

TERM OF REFERENCE

(Development of a Quality Management System Certifiable to ISO 9001:2015 Standard for the Municipality of Loon, Bohol – Phase 1)

I. INTRODUCTION

The clear and compelling direction of the current Administration intensifies the need for government agencies to comply with Executive Order No. 605, *Institutionalizing the Structure, Mechanisms, and Standard to Implement the Government Quality Management Program*, which was issued to effect improvement in public sector performance by ensuring the consistency of products and services through quality processes. Effective management and good governance are essential elements of quality that can be achieved through an effective Quality Management System (QMS). Aligning an organization's planning, service, and support operations to ISO 9001 International Standard is one reliable approach in establishing a QMS. This methodology provides a clear perspective of the quality system requirements and the areas of control to ensure consistency in the quality of services and continuous process improvement intended to generate approaches to improve citizen satisfaction.

II. Objective and Scope of Work

The project aims to establish a QMS certifiable to ISO 9001:2015 standard for LGU-Loon, Bohol covering its management, core, and support processes and effect improvement in the quality of its services on the provision and regulation of quality public services, legislation, programs, and projects in the areas of health, social welfare public information, environmental management, public transportation, tourism, public safety, and economic development.

Specifically, it shall:

- A. Enhance the understanding and appreciation of key officers and staff on the principles and requirements of ISO 9001: 2015 standard;
- B. Develop the capabilities of key officers and staff in preparing for and sustaining the ISO 9001: 2015 certification;
- C. Prepare the documentation and implementation requirements for QMS certification and for maintaining and sustaining the established QMS

III. SCOPE

The following are the scope of work involved:

- A. Facilitate the establishment of ISO 9001:2015 QMS covering the provision and regulation of quality public services, legislation programs, and projects in the areas of health, social welfare, public information, environmental management, public infrastructure, tourism, public safety, and economic development, located at the Municipality of Loon, Bohol
- B. Develop and conduct customized Orientation of ISO 9001:2015 QMS, Training Course on ISO 9001:2015 QMS Requirements and Documentation, and Training Course on 5S Quality Workplace for the QMS Core Team and selected officers and staff of LGU-Loon
- C. Provide technical guidance on developing the required documented information such as quality policy, quality objectives and plans, and quality procedures. Specifically, the said technical guidance covers the following: 1) Conduct of workshop sessions, 2) Review of the workshop outputs, 3) Provision of inputs for improvements, and 4) Checking of finalized documents to ensure their alignment with ISO 9001:2015 standard
- D. Provide technical guidance in implementing and cascading the established QMS in LGU-Loon. Specifically, the QMS Core Team will be guided in planning for

the implementation and cascading of the established QMS throughout LGU-Loon

- E. Conduct an assessment on LGU-Loon's initial quality performance before implementation of ISO 9001:2015 QMS to determine gaps and critical areas for improvement, as well as, the effectiveness of the established QMS to determine the extent of conformance of LGU-Loon's QMS against the minimum requirement of ISO 9001:2015 standard and recommend final preparations of the ISO 9001:2015 certification process

IV. PROJECT ACTIVITIES AND DELIVERABLES

To realize the project objectives, the following shall be undertaken:

A. Project Mobilization

Prepare of Detailed Project Work Plan

The Service Provider's Project Team shall prepare the detailed project work plan which is intended to present the objectives and scope of the project, as well as, outline the activities to be undertaken, the timetable, and relevant project requirements.

Expected Output : Project Work Plan

B. Quality Management System Awareness and Capability-Building

1. Orientation on ISO 9001:2015 Quality Management System

The orientation aims to introduce service and quality concepts and principles; an develop/enhance participants' awareness, understanding, and appreciation of ISO 9001:2015 QMS, underlining the importance and benefits of implementing/establishing QMS in the public sector for improving service quality and productivity.

The orientation shall provide an overview of the project components, roadmap, as well, as the roles and responsibilities of the top management, key officers, and staff, in the effective implementation of QMS.

Expected Outputs :

- a) Enhanced participants' awareness, understanding, and appreciation of quality in the public sector and ISO 9001:2015 QMS
- b) Gathered commitment of LGU-Loon established beyond compliance

2. Training Course on ISO 9001:2015 Quality Management System Requirements and Documentation

The course aims to develop participants' knowledge and understanding of quality concepts and principles, and the requirements defined in ISO 9001:2015 standard, as well as, relevant statutory and regulatory requirements. The discussions shall provide an overview on how to establish, implement, maintain, and continually improve the QMS.

