



Republic of the Philippines
GOVERNMENT SERVICE INSURANCE SYSTEM

GSIS Building, Financial Center, Pasay City, Metro Manila 1308

Ref. No: 2020-066-2 prebid

MINUTES OF PRE-BID CONFERENCE

GBAC Conference Room, GSIS Headquarters Building

07 January 2020

Project Name: CONSULTANCY SERVICES FOR THE FORMULATION OF THE AUDIT RATING SYSTEM

ABC: Php4,935,000.00

Present were:

GSIS BIDS AND AWARDS COMMITTEE (Goods, Services and Consultancy–Cluster 2)

SVP Salvacion P. Mate	Chairperson
VP Jonathan C. Pineda	Vice-Chairperson
Mgr. Jesus V. Beringuela, Jr.	Member
Dr. Glenn Vladimir C. Valmores	Member
Atty. Alexei P. Cardenas	Member

END USER UNIT (EUU)

VP Juliet M. Bautista	Internal Audit Services Office
Ms. Glynn Michelle Ramos	Internal Audit Services Office

TECHNICAL WORKING GROUP (TWG)

Atty. Allan Dexter P. Macaraig	Member
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OBSERVERS

Mr. Riztian Dale D. Manigbas	Internal Audit Services Office
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Note: Notices of Meeting were sent to Commission on Audit, Department of Trade and Industry, Philippine Chamber of Commerce and Industry, Philippine International Trading Corporation and the GSIS Internal Audit Services Office.

GBAC SECRETARIAT

Ms. Virginia J. Nicolas	Member
Ms. Rosanna T. Andal	Member
Ms. Yanilyn V. Admirable	Member

BIDDERS

Mr. Joseph Ian M. Canlas	SyCip Gorres & Velayo & Co. (SGV)
Ms. Rebecca G. Sarmenta	SyCip Gorres & Velayo & Co. (SGV)
Ms. Janelyn B. Paris	SyCip Gorres & Velayo & Co. (SGV)

The Pre-Bid Conference for the *Consultancy Services for the Formulation of the Audit Rating System*; with an ABC of Php4,935,000.00 was held on 07 January 2020 at 10:00 AM and presided upon by SVP Salvacion P. Mate, Chairperson, GBAC for Goods, Services and Consultancy – Cluster 2 (GBAC).

A. Business Matters

1. Call to order and declaration of a quorum
2. Discussion on Technical and Financial Components and Post-Qualification Requirements
3. Discussion on Terms of Reference
4. Procurement Schedule

B. Introduction of Prospective Bidders

GBAC Secretariat acknowledged the presence of SyCip Gorres & Velayo & Co. (SGV), the Shortlisted Consultant.

C. Discussion

1. The following matters were discussed:
 - a. Technical and Financial Documents to be submitted during the Submission and Opening of Technical Bids;
 - b. Post-Qualification Documents;
 - c. Terms of Reference;
 - d. Proper sealing and marking of bids; and
 - e. GSIS' "No Solicitation and Gift Policy"
2. GBAC Secretariat informed Shortlisted Consultant that they have until **10 January 2020** to submit additional written queries to GBAC Secretariat. Responses to inquiries shall be contained in a Bid Bulletin.
3. Agreements, Queries and Responses

Queries / Clarifications	Responses
<p>❖ Checklist of Requirements</p> <p>➤ TPF 2 – Consultant’s References illustrating the relevant experience of the Consultants, including its partner and subconsultants, if any. ... xxx</p> <ul style="list-style-type: none"> ▪ SGV explained that in Part 1: Eligibility, they already submitted Consultant’s References however they wanted to know whether they could revise said submission with additional credentials 	<p>TWG replied that the Shortlisted Consultant is expected to submit all documents required in the Checklist of Documents.</p> <p>In the case of SGV where Consultant’s References were already submitted to support proof of Eligibility, resubmission of the same document, if still relevant, is expected. Should there be a need to update Consultant’s References, it should be done since declarations are stated as of date of Opening of Technical</p>

