

Philippines-Australia

Public Financial Management Program (PFMP)

REQUEST FOR TENDER

MS Access Application Development Services for the
Department of Education (DepED)

February 2015

CONTENTS

| | | |
|----|---|-----------|
| 1 | INTRODUCTION | 1 |
| | PART A: RFT PROCESS AND REQUIREMENTS | 1 |
| 2 | TENDER PARTICULARS | 3 |
| 3 | STANDARD TENDER CONDITIONS | 5 |
| 4 | TENDER REQUIREMENTS | 7 |
| | PART B: TENDER ASSESSMENT PROCESS | 10 |
| 5 | ASSESSMENT OF TENDERS | 10 |
| 6 | TECHNICAL ASSESSMENT | 10 |
| 7 | PRICE ASSESSMENT | 11 |
| 8 | TOTAL TENDER SCORE | 12 |
| | PART C: BASIS OF PAYMENT | 12 |
| 9 | FINANCIAL REQUIREMENTS | 12 |
| 10 | BASIS OF PAYMENT | 14 |
| | PART D: REQUIRED DOCUMENTS | 15 |
| | PART E: REQUIRED ANNEXES | 23 |
| | PART F: TERMS OF REFERENCE | 28 |
| | PART G: DRAFT CONTRACT | 37 |

ABBREVIATIONS

| | |
|-------------|---|
| DBM | Department of Budget and Management |
| DFAT | Department of Foreign Affairs and Trade |
| GOP | Government of Philippines |
| PFM | Public Financial Management |
| PFMP | Philippines Australia Public Financial Management Program |
| RFT | Request for Tender |
| UACS | Unified Account Code Structure |
| SoS | Scope of Services |
| TAP | Tender Assessment Panel |
| ToR | Terms of Reference |

GLOSSARY

| | |
|----------------------------|---|
| Consortium | An organisation can associate with other organisations. If this happens it is called a Consortium. Only the lead organisation can be contracted and they will do so only if they have gained the authority to sign the contract and bind the consortium. |
| Organisation | Organisations can be government/non-government, consulting firms, universities, NGOs, training providers, or any relevant legal entity. |
| Implementing Agency | Department of Education (DedED) |
| Value for money | A Value for Money assessment weighs up the 'value' of a particular technical assistance provider against the amount of money their services cost over the whole life. This is not necessarily the lowest initial price option - the long term costs as well as up-front costs also need to be taken into account. |

1 INTRODUCTION

Coffey International Development Pty Ltd (Coffey) as the Service Provider of the Philippines Australia Public Financial Management Program (PFMP) is seeking proposals from qualified local companies or organisations to undertake the activity: **MS Access Application Development Services for the Department of Education (DepED)**. The PFMP is funded by the Australian Government, through the Department of Foreign Affairs and Trade (DFAT).

The Tender must be submitted according to the guidelines in this document. Tenders will only be accepted from organisations that are legally constituted in the Philippines (e.g. consulting firm, NGO, University, etc.). Organisations may associate with other organisations to form a consortium in order to complement their respective areas of technical expertise, strengthening the technical responsiveness of their proposals, making available a bigger pool of experts, providing better approaches and methodologies, and in some cases, offer lower prices. The Tender shall only be submitted by the lead organisation. Alternative Tenders will not be considered for the one package.

This RFT contains seven parts as follows:

Part A: RFT Process and Requirements

Part B: Tender Assessment Process and Selection Criteria

Part C: Basis of Payments

Part D: Required Documents

Part E: Required Annexes

Part F: Terms of Reference

Part G: Draft Contract

1.1. Background of the Program

The Philippines Australia Public Financial Management Program (PFMP) is a joint initiative of the Governments of Australia and the Philippines. It directly assists the national government to implement its Philippine Public Financial Management (PFM) Reform Roadmap: Towards Improved Accountability and Transparency. The overall goal of the PFMP is improvement in the efficiency, accountability and transparency of public fund use in the Philippines to enable better service delivery. The program prioritises practical budgeting and expenditure management reforms that improve the basic building blocks for a modern PFM system. It helps decision-makers to do their jobs efficiently, effectively and economically so that Filipinos benefit from improved delivery of goods and services.

1.2. Background to the activity being tendered

The PFMP has been providing financial management assistance to DepED, through the project Strengthening the Financial Management System in DepED (Phase III) since 2013. The overall objective is to assist DepED in improving its financial management performance and compliance. During 2014, the Government implemented a new, 46 digit, multi-dimensional (5 segments) chart of accounts, titled the Unified Account Code Structure (UACS). This has placed a significant burden on DepED for budget monitoring, accounting

and reporting, as most of the budget monitoring, accounting and reporting at that time was undertaken largely via manual spreadsheets.

To facilitate the adoption of the UACS, DepED enhanced its Financial Reporting System (FRS), now the eFRS. In addition to this, DepED has also developed a system for budget monitoring, called the enhanced Budget Monitoring System (eBMS). This system facilitates the management of Allotment Releases against Appropriations and Obligations against the Allotment Releases. Both of these systems have been developed as small scale MS Access based applications. They have some multi-user capabilities but are distributed systems rather than centrally hosted. The distributed systems has been resorted to to address issues on internet and telecommunications connectivity in many of the sites. DepED currently has more than 2,350 reporting entities, however, the majority of these (2,140) are schools and are very small in size with less than 50 transactions per month on average. There are just over 200 Schools Division Offices (DOs), where transactions average approximately 300 per month, and 16 Region Offices (ROs) averaging approximately 200 per month. Central Office is broken down by Bureaus the largest of which averages 1,500 transactions per month. Currently, summary reporting data is consolidated using an MS Excel spreadsheet application but this entails considerable effort, cutting and pasting data into the spreadsheets. It is envisaged that export and import functionality within the database application would provide a more robust and streamlined mechanism for consolidating data from one level to another. Currently, however, there are no proper linkages between the eFRS and the eBMS or the transactions contained in the systems.

The expectation is that a fully integrated, Commercial Off The Shelf (COTS) package solution (e.g. an Enterprise Resource Planning package) will be implemented to address this concern. However, with the complexity, scale and other logistical challenges, this remains a few years away. The immediate aim is to strengthen and integrate the existing MS Access systems (into a single application, which can accommodate the consolidation of data throughout the whole Department).