Workshops and exercises shall be facilitated to enable the participants to demonstrate their interpretation of the requirements, as well as, their skills in drafting the documented information within the context of their LGU-Loon.

- Expected Outputs** :
- a) Enhanced participants' knowledge and skills on ISO 9001:2015 QMS requirements and documentation
 - b) Drafted:
 - i. Business process map
 - ii. QMS scope statement
 - iii. Quality policy
 - iv. List of internal and external issues
 - v. Relevant interested parties' needs and expectations
 - vi. Risks and opportunities registry
 - vii. Enhanced planning documents (e.g., OPCR/TPCR, operations plan, balance scorecard)

3. Training Course on 5S Quality Workplace

The course aims to develop participants' knowledge and appreciation of the 5S Quality workplace in government and its importance in improving productivity and quality in the workplace. It likewise intends to support the implementation of QMS by way of capacitating the LGU-Loon to maintain a high standard of workplace environment.

- Expected Outputs** :
- a) Enhanced participants' knowledge and appreciation of the 5S Quality Workplace
 - b) Draft LGU-Loon Quality Workplace Standards
 - c) LGU-Loon/Division/Individual Quality Workplace action plan

C. Technical Guidance on Quality Management System Documentation and Implementation

1. Workshop on Process Mapping and Risk-Based Quality Planning

The workshop aims to define the scope of the QMS to determine the different processes that will be covered, and enhance the high-level business process map that integrates and aligns the said processes to achieve the desired outcomes of the LGU-Loon.

It shall include the review and enhancement on the identification of relevant internal and external issues; needs and expectations of interested parties; quality policy; and, associated risks and opportunities, as well as, quality objectives that may need to be addressed through risk-based quality planning.

- Expected Outputs** :
- Enhanced versions of the following:
 - a) Business process map
 - b) QMS scope statement
 - c) Quality policy
 - d) List of internal and external issues
 - e) List of relevant interested parties' needs and expectations
 - f) Risks and opportunities registry
 - g) Enhanced quality objectives (e.g., OPCR/IPCR, operations plan, balanced scorecard, etc.)

2. Workshop on Quality Management System Documentation

The workshop aims to formulate the structure and controls for QMS

documented information. It shall develop specific documented information to be maintained to describe the QMS, establish quality controls for its processes, and align with ISO 9001:2015 requirements to ensure consistent delivery of quality products and services.

In the process of documentation, existing management approaches shall be evaluated vis-a-vis the requirements of ISO 9001:2015 standard to ensure the availability, adequacy, and effectiveness of the QMS documented information.

The workshop shall also introduce knowledge management to develop participants' awareness and understanding of the importance of managing organizational knowledge for improved efficiency of processes. It shall focus on determining, documenting, and maintaining the organizational knowledge necessary for the operation of processes, and making it available, to the extent necessary, to achieve conformity of products and services.

- Expected Outputs** :
- Draft of the following documents:
 - a) QMS manual
 - b) Documented procedures on QMS-required information (e.g., Control of Documented Info, Control of Nonconformity and Corrective Action, Internal Quality Audit)
 - c) Customer Satisfaction, Management Review, Knowledge Management procedures/guidelines
 - d) Document/description of knowledge management practices

3. Workshop on Service Process Improvement

The workshop aims to effect actual process/service quality improvements in the LGU-Loon's QMS. It shall develop streamlined processes or enhanced service features to improve service delivery efficiency and effectiveness.

Workshops on process review, work simplification, solutions formulation, and planning for implementation shall be facilitated to effect actual improvements in process/service delivery.

- Expected Outputs** :
- a) Draft documented streamlined processes
 - b) Draft improvement action plan
 - c) Monitoring of Streamlined Processes

4. Technical Guidance on Enhancement of Operational Controls and Procedures

The activity aims to establish effective controls for all relevant processes of the LGU-Loon. It shall include a review of existing process controls and documented information to ensure alignment of operational and support processes. It shall also include planning and implementation of improvement actions.

- Expected Outputs** :
- a) Final/enhanced operational processes
 - b) Enhanced process/service quality Improvement action plan

D. Quality Management System Assessment

Initial Quality Performance Assessment

This activity aims to identify performance gaps and service quality improvements that can be addressed through the establishment of a QMS.

The assessment will focus on quality performance with the findings to be presented and discussed, not only to the top management but to the general employees for common understanding, ownership, and acknowledgment.