Queries / Clarifications	Responses
<ul style="list-style-type: none"> ▪ In this regard, SGV wanted to know whether they could submit additional references or update the information previously submitted 	<p>Proposal.</p> <p>If additional documents are submitted, these documents may not necessarily add to the rating of the proposal, however these may be used as basis for post-qualification evaluation.</p>
<p>❖ Section VI. Terms of Reference</p> <p>➤ III. Scope of Services</p> <ul style="list-style-type: none"> ▪ SGV clarify whether the implementation of the ERM would relate to the Audit Rating Activity of the GSIS. 	<p>The expectation is for the Consultant to provide a high-level assessment of the existing ERM, in relation to the current audit system</p>
<ul style="list-style-type: none"> ▪ Referring to Phase 1 deliverable, "<i>Report on the assessment of the current state of the ERM, and improvement opportunities or gaps between existing practices and leading practices and frameworks.</i>" and "<i>Recommendation to improve the ERM and roadmap.</i>" SGV inquired whether they should limit this only to how the ERM would impact the work of Internal Audit. 	<p>EUU responded in the affirmative adding that the recommendation is only on the impact of the ERM on the IA work.</p>
<ul style="list-style-type: none"> ▪ Referring to Phase 2 deliverable, "<i>Updated Internal Control Questionnaire (ICQ)</i>" SGV stated that their understanding of this deliverable is that the Consultant will update the ICQ as it pertains only to the ARS and not the specific risks and controls related to the processes, i.e. updating the ICQ as an impact to the change in the ARS. 	<p>EUU confirmed this.</p>

Queries / Clarifications	Responses
<ul style="list-style-type: none"> ▪ Referring to the Scope of Services, Phase 3, "Assess adequacy of IASO's organization in the conduct of ARS." ▪ SGV explained that manpower assessment will be dependent on IASO's Audit Plan hence it may entail too many human resources to involve the Consultant in the implementation of the Audit Plan. ▪ SGV added that the Consultant may provide inputs on the adequacy of the existing auditors of IASO for the implementation of the ARS which is different from executing the Audit Plan. 	<p>EUU agreed that the Consultant shall provide inputs on the adequacy of the current IASO organization in the implementation of the ARS and not the execution of process audit.</p>
<ul style="list-style-type: none"> ▪ Referring to the Phase 3 deliverable, "Training of the Internal Auditors on the Internal Control framework, new Internal Audit methodology and Audit Rating System.", SGV asked whether the training for the auditors on the new Internal Audit methodology pertains only to the adoption of ARS. 	<p>EUU explained that since the GSIS intends to implement the ARS, there will be a shift to Risk-Based Auditing, thus the requirement will be training for the auditors on ARS and training on the generic/conceptual risk based auditing.</p>
<p>➤ VI. Remuneration for Consultancy services</p> <ul style="list-style-type: none"> ▪ SGV asked whether the time frame stated in bidding documents is fixed or whether the Consultant is allowed to propose its own timetable as long as the project is completed within the required total duration of 6 months. 	<p>Since the deliverables were set as milestones with their corresponding progress payment, the proposal should consider the stated duration.</p> <p>The Consultant may show, in the presentation of its methodology, that dependencies exist and that these affect timetable of deliverables. This will not disqualify the Consultant and</p>

Queries / Clarifications	Responses
<ul style="list-style-type: none"> ▪ SGV expressed concern regarding possible setbacks or delays in timetable due to unavailability of survey respondents and interviewees or delays caused by review time. 	<p>will be considered in the rating of <i>Plan of Approach and Methodology</i>.</p> <p>Further, should the Consultant be declared as having the Highest/Single Rated and Responsive Bid (HRRB/SRRB), there will be an opportunity to propose a timetable, if deemed more beneficial, during negotiations.</p> <p>TWG explained that the Technical Proposal should be based on an ideal (no delay) setting.</p> <p>During contract implementation, the Consultant shall document the delays and submit these in writing for due consideration of contract extension.</p>
<ul style="list-style-type: none"> ▪ Referring to Financial Proposal Bidding Forms FPF 3 and FPF 4, SGV suggested a Breakdown of Remuneration per Phase instead of per Activity because of too many activities per phase. 	<p>GBAC, EUU and TWG accepted the suggestion and will publish this revision in a bid bulletin.</p>
<ul style="list-style-type: none"> ▪ Whereas all Consultancy contracts are fixed price contracts, SGV asked whether Financial Proposal Bidding Forms FPF 3. Breakdown of Price per Activity, FPF 5. Reimbursables per Activity can be excluded from submission. 	<p>Revisions to the Checklist of Requirements – Part 2, excluding Financial Proposal Bidding Forms that are not applicable to the project will be issued as a bid bulletin.</p>
<p>❖ Section VII. Bidding Forms</p> <ul style="list-style-type: none"> ➤ Contract Agreement Form <ul style="list-style-type: none"> ▪ SGV informed the GBAC that SGV has a standard terms and conditions for contracts, so that SGV asked whether they can include their terms and conditions under <i>TPF 3</i>. 	<p>GBAC, TWG & EUU explained that they can submit their Contract Format and if found to be similar, can also be signed by all parties, but the GSIS Contract prevails. Said SGV contract may be referred to GSIS Legal Service Group for comparison.</p>