PFMP is thus seeking to procure the services of a firm to upgrade the existing systems and integrate the functionalities into a single system. It is envisaged that the platform for this application will remain MS Access for sustainability purposes, and the Contractor is expected to work closely with counterparts in DepED mentoring and building skills in professional applications development.

PART A: RFT PROCESS AND REQUIREMENTS

2 TENDER PARTICULARS

| | | |
|---|------------------------------|---|
| 1 | Tender Advert | Sunday, 22 February 2015 |
| 2 | Tender Enquiries | <p>Any question about the Tender requirements or process or if a tenderer finds any discrepancy, error or omission in the terms and conditions of the RFT and any of its attachments, this must be sent by email to Virgie Ongkiko@pfmp.org.ph no later than Friday, 6 March 2015, 5:00PM Manila time</p> <p>Responses to Tender will be given in the form of Addenda and will be issued to all Tenderers no later than Friday, 13 March 2015. PFMP reserves the right to provide answers to enquiries of tenderers.</p> |
| 3 | Tender Closure | Friday, 27 March 2015, 5:00 PM Manila time. |
| 4 | Tender submission /Lodgement | <p>Tenders must be received on or prior to the date and time specified under Tender Closure. The technical and financial proposals must be submitted in separate folders and must be clearly marked.</p> <p>For submission of hardcopy, Tenders must be received at the Manila Office of PFMP marked “MS Access Application Development Services ” to the attention of PFMP Program Manager no later than 5:00 PM Manila time</p> <p>For electronic submissions, Tenders must be submitted via Virgie Ongkiko@pfmp.org.ph no later than 5:00 PM Manila time.</p> |
| 5 | Number of copies of Tender | <p>Technical Proposal (hardcopy) - 1 original plus 4 copies + 1 CD. The folders must be clearly marked “original” and “copy”</p> <p>The CD should contain copy of the proposal as well as scanned copies of pages that are signed.</p> <p>Financial Proposal (hardcopy) – 1 original + 1 CD The folders must be clearly marked “original” and “copy”</p> <p>The CD should contain copy of the proposal as well as scanned copies of pages that are signed.</p> <p>For electronically submitted tenders, the complete set of technical proposal and financial proposal must be provided in separate folder file.</p> |
| 6 | Page limit | <p>Technical Proposal – 20 pages responding to the technical criteria and including Workplan (up to 3 pages) and project sheets on Organisation Experience (up to 5 pages). The required number of pages excludes the cover page, table of contents page, and CVs.</p> |

| | | |
|----|------------------------|---|
| 7 | Language | All proposals must be in English |
| 8 | Layout/font | <p>The Technical and Financial Proposal must be presented using:</p> <ul style="list-style-type: none"> • 12 point font • Times New Roman • 2.5 cm margins (minimum) <p>Only the organisation logo can appear on the Tender document.</p> |
| 9 | No of Tenders | <p>Consortium members may only submit one proposal. The signed Letter of Association by authorised consortia representatives must be included. The Letter of Association should specify the roles and responsibilities of each consortium member.</p> <p>Tenderers may only submit one proposal.</p> <p>If a Tenderer submits or participates in more than one proposal, all proposals from that Tenderer/Consortium will be considered non-confirming.</p> <p>However, this does not limit the participation of individual Technical Advisers to more than one proposal.</p> |
| 10 | Tender validity period | Minimum 120 calendar days from the opening date. If negotiations are held during the period of validity of the Proposal, the Tenderer undertakes to negotiate on the basis of the proposed staff. The Tenderer's proposal will be binding upon the Tender and subject to the modifications resulting from Contract negotiations. |
| 11 | TAP Interview | Tenderers will be notified in advance if and when an interview by the Tender Assessment Panel (TAP) is required. |
| 12 | Tender Outcome | <p>At the conclusion of the technical and financial proposals assessment, the Tenderers will be informed of the outcome of their proposals in May 2015.</p> <p>Tenderers will be notified if there will be change on the date of announcing the tender outcome.</p> |
| 13 | Conflict of interest | Please note the Tender must not have any representation or mark which may indicate that the Tenderer is in any way related to or connected with Coffey, PFMP, DFAT or any of the identified Implementing/Partner Government Agencies. |

Tenderers must read the RFT and its attachments carefully. The TAP shall not be responsible for any negligence, insufficiency, failure and/ or mistake causing the Tenderer to fail.

Any costs incurred in preparation of this Tender are the responsibility of the Tenderer organisation.

3 STANDARD TENDER CONDITIONS

- 3.1 **Confidentiality.** Information provided by tenderers will be treated as confidential.
- 3.2 **Insurance.** Tenderers shall include all necessary insurances in their Tender price. Such insurance must include but are not limited to public liability insurance, professional indemnity insurance, medical, dental and force majeure insurance. Failure by the successful Tenderer to have these specified insurances in place, or a request to vary the amount of cover stipulated or the type of cover provided will be deemed a breach of contract.
- 3.3 **Personnel & Security Clearances.** Tenderers shall be responsible for the development and implementation of security planning with respect to any staff or consultants working in Philippines (including for attendance at the Pre-briefing meeting in Manila).
- 3.4 **Equipment.** Tenderers are responsible for providing all equipment and materials required for the activity.
- 3.5 **Payment Type.** The Contract will be an outputs-based contract with set milestone payments. Payment shall be in accordance with the Basis of Payment.
- 3.6 **Tender Preparation Costs.** Tenderers shall be responsible for their own costs in connection with the preparation of their Tender.
- 3.7 **Compliance with DFAT Policies.** Tenderers shall comply with the Policies of the DFAT in delivering services under any contract. Specific policies include:
- Environmental Management Guide for Australia's Aid Program
 - Guide to Gender and Development
 - Equal Opportunity for Women in the Workplace Act 1999 (Cth)
 - Development for All: Towards a Disability-Inclusive Australian Aid Program
 - Information Privacy Principles under the Privacy Act 1988 and obligations under the Privacy Amendment (Private Sector) Act 2000.
- The policies can be downloaded through the www.dfat.gov.au web site.
- 3.8 **Referees.** All CVs need to nominate at least two referees with their contact details. These people should be able to provide an objective assessment of the quality of relevant and recent work performed by the nominated person. Referees who can only supply character references are not sufficient. The referee should not:
- have an actual or potential conflict of interest when acting as a referee for the nominee
 - be an employee of your organisation/consortium or any subsidiary of the organisation/consortium

