SURVEY**

This Contract is entered into this 1st day of June, 2013, by and between the following:

DEPARTMENT OF BUDGET AND MANAGEMENT (DBM), a government agency created by virtue of the laws of the Republic of the Philippines, with principal office address at DBM Building II, Gen. Solano St., San Miguel Manila, represented herein by its Secretary, **FLORENCIO B. ABAD** ("the Client");

-and -

RODELIO S. ROMBLON ("the Consultant") of legal age with principal address at No. 54 Linggo St., Landcom Village, Manila City, Metro Manila;

WHEREAS, the Department of Budget and Management (DBM) intends to hire a consultant to do work that is highly technical for the Organization, Position Classification and Compensation Bureau (OPCCB);

WHEREAS, based on the Curriculum Vitae submitted, the OPCCB selected Rodelio S. Romblon as Consultant to undertake the compensation survey including the updating of class specifications of government positions for proper job matching, design of survey questionnaire, actual survey of firms, processing and analysis of results, and formulation of recommendations on performance-based pay;

WHEREAS, under Section 53.7 of the Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184, negotiated procurement may be resorted to in the case of individual consultants engaged to do work that is highly technical or primarily confidential or policy determining, where trust and confidence are the primary considerations for the hiring of consultants;

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties hereby mutually stipulate and agree as follows:

1. Services	The Consultant shall perform the services specified in Annex A, "Terms of Reference and Scope of Services," which is made an integral part of this Contract ("the Services").
2. Term	The Consultant shall perform the Services during the period commencing June 1, 2013 to August 31, 2013; and from September 16, 2013 to October 31, 2013 or any other period as may be subsequently agreed by the parties in writing.
3. Payment	<p>A. Ceiling</p> <p>For Services rendered pursuant to Annex A, the Client shall pay the Consultant an amount not to exceed Php90,000.00 per month. This amount has been established based on the understanding that it includes all the Consultant's costs and profits as well as any tax obligation that may be imposed on the Consultant.</p>



	B. Schedule of Payments The monthly fee shall be paid only upon submission of the required outputs and deliverables indicated in Annex A of the TOR duly accepted by the Director, OPCCB as satisfactory and in compliance with the terms of the contract.
	C. Payment Conditions Payment shall be made in Philippine Pesos, no later than twenty (20) days following the submission of the Certification as required by Item 3 (B) of this Contract.
4. Project Administration	The Consultant shall directly report to Undersecretary Laura B. Pascua or Director Myrna S. Chua for his expected outputs under this Contract. Undersecretary Pascua/Director Chua shall be responsible for the review, acceptance, and approval of the detailed technical contents of the Consultant's reports and recommend payment for Services rendered by the Consultant.
5. Performance Standards	The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity.
6. Confidentiality	The Consultant shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client.
7. Ownership of Material	Any studies, reports or other material, graphic, software or otherwise, prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client.
8. Consultant Not to be Engaged in Certain Activities	The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.
9. Insurance	The Consultant will be responsible for taking out any appropriate insurance coverage.
10. Assignment	The Consultant shall not assign this Contract or sub-contract any portion of it without the Client's prior written consent.
11. Law Governing Contract and Language	The Contract shall be governed by the laws of the Philippines, and the language of the Contract shall be in English.
12. Dispute Resolution	Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the Client's country.

DEPARTMENT OF BUDGET MANAGEMENT

CONSULTANT

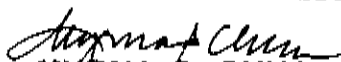
By:

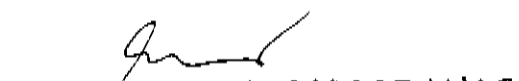

FLORENCIO B. ABAD
 Secretary

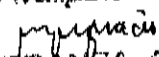
By:


RODELIO S. ROMBLON
 Consultant

SIGNED IN THE PRESENCE OF:


MYRNA S. CHUA
 DIRECTOR, OPCCB


EDGARDO M. MACARANAS

Funds Available:

ESPERANZA Q. IGNACIO
 Chief Accountant

DOM 2013-5-886

ACKNOWLEDGMENT

**REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) S.S.**

BEFORE ME, a Notary Public for and in the City of MANILA, Philippines, personally appeared the following:

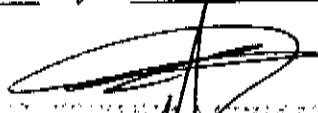
NAME	VALID ID	VALID UNTIL
FLORENCIO B. ABAD	DBM ID No. 3706	2014
RODELIO S. ROMBLON	<i>SSS ID # 03-3580251-7</i>	

known to me to be the same persons who executed the foregoing Contract and who acknowledged to me that the same is their free and voluntary act and deed and of the entities they respectively represent.