Queries / Clarifications	Responses																												
<i>Comments and Suggestions</i>																													
<p>❖ Section III. Bid Data Sheet</p> <p>➤ Item 25.3 states:</p> <p>The numerical weight and the minimum required S_t for each criterion are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">1. Technical Proposal</td> <td style="width: 20%;"></td> <td style="width: 20%; text-align: center;">85%</td> </tr> <tr> <td style="padding-left: 20px;">a. Quality of Personnel</td> <td style="text-align: center;">35%</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">b. Experience and Capability of Consultant</td> <td style="text-align: center;">25%</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">c. Plan of Approach and Methodology</td> <td style="text-align: center;">25%</td> <td></td> </tr> <tr> <td colspan="3"><hr/></td> </tr> <tr> <td>2. Financial Proposal</td> <td></td> <td style="text-align: center;">15%</td> </tr> </table> <p>The minimum S_t required to pass is eighty five percent (85%).</p> <ul style="list-style-type: none"> ▪ Since the sum of the breakdown for Technical Proposal (35% + 25% + 25%) is 85%, and the minimum Technical Score (S_t) to pass is 85%, SGV inquired whether it is correct to assume that the Shortlisted Consultant should get a 100% rating during evaluation of its Technical Proposal. 	1. Technical Proposal		85%	a. Quality of Personnel	35%		b. Experience and Capability of Consultant	25%		c. Plan of Approach and Methodology	25%		<hr/>			2. Financial Proposal		15%	<p>TWG explained that the 85% is the minimum Technical Score (S_t) thus pertains only to the Technical Proposal.</p> <p>Therefore, the breakdown is adjusted, as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Criteria for Technical Proposal</th> <th style="text-align: center;">Technical Score</th> </tr> </thead> <tbody> <tr> <td>Quality of Personnel</td> <td style="text-align: center;">40%</td> </tr> <tr> <td>Experience and Capability of Consultant</td> <td style="text-align: center;">40%</td> </tr> <tr> <td>Plan of Approach and Methodology</td> <td style="text-align: center;">20%</td> </tr> <tr> <td>TOTAL</td> <td style="text-align: center;">100%</td> </tr> </tbody> </table> <p>The Financial Proposal will be opened only for Shortlisted Consultants that passed technical evaluation.</p>	Criteria for Technical Proposal	Technical Score	Quality of Personnel	40%	Experience and Capability of Consultant	40%	Plan of Approach and Methodology	20%	TOTAL	100%
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<p>❖ Section VIII. Appendices</p> <p>➤ III. Key Personnel and Subconsultants</p> <ul style="list-style-type: none"> ▪ The SGV asked whether the copy of a satisfactory medical certificate can be waived. 	<p>GBAC and TWG confirmed that the satisfactory medical certificate is necessary to ensure that key personnel is fit to provide work for the full period of the contract.</p> <p>It is believed that this is not covered by the Data Privacy Act since details of medical conditions are not required to be disclosed. A certification stating that personnel is fit to work will suffice.</p>																												

4. GBAC Secretariat reminded the Shortlisted Consultant that deadline for submission of both Technical and Financial Proposals is **21 January 2020, 9:30 AM** but only the Technical Proposal will be opened at 10:00 AM.

The meeting adjourned at 11:00 AM.

Prepared by:

YANILYN V. ADMIRABLE
Member, GBAC Secretariat

ROSANNA T. ANDAL
Project Coordinator, GBAC Secretariat

Certified Correct:

(Sgd.) SVP SALVACION P. MATE
Chairperson
GBAC for Goods, Services and Consultancy–Cluster 2