- be current employees of PFMP, Coffey or DFAT.
- 3.9 **Referee checks.** The TAP reserves the right to check with nominated referees and with other persons they choose as well as requesting copies of academic qualifications for the successful Tenderer. Police checks may need to be carried out.
- 3.10 **Interpreters.** The Tenderer is responsible for the selection of suitable interpreters if required to be included in the supporting staff schedule.
- 3.11 **Tendering Conduct.** Each Tenderer warrants that it has not engaged in collusive or anti-competitive practices with any other Tenderer in preparation of its Tender. If a Tenderer is found to have made false or misleading claims or statements, or receives improper assistance or improperly obtains confidential information, the TAP reserves the right to reject at any time, any Tender lodged by or on behalf of that Tenderer.
- 3.12 **Conflict of Interest.** Each Tenderer acknowledges that they understand the impact of conflict of interest on this and future possible work. If the TAP assesses that the organisation has a conflict of interest, it reserves the right in its absolute discretion to reject a Tenderer's proposal.
- 3.13 **Tenderer's Acknowledgement.** The Tender is submitted on the following basis:
- no legal obligation or agreement whatsoever is intended to be or is created between the DFAT/TAP/ PFMP/ Coffey and any Tenderer by virtue of the Tendering process (including but not limited to statements included in this RFT) unless and until contract negotiations are completed and a formal written agreement is entered into and executed by an authorised officer of Coffey and by the successful Tenderer, if any;
 - the Tenderer acknowledges and agrees that DFAT/Coffey International Development/ PFMP, its employees, agents and advisers are not, and will not be responsible, or liable for the accuracy or completeness of any information contained in this RFT;
 - the Tenderer attest that their organisation (and partner organisations) are not linked to nor are members of an illegal organisation; and
 - the Tenderer warrants that where a conflict of interest (real or perceived) arose in the preparation of this Tender, the Tenderer has notified the TAP on submission of the Tender. And the Tenderer warrants that, where a conflict of interest arises during the Tender process, the Tenderer will notify the TAP immediately.
- 3.14 **Applicable Law.** The laws of the Philippines apply to the RFT and the RFT process.

4 TENDER REQUIREMENTS

- 4.1 **Tenderers.** Tenderers must include all the information specified in this Request for Tender (RFT) in their Tender.
- 4.2 **Validity.** A condition of Tender is that each Tender must remain valid for the period stated in item 10 on Section 2.
- 4.3 **Price.** Only Tenders deemed to be technically acceptable will be considered for comparative price assessment based on a like-for-like basis.
- 4.4 **Copies.** The Tenderer must submit the number of copies specified in the Tender Submission Requirements.
- 4.5 **Authorised Person.** A person or persons having authority to lodge the Tender and enter into a contract on behalf of the Tenderer must sign the Statutory Declaration.
- 4.6 **Late Tenders.** A tender lodged after the closing date and time is a Late Tender. Late Tenders will not be accepted.
- 4.7 **Non-Conforming Tenders.** Tenders will be regarded as non-conforming if they fail to conform to one or more of the requirements of the RFT. The TAP reserves the right to seek missing information from non-conforming Tenderers. The TAP at its absolute discretion may assess or reject any non-conforming Tender. The TAP will not enter into correspondence about a decision to assess or reject a non-conforming Tender. Tenderers will be notified of the TAP's decision to reject a Tender after the successful Tenderer has been notified of the results.
- 4.8 **Clarification of Tenders.** The TAP reserves the right to seek clarification of any Tenderer.
- 4.9 **Tender opening process.** The Tenders received on or before the closing date and time will be opened at the PFMP Office in the presence of TAP members or their duly authorised representative. The TAP shall check the conformity or compliance of Tender submissions against Tender documentation requirements. No assessment will be undertaken at the bid opening. Only Tenders that have completed the Tender documentation requirements will be subjected to Tender assessment at the designated TAP meeting.
- 4.10 **Tender Outcome.** The result of the tender resulting from the deliberation and decision of the TAP is final.
- 4.11 **Amendment of RFT.** The PFMP may amend any part of the RFT prior to the closing date and time for submission of Tenders including, without limitation, by revising the draft Contract. Any amendment to, or clarification of, any aspect of the RFT will be

issued in the form of Addenda and loaded onto the Coffey website before the closing date and time for submission of Tenders. Such Addenda will become part of the RFT.

- 4.12 **DFAT/PFMP Rights.** The DFAT and PFMP Management reserve the right at any time and for any reason whatsoever in its absolute discretion to cease to proceed with the RFT, suspend or vary the RFT or call for new Tenders.

DFAT and PFMP Management may exercise this right without any liability for costs, losses or expenses or damages incurred by the Tenderer and are not required to give any grounds for their actions.

- 4.13 **Point of Contact and Authorised Representative.** The Tenderer is to include the details of the authorised representative as described in this document. Failure to include this information will be cause for non-conformance.

- 4.14 **Contracting Entity.** Proposals must clearly state the name and other details of the organisation submitting the proposal. A contract will only be entered into with the entity named in the proposal as the submitting firm/organisation or as the lead firm in the case of a Tender submitted by an association/joint venture. Details such as the business street address in the respective country's business license number, telephone, facsimile and email address for the firm/organisation. Failure to provide this information will constitute non-conformance.

- 4.15 **Contracting Entity with Coffey.** The contract between the highest ranked Tenderer and the PFMP shall be between that Tenderer and Coffey International Development; Coffey being the Service Provider of PFMP.

- 4.16 **Contract Format.** Coffey intends to enter into negotiations for a fixed price, outputs-based Contract with the highest ranked Tenderer.

These negotiations will be on the basis of a Contract which will provide for payments made against the achievement of measurable milestones for the delivery of agreed and defined outputs. Coffey is responsible for ensuring that the PFMP obtains value for money through the subcontracting process. A copy of the draft Contract is found in Part G of this RFT.

- 4.17 **Tender contents.** If the financial proposal does not meet the requirements stated in the Tender document, it will be rejected by the TAP and may not be revised (post-Tendering).