This Contract for the Nationwide Compensation Survey Project was signed by the parties, and signed/initialled by their material witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL this day **MAY 31** 2013, 2013.

Doc. No. : *157*
Page No. : *33*
Book No. : *87*
Series of 2013.


WILFREDO ROSALES
NOTARY PUBLIC, MANILA
MY COMMISSION EXPIRES ON 12-31-2013
350 G/F GODINO BLDG.
A. J. VILLEGAS ST. 1000 ERMITA MANILA
IBP NO. 86893-10-6-11 - MANILA - 2012
PTR NO. 1407717 - 1/3/13
ROLL NO. 32502
MCLE HU 00209 16 - 8-9-2011
COMMISSION NO. 012-011

[Handwritten signature]

Terms of Reference
Technical assistance
for the Nationwide Compensation Survey Project

Mr. Rodelio S. Romblon

1.0 Background

The Senate and House of Representatives Joint Resolution (JR) No. 4, s. 2009¹, commonly referred to as SSL 3, provides that the Compensation and Position Classification System of the government shall be based on the following governing principles, among others:

- 1.1 The compensation for civilian personnel shall generally be comparable to those in the private sector doing similar work; to attract, retain and motivate a corps of civilian personnel.
- 1.2 The compensation for civilian personnel shall be standardized and rationalized across all government agencies to create an enabling environment that promotes social justice, integrity, efficiency, productivity, accountability, and excellence in the civil service.
- 1.3 A performance based incentive scheme which integrates personnel and organizational performance shall be established to reward exemplary civil servants and well-performing institutions.

Moreover, the Salary Schedule in JR No. 4 has addressed the inherent deficiencies in the salary schedules under Republic Act (RA) No. 6758, "Compensation and Position Classification Act of 1989," and under JR No. 01, s. 1994, due to overlaps in salaries among position levels which have caused demoralization to disadvantaged government officials and employees.

The four (4) tranches of the Salary Schedule and Base Schedule in said JR No. 4 were fully implemented on June 1, 2012 in national government agencies, and on January 1, 2013 in local government units.

To enhance the competitiveness of government compensation, there is a need to determine how public sector pay compares with those in the private sector in order to have more accurate basis for compensation policy decisions.

2.0 Nationwide Compensation Survey Project

A nationwide survey of private sector compensation designed and conducted by DBM with the help of consultants is necessary in order to have a more reliable data to be used in reviewing and updating the compensation for government personnel by

¹ Joint Resolution Authorizing the President of the Philippines to Modify the Compensation and Position Classification System of Civilian Personnel and Base Pay Schedule of Military and Uniformed Personnel in the Government, and for Other Purposes.

targeting specific occupations and institutions with which to benchmark public sector pay.

The available and/or published salary survey results (e.g., from Towers Watson, Employers' Confederation of the Philippines, Bureau of Labor and Employment Statistics) provide compensation data but only on a limited scale and are not adequate for government compensation study purposes. Most of the firms covered in these surveys lean towards manufacturing, business process outsourcing, automotives, electronics, and hotel and restaurant ventures, among others. Data are scarce on jobs in the education and health industries and on the legal profession, which are, in contrast, abundant in the public sector. A salary survey customized to the needs of the government is, therefore, necessary.

3.0 Objectives of the Nationwide Compensation Survey Project

The project aims to achieve the following:

- 3.1 Gather reliable data on salaries, allowances and other compensation in the private sector, including performance-based incentives and benefits;
- 3.2 Determine how the salaries for key classes of positions at the Sub-Professional, Professional, and Executive Categories in the National Government compare with those in the private sector;
- 3.3 Formulate recommendations on salary schedule options for civilian personnel to bring salaries of government personnel at par with prevailing levels in the private sector, while considering the limited financial resources of the Philippine government;
- 3.4 Recommend courses of action to integrate performance-based incentives or benefits in the government compensation system; and,
- 3.5 Determine the funding impact of the salary adjustment options, as well as adjustments of other allowances, benefits, and incentives, if any.

4.0 Components and Scope of the Nationwide Compensation Survey Project

The Nationwide Compensation Survey Project shall have the following components:

- 4.1 Determination of the survey scope, targeted jobs, professions, firms/institutions and survey methodology;
- 4.2 Updating the class specifications of **80** positions to be surveyed to make the scope of work of each position comparable to the job content of counterpart positions in the private sector, for appropriate benchmarking;
- 4.3 Design of survey questionnaire and job matching descriptions, and other instruments for gathering data on basic salary, allowances, benefits, incentives and pay practices;
- 4.4 Development of criteria for selection of 75 (50 in Metro Manila and 25 outside Metro Manila) private sector firms to be included in the survey, and the jobs to be surveyed in each selected firm;

- 4.5 Administration of the survey questionnaire and other instruments which includes contacting, setting appointments, presentation of survey questionnaires, and conducting interviews with targeted firms/institutions; persistent follow ups, and gathering of completed survey questionnaires;
- 4.6 Processing and analysis of survey results;
- 4.7 Establishing the comparison between government and private sector compensation;
- 4.8 Formulation of recommendations; and,
- 4.9 Conduct of training for OPCCB Technical Staff on salary survey data gathering, statistical methods used, and formulation of recommended salary schedule.