- Expected Outputs** :
- a) Initial Assessment Report (IAR) on their productivity, quality, cost, and delivery (PQCD), including performance gaps, service quality gaps, etc.
 - b) Baseline data of project/management system indicators, including indicators for the MTRCB's management, core, and support processes

V. Schedule of Work

No.	ACTIVITY	TIMEFRAME
1	Preparation of Detailed Project Work Plan	Month 0
2	Initial Quality Performance Assessment	Month 1
3	Orientation on ISO 9001:2015 Quality Management System	Month 1
4	Training Course on ISO 9001: 2015 Quality Management System Requirements and Documentation	Month 2
5	Workshop on Process Mapping and Risk-Based Quality	Month 2
6	Training Course of 5S Quality Workplace	Month 2 - 3
7	Workshop on Quality Management System Documentation	Month 2 - 3
8	Workshop on Service Process Improvement	Month 3
9	Technical Guidance on Enhancement of Operational Controls and Procedures	Month 3 - 4

Note: Contract Duration of two hundred forty-five (245) days

VI. Project Terms and Conditions

A. The Service Provider shall:

- a. Organize a team who will conduct the project within the agreed timeframe;
- b. Prepare the program and course designs for the orientation, trainings, seminar and workshop activities;
- c. Provide one set of orientation, training and workshop materials for reproduction by the LGU-Loon, for each course to be conducted;
- d. Provide resource persons and facilitator;
- e. Provide the certificates to qualified participants of training courses conducted;
- f. Review the draft documented information and recommend necessary revisions to ensure their alignment with ISO 9001:2015 standard;
- g. Provide technical guidance to counterpart team in the establishment and implementation of the LGU-Loon QMS;
- h. Conduct assessments of the LGU-Loon's initial quality performance prior to ISO 9001:2015 QMS implementation and the effectiveness of the established QMS in order to identify performance gaps and recommend final preparations for the ISO 9001:2015 certification process.

B. LGU-Loon shall:

- a. Designate a counterpart support team who will work closely with the Service Provider Project Team regarding technical and administrative requirements of

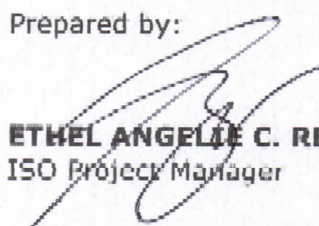
- the project, including monitoring of the progress of the project activities;
- b. Provide logistical requirements of the project face-to-face or virtual activities, such as orientation/ training/ workshop/ seminar/ meeting venue, accommodation (when necessary), equipment (LCD projector with laptop), training supplies, reproduction of orientation, training and workshop materials to the participants, and meals and snacks of the participants and the Service Provider Project Team, including hosting of virtual activities, as applicable;
 - c. Provide transportation for the Service Provider Project Team, from their office to orientation/ training/ workshop/meeting venue and vice-versa;
 - d. Draft the necessary documented information, including specific QMS related forms and tools, and make the necessary revisions to ensure their alignment to ISO 9001:2015 standard, with guidance from the Service Provider Project Team;
 - e. Ensure implementation of relevant project activities, including improvement action plans, and provide policy support for the implementation of quality systems and procedures adopted by the LGU- Loon;
 - f. Ensure availability and participation of staff/ participants concerned during the conduct of project activities;
 - g. Ensure that the project is completed within the agreed duration;
 - h. The payment of this project - Phase 1 will be as follows:

No.	ACTIVITY	%	COST (PHP)
1	Upon submission and acceptance of Detailed Work Plan	15%	158,760.00
2	Upon completion of the following: (1) Initial Quality Performance Assessment (2) Orientation on ISO 9001:2015 Quality Management System	15%	158,760.00
3	Upon the completion of the Training Course on ISO 9001:2015 Quality Management System Requirements and Documentation	20%	211,680.00
4	Upon completion of the following: (1) Workshop on Process Mapping and Risk-Based Quality Planning (2) Training Course on 5S Quality Workplace	20%	211,680.00
5	Upon completion of the following: (1) Workshop on Quality Management System Documentation (2) Workshop on Service Process Improvement	20%	211,680.00
6	Upon completion of the Technical Guidance on Enhancement of Operational Controls and Procedures	10%	105,840.00
TOTAL - PHASE 1		100%	1,058,400.00

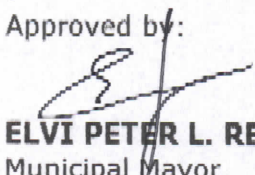
The total project cost is inclusive of 12% VAT.

1. Pay an additional fee of twenty-five percent (25%) of the project activity cost for sessions held on a weekend/holiday

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