Arithmetical errors between the quantity and unit price that are found in the financial proposal may be corrected during the assessment process. If the Tenderer does not accept the correction, then the Tender will be considered invalid.

- 4.18 **Nominated Core Team.** The TAP will not consider substitution of the Tenderer's nominated core team unless there is an unavoidable or extraordinary reason such as

death or medical incapacity. If a substitution takes place for other reasons, the proposal may be disqualified.

4.19 Confidentiality of the Tender process. The assessment process is confidential and will be executed by the TAP independently. Information concerning the results, evaluation, clarification, confirmation and recommendations for the award of the contract shall not be disclosed to Tenderers or any person not officially concerned with the process until the award to the successful Tenderer has been announced. Any effort by a Tenderer to influence the TAP's processing of Tenders will result in the rejection of the Tenderer's proposal.

4.20 Complaint Process. Any Tenderer who have objection to the result of the evaluation, may submit their written complaint by email to the PFMP Program Manager at the following email address: Virgie_Ongkiko@pfmp.org.ph

The email needs to be send by the authorised person from the organisation and should include the person's name, address and phone number and, if it is related to an organisation, the organisation name.

This email needs to be received by the PFMP Program Manager not later than five calendar days after they receive the outcome of the Tender process. The email should include any evidence to support any assertions made about their treatment or the fairness of the process related to the selection process. Only complaints relating to processes associated with the Tender document will be considered. Any relevant response will be within 5 working days.

4.21 Tender Debrief. Tenderers may request in writing for a written debrief on the assessment of their tender proposal no later than 14 days after announcement of the tender outcome. The PFMP Program Office will provide the written debrief and will not entertain request for meetings or telephone calls. See Tender Particulars on related details.

4.22 Discussions with GOP. PFMP staff members are unable to assist with any arrangements for such discussions with GOP representatives.

PART B: TENDER ASSESSMENT PROCESS

5 ASSESSMENT OF TENDERS

5.1 The Technical Assessment Panel (TAP) will undertake the technical and price assessment. The assessment will be made against a total tender score of 100 points, which is allocated at 80 points for technical score and 20 points for price score.

6 TECHNICAL ASSESSMENT

6.1 The Technical assessment of the Proposal will account for 80% of the total tender score using the following formula:

$$\text{Technical Score} = \frac{\text{Tenderer's Weighted Technical Score (out of 100)}}{\text{Highest Weighted Technical Score (out of 100)}} \times 80\%$$

6.2 The following selection criteria and corresponding weightings will be used:

| Technical criteria | Maximum score |
|---|---------------|
| Criteria 1: Organisational Capability | 25 |
| Demonstrated experience in designing, developing and implementing MS Access applications to support budget monitoring and accounting. Demonstrated organisational capability to deploy the required MS Access Developer or experts. Tenderer is given the option to nominate either an individual expert or a small team of two experts. Demonstrated appreciation of the public sector environment in the Philippines, including its governance structure, government budgeting and accounting systems and resource capabilities. Having this will be an advantage. Tender is to provide evidence of organisational capability by citing up to five (5) similar projects undertaken in the past. See template for Project Sheets under Part D- Annexes. | |
| Criteria 2: Approach and Methodology | 25 |
| Demonstrated understanding of the requirements of the TOR and recognition of the critical constraints for its successful implementation. Related to the latter concern, there should also be demonstrated experience in identifying risks and putting in place risk-mitigating measures. Tenderer is to provide details of the approach to fulfilling the requirements of the Terms of Reference within the specified timeframe. This should cover the MS Access systems development and capacity | |

| Technical criteria | Maximum score |
|---|---------------|
| <p>building, e.g. mentoring, approaches.</p> <p>Tenderer is also required to provide a proposed Work/Implementation Plan with detailed timelines and resources to deliver activities and achieve the required outputs.</p> | |
| Criteria 3: Personnel (maximum of two experts) | 50 |
| <p>Appropriate individual qualifications, experience and skills of nominated expert/s to implement the Activity.</p> <p>Tender must describe the competencies of nominated expert/s in accordance with Part F - Terms of Reference.</p> <p>If the Tenderer proposes two (2) experts, they need to describe the roles/ & responsibilities of each nominated expert and their team balance and complementation.</p> <p>It is required that the successful Tenderer would, when requested, field the personnel nominated in the proposal. Substitution of the nominated personnel would require PFMP approval and would only be allowed under extenuating circumstances.</p> <p>The Tenderer must submit Curriculum Vitae (CV/s) of the nominated personnel. A pro forma for CV is included in Annex C – Required Documents. Each CV should up to a maximum of 4 pages only. Where nominated personnel has existing commitments to DFAT, PFMP, GOP or Coffey activities, or is employed by any of these organisations, details of such commitments should be disclosed in his/her CV. PFMP regards the withdrawal or substitution of personnel to be possible grounds for the cancellation of negotiations and the contract.</p> | |

6.3 For a technical proposal to be declared technically acceptable or suitable, it should generate at least (i) 70% or 56 points of the assigned total technical score and (ii) 50% of the sub-scores for each criterion. If a technical proposal generates less than 70% and 50% of the total technical score and any of the sub-scores, respectively, it will be declared as technically unsuitable.

6.4 Only tender proposals that are declared as technically acceptable or suitable will be subjected or proceed to price assessment.

7 PRICE ASSESSMENT

7.1 The price assessment will represent 20% of the overall score. The formula for scoring and ranking of Proposals on the basis of price is:

$$\text{Price Score} = \frac{\text{Tenderer's Price of the Lowest Priced Technically Suitable Tender}}{\text{Tenderer's Price}} \times 20\%$$

8 TOTAL TENDER SCORE

- 8.1 The Tenderer achieving the highest combined technical and financial scores will be declared as the highest ranked Tenderer and invited for negotiations.