5.0 Responsibilities of Mr. Rodelio S. Romblon

- 5.1 Prepare class specifications of 50 sub-professional, professional and executive positions;
- 5.2 Design the format and content of survey instruments;
- 5.3 Conduct survey in assigned areas in Visayas and Mindanao;
- 5.4 Initially process and analyze survey result in assigned areas;
- 5.5 Establish the comparison between surveyed firms and public sector pay practices;
- 5.6 Prepare estimates of funding requirements for recommended salary schedule options; and,
- 5.7 Serve as resource person in the training of OPCCB Staff.

6.0 Qualifications of the Consultant

The Consultant has the following qualifications:

- 6.1 Proven track record in the design, planning, preparation, and conduct of compensation and benefits programs.
- 6.2 Expertise in human resource management and organizational development, specifically in the areas of personnel systems, processes and procedures.
- 6.3 Knowledge of, and exposure on, Philippine government organizations, structure and functions.
- 6.4 Knowledge of, and exposure on, position and compensation package trends in private sector corporate organizations and institutions.

7.0 Contract Cost

The contract cost for the engagement of the Consultant shall be Ninety Thousand Pesos (Php 90,000) per month, or a total of **Four Hundred Five Thousand Pesos (Php 405,000) for four and a half (4.5) months**. This amount covers the professional fee of the consultant and the administrative expenses in the conduct of the survey.

The schedule of outputs/deliverables per month is attached as Annex A.

**Salary Survey Project
Schedule of Outputs/Deliverables
Mr. Rodelio S. Romblon**

Outputs		Month 1				Month 2				Month 3				Month 4				Month 5			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1	Updated class specifications for 25 positions																				
2	Design of the format and content of survey instruments																				
3	Updated class specifications for another 25 positions																				
4	Report on salary survey for assigned areas in Visayas and Mindanao																				
5	Report on initial processing of survey results																				
6	Report on survey findings																				
7	Analysis of compensation trends in assigned firms; and evaluation of financial impact of recommended salary schedule options																				
8	Serve as resource person in the training of OPCCB technical staff																				



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
MALACAÑANG, MANILA

NOTICE OF AWARD

MAY 23 2013

MR. RODELIO S. ROMBLON
54 Lingo St., Landcom Village
City of Manila

Dear **Mr. Romblon**:

Based on the Department of Budget and Management (DBM) Bids and Awards Committee Resolution No. 2013-29, we are pleased to inform that you are hired as Consultant for the "Nationwide Compensation Survey" Project of the DBM. The consultancy fee shall be Four Hundred Five Thousand Pesos (P405,000.00).

In this regard, you are hereby required to post a performance security in the amount and form stated in Section 39 of the Implementing Rules and Regulations of Republic Act No. 9184 prior to signing of the contract.

Very truly yours,

FLORENCIO B. ABAD
Secretary

ORIGINAL RECEIVED

BY: *J. Tolentino*
J. TOLENTINO

DESIGNATION: _____

OFFICE: _____

DATE: *May 23, 2013* 5:15pm



PSCOR Building No. 33 J Elizalde Street
 BF Homes Parafiaque City
 Tel. Nos. 842-4607 * Telefax 809-5662
 TIN 000-745-041

BF GEN BOND NO.
 G (13) 34703

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

RODELIO S. ROMBLON

That we, 54 LINGO ST., LANDCOM VILLAGE, CITY OF MANILA as PRINCIPAL and BF GENERAL INSURANCE COMPANY, INC., a corporation duly organized and existing under and by virtue of the laws of the Philippines, as SURETY, are held and firmly bound unto the DEPARTMENT OF BUDGET AND MANAGEMENT (DBM) in the sum of PESOS ONE HUNDRED TWENTY ONE THOUSAND FIVE HUNDRED PESOS ONLY. (P 121,500.00), Philippine Currency, for the payment of which sum, well and truly be made we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATIONS ARE AS FOLLOWS:

WHEREAS, THE ABOVE-BOUNDEN PRINCIPAL HAS ENTRED INTO A CONTRACT WITH THE HEREIN OBLIGEE AND HAS BEEN REQUIRED TO POST THIS BOND TO GUARANTEE THE FULL AND FAITHFUL PERFORMANCE OF THE PRINCIPAL IN CONNECTION FOR THE "NATIONWIDE COMPENSATION SURVEY".

THIS BOND IS CALLABLE ON DEMAND.