PART C: BASIS OF PAYMENT

9 FINANCIAL REQUIREMENTS

- 9.1 **Contracting Mode.** PFMP is using an outputs-based arrangement for this activity, where payments will be made on acceptance of milestone reports or outputs specified in the Terms of Reference and section on Basis of Payment.
- 9.2 **Price Basis.** The financial proposal is to be a firm fixed price inclusive of all costs needed for the duration of the contracted activity.
- 9.3 **Currency.** The financial proposal is to be expressed in Australian Dollars (AUD).
- 9.4 **Financial Proposal.** The successful Tenderer's Financial Proposal may be deemed non-conforming or negotiations may fail at the contracting stage if:
- the price is not firm and fixed, or
 - adjustment is sought at or after contract negotiations including any additional fees or cost items.
- 9.5 **GST/VAT.** The financial proposal is to be GST/VAT exclusive. PFMP holds a VAT Exemption Certificate, which provides that all supplies, motor vehicles, professional and technical materials and services provided for or procured for the implementation of the activities under PFMP are subject to zero-rate for purposes of VAT.
- 9.6 **Proposal Information.** The financial proposal must contain the information required and in the format detailed in this document. Please see financial proposal templates 1, 2 and 3.
- 9.7 If there are inaccuracies or inconsistencies in the financial proposal documents, this may be grounds for the Tender submission to be rejected. There is no provision for escalation in the costing.
- 9.8 Financial proposals should be submitted in the forms provided below. These include:
- Part 1:** Total Personnel Costs
 - Part 2:** Total Management and Operations Costs
 - Part 3:** Summary of Costs

PART 1 - TOTAL PERSONNEL COSTS

A. Personnel Cost Table

| Nominated Position/s | Name/s of Nominated Expert/s | Proposed Duration of Engagement (but not to exceed a total of 12-person months) | Proposed Monthly Fee* (in AUD) | Proposed Total Cost for Nominated Team Member (in AUD) |
|-----------------------------|------------------------------|---|--------------------------------|--|
| Expert 1 | | | | |
| Expert 2 (if applicable) | | | | |
| TOTAL PERSONNEL COST | | | | |

(*) Monthly fee is based on a full-months' work which is equivalent to 22 working days per month.

PART 2 - TOTAL MANAGEMENT AND OPERATIONS COSTS

| Cost Particulars | Estimated Cost |
|---|----------------|
| A. Administrative Cost* b.1 Office supplies/consumables b.2 Local travel and accommodation cost, if applicable b.3 Printing of reports/documents b.4 Others | |
| B. Fixed Management Cost | |
| Total | |

*Note: The items identified under Administrative Cost are examples only. Tenderers must identify cost items which they think are relevant to efficiently implement the activity. The Fixed Management Cost should cover the Tenderer's proposed overhead and profit margins.

PART 3 - SUMMARY OF COST

| ITEM | TOTAL COST (in AUD) |
|--|---------------------|
| Total Personnel Costs | |
| Total Management and Operations Costs | |
| TOTAL TENDER COST (FIRM QUOTE) | |

10 BASIS OF PAYMENT

10.1 The payment to the successful tenderer will be based on the following table:

| Ref No | Percentage | Milestone Reports | Indicative Date |
|--------|------------|---|-----------------|
| 0 | 20% | Contract Signed & Mobilisation of Expert/s | Month 0 |
| 1 | 10% | Scoping and Design Document | Month 3 |
| 2 | 10% | Report on Prototype Development | Month 5 |
| 3 | 20% | System Testing and Acceptance Report | Month 7 |
| 4 | 20% | Training Report to include: <ul style="list-style-type: none">• Completion of training to CO and ROs• Training Course Design & Materials | Month 10 |
| 5 | 10% | System Technical Manuals | Month 11 |
| 6 | 10% | Project Completion Report | Month 12 |

10.2 **Reporting requirements.** In addition to the above-mentioned subcontracted milestone reports, the successful tenderer is also expected to submit exception reports to cover key issues that require immediate attention. Exception Reports shall be submitted, as the issues arise, to the DepED FMS Adviser and PFMP Team Leader for consideration.

10.3 Claims for Payment.

- Payment shall be based on receipt of invoices and confirmation of acceptance of milestone reports/outputs outlined under Clause 10.1 by Coffey through the PFMP Program Manager.
- Payments will be made within thirty (30) days and will be subjected to deductions mandated by the law to withhold.
- All claims for payment must include a certification by a duly authorize representative of the Contractor:
 - (a) that the invoice has been correctly calculated;
 - (b) that the Services included in it have been performed in accordance with this Agreement.
- Coffey will not pay an amount that is disputed in good faith until the dispute is resolved.

PART D: REQUIRED DOCUMENTS

Tenders are to be submitted in the name of the entity with which PFMP would enter into the contract and include the name of the person authorised to negotiate and conclude a contract. The submission should be accompanied by the following documents. If the Tender fails to submit any of the following documents, their submission will not comply with this RFT and may be rejected.

Technical Proposal

- 1 Covering Letter of Technical Proposal
- 2 Tender Declaration
- 3 Letter of association (if applicable)
- 4 Organisation information/Consortium information including financial statements
- 5 Technical Proposal

Annexes of Technical Proposal

- A Implementation Plan + Gantt Charts (up to three pages)
- B Organisation/consortium relevant experience for the last seven years – up to 5 Project Sheets on Organisational Experience.
- C Nominated Personnel and their signed Curriculum Vitae using the CV format provided

Financial Proposal

- 1 Covering Letter of Financial Proposal
- 2 Information required in the Financial Proposals tables above

The authorised representative of the Tenderers shall initial all pages of the original Technical and Financial Proposal.

Format of Covering Letter of Technical Proposal

(Please use organisation letterhead or lead firm letterhead of the consortium)

Date Month Year

Number:

Ms Virgie V. Ongkiko,
PFMP Program Manager
“MS Access Application Development Service for the Department of Education”
Coffey International Development
Third Floor, JMT Building, ADB Avenue, Ortigas Centre
Pasig City 1605, PHILIPPINES

Subject: Covering letter for Technical Proposal submission

Dear Sir/Madam

The person whose signature is attached below is authorised to sign and submit these documents:

Name of person :
Position :
Name of Organisation :
Organisation Address :
Phone number of the Organisation :
Fax number of the Organisation :
Email address of the Organisation :

In accordance of the Tender document for Package # <TITLE>, we submit the following documents.

- 1 Covering Letter
- 2 Tender Declaration
- 3 Letter of association (if applicable)
- 4 Organisation information/Consortium information
- 5 Technical Proposal

Annexes of Technical Proposal

- a. Implementation Plan + Gantt Charts
- b. Organisation/consortium relevant experience for the last seven years – a maximum of five (5)

c. Nominated and signed Curriculum Vitae for Core Team using the CV format provided

The validity of our proposal is 120 calendar days from the closing date of the Tender.

We have read and understood the information downloaded from website. We acknowledge that if it is found that documents do not comply with requirements laid out in this Tender Document or if they are incorrectly obtained, that our organisation will not be able to be considered as the successful Tenderer.

We agree that the TAP is not bound to approve our Tender, or do they need to provide any reason for this.

If applicable - We acknowledge that we are the leader of the consortium. The members of the consortium are:

We (and the consortium members if any) declare that we are not black-listed as a consultant provider for development assistance provider or a GoP institution.

We also declare that the information contained in this Tender is correct and up to date.

Signature:

Date:

Tender Declaration

I, *(name, address and corporation of person making the declaration on behalf of the organisation or the consortium)*, do solemnly and sincerely declare, on behalf of the Tenderer and on behalf of myself, that:

1. Definitions

In this statutory declaration:

- “Tender” means the document submitted or to be submitted by *(details of Tendering corporation as appropriate)*
- “Tenderer” means *(details of Tenderer organisation as appropriate)*;
- “Tender Price” means the fees, rates and prices indicated by a Tenderer as being the amounts for which that Tenderer is prepared to undertake the Services;
- “Client” means the Coffey International Development Pty Ltd (Coffey) as the Service Provider of the Philippines-Australia Public Financial Management Program (PFMP) ;
- “Request for Tender” or “RFT.”
- “Services” means the services described in the Terms of Reference for this Activity;

2. Preamble

I hold the position of *(managing director or other title)* of the Tenderer and am duly authorised by the Tenderer to make this declaration on its behalf.

3. Rights of Coffey International Development Pty Ltd (Coffey)

- 3.1. *RFT Process* – Coffey, on behalf of DFAT/PFMP Management, reserves their right to:
- 3.1.1. Cease to proceed with the RFT
 - 3.1.2. Suspend or vary the RFT
 - 3.1.3. Require additional information from Tenderers
 - 3.1.4. Call for new Tenders
 - 3.1.5. Reject any Tenders that do not comply with the RFT or for any other reason

DFAT/PFMP Management may exercise this right without any liability for costs, losses or expenses or damages incurred by the Tenderer and are not required to give any grounds for their actions. PFMP is not bound contractually or in any other way to any Tenderer by this RFT.

- 3.2. *Ownership* - When the Tender is submitted it becomes the property of PFMP and they can use it as they wish for the purpose of evaluating the Tender and in potential contract negotiations with the Tenderer. The Tenderer retains their right to any intellectual property submitted in the Tender.
- 3.3. *Background Checks* – PFMP have the right to conduct security, probity and financial checks on the Tenderer at their discretion for the purpose of evaluating the Tender.

- 3.4. *Negotiation* – PFMP reserves the right to negotiate the price of services with any Tenderer. If negotiation fails, PFMP has the right to terminate negotiations in favour of another Tenderer. Negotiation will only occur:
- (a) At the date and address indicated in this document
 - (b) With authorised representatives from the organisation/consortium
 - (c) To review the draft contract – if negotiations fail, the TAP will commence negotiations with the second highest Tenderer.
 - (d) To discuss the Technical Proposal, the proposed technical approach and methodology, work plan, organisation and staffing, and any suggestions made by the TAP will form part of the contract.

The Tenderer will be responsible for their own costs.

It is the responsibility of the Tenderer to clarify GoP tax and legal obligations prior to commencing the activity.

4. Tenderer's Acknowledgment

In submitting a Tender document, (*Name of the Organisation*) acknowledges the following:

- 4.1. *Understanding* – The Tenderer acknowledges that it has examined and understood all of the Tender documents and has satisfied itself of the correctness and sufficiency of the Tender. The Tenderer has sought any additional information reasonably required from PFMP and is aware of all risks and other circumstances which may affect their submission
- 4.2. *Expenses* – The Tenderer is responsible for all expenses incurred in the creation and submission of the Tender. This includes providing further information to PFMP as required and resolving any disputes that arise from the Tendering process.
- 4.3. *Personnel* - All personnel nominated in the Tender have been approached and have confirmed their availability to undertake the Services at the time specified.
- 4.4. *Insurance* – The Tenderer must be insured to at least the minimum of their statutory obligations and carry all commercially prudent insurances for the activities to be undertaken. The Tender must provide evidence of such insurances upon request by Coffey and/or PFMP.
- 4.5. *Security* - The Tenderer warrants that all necessary arrangements will be made to ensure adequate protection/security for all of their personnel.
- 4.6. *Validity* – All information submitted in Tenders will be valid for at least 60 calendar days from the closing day for submission.
- 4.7. *Financial Proposal* - The Tenderer warrants that it can undertake and complete the Services for the Tender Price.
- 4.8. *Financial Assessment*: At any time before the contract is awarded, the Tenderer will, if required by PFMP, make all financial records, including accounts, profit and loss statements, balance sheets and other relevant information available to PFMP.

- 4.9. *Rights of Coffey* – The Tenderer respects the rights of Coffey as the Service Provider of the Philippines-Australia Public Financial Management Program (PFMP), as laid out in this RFT.
- 4.10. *Conditions of the RFT* – The Tenderer accepts the conditions of the Tender
- 4.11. *Relationship with Coffey* – The Tenderer has not relied on any statement or representation, whether oral or written by Coffey unless it is contained in the RFT or addenda. The Tenderer acknowledged that it did not use any improper assistance from Coffey or any of its employees or any information illegally obtained in the preparation of the Tendering submission.
- 4.12. *Collusive Tendering* – the Tenderer declares that they (including servants or agents of the Tenderer) have no knowledge of the technical or financial Tender of any other Tenderer when they submit their Tender. They also declare that they have not and will not disclose any of the details of their Tender submission to any other person or organisation prior to the closing date for the RFT.
- 4.13. *Cover Tendering* – The Tenderer declares that they (including servants or agents of the Tenderer) have not provided any assistance to other organisations to prepare a Tender when the other organisation has no genuine intention to compete for the Tender. The Tenderer further declares that they are genuinely competing for the contract and is not submitting a ‘cover Tender’
- 4.14. *Selection* – The Tenderer understands that the selection of a successful Tenderer and/or Subcontractor must be duly noted by and/or have prior approval from the PFMP Program Steering Committee (PSC) before PFMP can award a contract for the Activity and that the PSC reserves its rights to accept or reject any Tenderer or Subcontractor for any reason.
- 4.15. *Unsuccessful Tenderers’ Fees* – The Tenderer declares that they (including servants or agents of the Tenderer) have no agreements or arrangements to reward in any way unsuccessful Tenderers if the Tenderer is successful in the Tender.