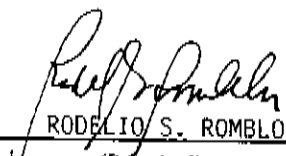
PROVIDED, HOWEVER, THAT THE LIABILITY OF THE SURETY COMPANY UNDER THIS BOND SHALL IN NO CASE EXCEED THE AMOUNT IN PESOS : ONE HUNDRED TWENTY ONE THOUSAND FIVE HUNDRED PESOS ONLY. (P121,500.00) PHILIPPINE CURRENCY.

WHEREAS, said OBLIGEE requires said PRINCIPAL to give a good and sufficient bond in the above stated sum to secure the full and faithful performance on its/his part of said CONTRACT


NOW, THEREFORE, if the PRINCIPAL shall we and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements stipulated in said contracts, then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

The liability of the SURETY under this bond will expire on JUNE 4, 2014 and the SURETY does not assume any responsibility for any liability incurred or created after said date; notice of claims against the SURETY must be given the bonding Company not later than fifteen (15) days from said expiration date and any action against the SURETY under this Bond must be filed within one(1) year from the date the cause of action accrues and failure to do so shall release the SURETY from all liabilities under this bond and shall be a bar to any action against it.

IN WITNESS WHEREOF we have set our hands and signed our names on this 4TH day of JUNE, 2013 in the CITY OF MANILA Philippines.

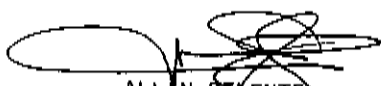


 RODELIO S. ROMBLON
 (Principal)


BF GENERAL INSURANCE COMPANY, INC.
 By: 

 GEORGE F. MERCENE
 CHIEF, MARKETING
 UNDERWRITING
 (Surety)

SIGNED IN THE PRESENCE OF:



 ALLAN REENTE



 MARY JANE MACABALLUG

REPUBLIC OF THE PHILIPPINES

CITY OF MANILA

} S.S

BEFORE ME, the undersigned authority, in and for the CITY OF MANILA
4TH day of JUNE 2013 personally appeared:

Philippines, this

NAME	COMMUNITY TAX CERTIFICATE NO.	ISSUED	
		AT	ON
RODELIO S. ROMBLON			
GEORGE F. MERCENE	08879582	MANILA	1/2/2013

the latter as AUTHORIZED SIGNATORY OF BF GEN., INS., CO., INC.
with Corporation Community Tax Certificate No. C- 00099160 issued at PARANAQUE CITY
on JAN 3, 2013, known to me and to me known act and deed and the free and voluntary act
and deed of the Company they represent, for the to be the persons who executed the foregoing document and
I acknowledged the same to be their free and voluntary uses and purposes therein stated.

WITNESS my hand and notarial seal the date place first herein above written.

Doc. No. 402

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Series of 2013

PEDRO D. GENATO
 NOTARY PUBLIC
 UNTIL DEC. 31 2013
 PTR. 2716784 M.L. 18100

REPUBLIC OF THE PHILIPPINES

CITY OF MANILA

} S.S

after having been duly sworn to, depose and say that BF GENERAL INSURANCE COMPANY, INC. is a corporation
legally organized and existing under and by virtue of the laws of the Republic of the Philippines and duly authorized
to execute and issue all surety bonds for all purposes within the Philippines and that it is actually worth the amount
specified in the foregoing undertaking to wit:

PESOS ONE HUNDRED TWENTY ONE THOUSAND FIVE HUNDRED PESOS ONLY.

(P121,500.00), Philippine Currency, over and above all just debts and obligations and property exempt from
execution.

BF GENERAL INSURANCE COMPANY, INC.
By:

GEORGE F. MERCENE
CHIEF, MARKETING
UNDERWRITING

SUBSCRIBED AND SWORN to before me this 4TH day of JUNE 2013
Manila, Philippines affiant exhibiting to me his Community Tax Certificate and that of the Corporation as above
described.

Doc. No. 402

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PEDRO D. GENATO
 NOTARY PUBLIC
 UNTIL DEC. 31 2013



REPUBLIC OF THE PHILIPPINES
Department of Budget and Management
Malacañang, Manila

NOTICE OF PROCEED

MS. RODELIO S. ROMBLON
No. 54 Linggo St., Landcom Village
Manila

Dear Mr. Romblon:

The attached Contract having been approved, notice is hereby given to you that work may commence as Consultant for the Nationwide Compensation Survey.

Thus, you shall be responsible for performing the services in coordination with the Organization, Position Classification and Compensation Bureau of this Department under the terms and conditions of the Contract and in accordance with the Terms of Reference.

Very truly yours,


FLORENCIO B. ABAD
Secretary

*Received by: florencio b. abad
5/31/2012*