(Signature of person making declaration)

Declared at () on the () day of ()

Before me,

(Title of person before whom the declaration is made)

Organisation Information

All organisations are requested to complete the information in this form. Each consortium members will need to complete the form.

| | |
|--|--|
| Name of organisation: | |
| Status: (e.g. PT, LSM, Other) | |
| Parent Company: (if applicable) | |
| Registration No/Deed of Organisation: (if applicable) | |
| Organisation address: | |
| Telephone | Contact |
| Fax | Email |
| Web site: (if available) | Contact person for this activity: (name, position, telephone, email) |
| Number of Employees in Philippines: (If applicable) | Number of Employees in Other Country: (If applicable) |
| Organisation Chart to be attached: | |
| List of management names and position: | |
| A copy of the audited Financial Statements of the organisation for the last two years: | |

Associated Organisation details

The organisation can associate with other organisations. Only the lead organisation can be contracted and they will do so only if they have gained the authority to sign the contract and bind the consortium.

Consortium letters or Letter of Association should be attached.

PART E: REQUIRED ANNEXES

The Tenderer must complete and submit the following documents. If the Tenderer fails to submit any of the following documents, the Proposal will not comply with this RFT and may be rejected by Coffey/PFMP in its absolute discretion.

Annex A: Draft Implementation Plan (format required)

| Activity | Methodology/ Approach | Resources | Indicative month | Risks | Assumptions |
|----------|--------------------------|-----------|---------------------|-------|-------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

This Implementation Plan can be linked to a Gantt chart.

In this Implementation Plan you should consider the following:

- It needs to be consistent with the technical approach and methodology.
- It should reflect an understanding of the TOR.
- It should be feasible for the timeframe.

Annex B: Organisational Experience

This Annex is to contain simple descriptions of relevant activities. **Maximum of five (5)** relevant Organisation Experience sheets can be included for the last seven (7) years.

| | | |
|--|-------------------------------|---|
| Project name: | | Country, if other than Philippines: |
| Project location within country: | | Professional staff provided by your organisation: No. of staff: No. of person-months: |
| Name of client: | | |
| Start date (month/year): | Completion date (month/year): | Approx. value of activity: |
| Name of associated firm(s), if any: | | No. of person months of professional staff provided by associated firm(s): |
| Name of professional staff (i.e. not including administration staff) involved and functions performed: | | |
| Brief narrative description of project: | | |
| Brief description of actual services provided by your organisation: | | |
| Referee 1 Name: Position: Organisation: Work Phone: E-mail: | | Referee 2 Name: Position: Organisation: Work Phone: E-mail: |

Annex C: Curriculum Vitae format (max 4 pages per person)

Curriculum Vitae

Position:

List the scope of work that will be assigned to this position:

.....

Name:

Date of Birth:

Nationality:

Specialist Fields of Expertise of Nominated Consultant:

| | |
|--|--|
| <ul style="list-style-type: none"> • • • • | <ul style="list-style-type: none"> • • • • |
|--|--|

| | | | |
|---|--|-----------------|--|
| Permanent Address: | | | |
| Phone: | | Business Phone: | |
| Fax: | | Business Fax: | |
| Mobile: | | Email: | |
| Current Address (if different from permanent address) | | | |
| Phone: | | Business Phone: | |
| Fax: | | Business Fax: | |
| Mobile: | | E-Mail: | |

Academic Qualifications:

Languages & Degree of Proficiency:

| Tagalog | Verbal | Reading | English | Verbal | Reading |
|--------------|--------------------------|--------------------------|--------------|--------------------------|--------------------------|
| Nil | <input type="checkbox"/> | <input type="checkbox"/> | Nil | <input type="checkbox"/> | <input type="checkbox"/> |
| Basic | <input type="checkbox"/> | <input type="checkbox"/> | Basic | <input type="checkbox"/> | <input type="checkbox"/> |
| Intermediate | <input type="checkbox"/> | <input type="checkbox"/> | Intermediate | <input type="checkbox"/> | <input type="checkbox"/> |
| Advanced | <input type="checkbox"/> | <input type="checkbox"/> | Advanced | <input type="checkbox"/> | <input type="checkbox"/> |

Professional Affiliations/Organisations:

Other Training:

Countries of Work Experience:

Professional Experience

<Start MM/YY> <Finish MMY> <Position> <Name of Activity/ Project>
<Name of client> <Name of Company>, <Location>
Description of duties, responsibilities and achievements

<Start MM/YY> <Finish MMY> <Position> <Name of Activity/ Project>
<Name of client> <Name of Company>, <Location>
Description of duties, responsibilities and achievements

Please add as required

Referee 1

Name:
Position:
Organisation:
Work Phone:
E-mail:

Referee 2

Name:
Position:
Organisation:
Work Phone:
E-mail:

Certification:

I certify that to the best of my knowledge, this Curriculum Vitae describes me, my qualifications, and my experience. I understand that any wilful misstatement in this CV may lead to my disqualification or dismissal, if engaged. I acknowledge my willingness to participate in the PFMP as part of this organisation's submission. I have read and understood the Code of Conduct and will comply with it if asked to undertake a role within the PFMP.

Signature:

Date:

Format of Financial Proposal covering letter

(Please use organisation letterhead or lead firm letterhead of the consortium)

Date Month Year

Number:

Ms Virgie V. Ongkiko,
PFMP Program Manager
“MS Access Application Development Services for the Department of Education”
Coffey International Development
Third Floor, JMT Building, ADB Avenue, Ortigas Centre
Pasig City 1605, PHILIPPINES

Subject: Covering letter for Financial Proposal submission

Dear Sir/Madam

The person whose signature is attached below is authorised to sign and submit these documents:

Name of person :
Position :
Name of Organisation :
Organisation Address :
Phone number of the Organisation :
Fax number of the Organisation :
Email address of the Organisation :

We offer for the Package # <TITLE> Tender, the total cost of xxxx (in words and numbers). The price includes any discount offered. This amount is exclusive of the local taxes which shall be identified during the negotiations and shall be added to the above amount.

The validity of our financial proposal is xx calendar days from the closing date of the Tender.

We have read and understood the information downloaded from website. We acknowledge that if it is found that documents do not comply with requirements laid out in this Tender Document or if they are incorrectly obtained, that our organisation will not be able to be considered as the successful Tenderer.

We agree that the TAP is not bound to approve our financial Tender, or do they need to provide any reason for this.

We certify that we have not offered any financial or other incentives to the PFMP TAP or members of the PFMP Team.

Signature:

Date:

PART F: TERMS OF REFERENCE

MS Access Application Development Services

1. Background

The Philippines-Australia Public Financial Management Program (PFMP), with assistance from the Department of Foreign Affairs and Trade (DFAT), Australia, has been providing financial management assistance to DepED, through the project component Strengthening the Financial Management System in DepED (Phase III). The project component is assisting DepED in improving its financial management performance and compliance. During 2014, the Government implemented a new, 46 digit, multi-dimensional (5 segments) chart of accounts, titled the Unified Account Code Structure (UACS). This has placed a significant burden on DepED for budget monitoring, accounting and reporting, as most of the budget monitoring, accounting and reporting at that time was undertaken largely via manual spreadsheets.

To facilitate the UACS, DepED enhanced its Financial Reporting System (FRS), now the eFRS, to accommodate the UACS. Subsequently, the UACS was expanded and is now 54 digits in length. In addition to the eFRS, DepED has also developed a system for budget monitoring, called the enhanced Budget Monitoring System (eBMS). This system facilitates the management of:

- Allotment Releases against Appropriations; and
- Obligations against the Allotment Releases.

Both of these systems have been developed as small scale MS Access based applications. They have some multi-user capabilities but are distributed systems rather than centrally hosted. The reasoning for maintaining distributed systems is the poor internet and telecommunications connectivity in many of the sites. DepED currently has more than 2,350 reporting entities, however, the majority of these (2,140) are schools and are very small in size with less than 50 transactions per month on average. There are just over 200 Schools Division Offices (DOs), where transactions average approximately 300 per month, and 16 Region Offices (ROs) averaging approximately 200 per month. Central Office is broken down by Bureaus the largest of which averages 1,500 transactions per month. Currently, summary reporting data is consolidated using an MS Excel spreadsheet application but this entails considerable effort, cutting and pasting data into the spreadsheets. It is envisaged that export and import functionality within the database application would provide a more robust and streamlined mechanism for consolidating data from one level to another. The reporting path for consolidating the data for the whole of DepED is as follows:

- the schools report to DOs who consolidate their own data with that of the schools;
- the DOs report to the ROs, who consolidate their own data with that of the DOs;
- the ROs report to Central Office (CO), which consolidates its own data with that of the ROs.

Currently, there are no proper linkages between the eFRS and the eBMS or the transactions contained in those systems. Reports required for compliance with Department and Budget and Management (DBM) and Commission on Audit (COA) rules are based on combined data from each system. Currently, the Reports have to be compiled outside of the systems through spreadsheet consolidation. Various separate efforts have been made to incorporate disbursement information into the eBMS, but this is only exacerbating the issue of redundant

data entry (and overhead of the system). One of the aims of this initiative will be to eliminate all redundancy in the system, streamlining processes, so that financial officers can spend less time on data capture (processing transactions), and can focus on managing the quality of financial information contained in the system.

2. Requirement For A Firm to Provide Application Development Services

The expectation is that a fully integrated, Commercial Off The Shelf (COTS) package solution (e.g. an Enterprise Resource Planning package) will be implemented. However, with the complexity, scale and other logistical challenges, this remains a few years away. The immediate aim is therefore to strengthen and integrate the existing MS Access systems (into a single application, which can accommodate the consolidation of data throughout the whole Department). At the highest level (i.e. CO), such integration should provide full oversight and transparency over operations within the Department.

PFMP is therefore seeking to procure the services of a firm to upgrade the existing systems and integrate the functionalities into a single system. The upgraded system will combine the functionalities from the two systems. Ostensibly, there will be no additional transaction processing functionality, per se, but DepED is looking to improve the overall architecture, robustness and integrity of the applications, as well as providing an efficient mechanism for consolidating data through exporting and importing of transaction data files.

It is envisaged that the platform for this application will remain MS Access for sustainability purposes, and the Contractor is expected to work closely with counterparts in DepED mentoring and building skills in professional applications development.

The firm will work closely with the PFMP Project Consulting Team and the user Divisions in DepED, and report directly to the GIFMIS Implementation Adviser (DepED). The detailed scope of work is contained in the Sections below.

3. Current Architecture of the Two Systems (eBMS and eFRS)

Primarily, the systems are transaction databases, rather than full accounting systems. The system does not maintain any ledger or balances tables per se. All such balances are obtained through queries and scripts. The initial review will consider the options for establishing some balances tables which would provide added integrity and improved internal performance. The table below gives an indicative overview of the transactions.

Table 1: Transactions

| System | Transaction |
|--------|---|
| eBMS | Appropriations (Current and Continuing) |
| eBMS | Allotment Releases (including Transfers, Realignments and Sub Allotment Releases) |
| eBMS | Obligations |
| eBMS | Prior Year Obligations (Un-liquidated) |
| eFRS | Journal Entry Vouchers (JEVs), covering 6 categories of transactions for Bank and Cash Disbursements; Receipt Collections and Deposits; General non-cash Journal entries; and Liquidation of and Accounting cash advances to Spending Unit Schools. |

The starting point is the General Appropriations Act (GAA) where Budget Funds are approved in terms of Current Year Releases and Continuing Appropriations (from the previous year's unspent funds). Allotment Releases are made in respect of the budget per the GAA, with the exception of some lump sum funds, which require a separate instrument, the Special Allotment Release Order (SARO). Allotted funds may also be transferred between items and/or operating units, using Transfers, Realignment and Sub Allotment Release Orders (SubAROs). When spending is planned, an Obligation Request must be made and approved before any payment can be made. The Journal Entry Voucher (JEV) is the posting entry for the actual payments, receipts and other non-cash journals.

The current architecture has focused on the required reporting formats from the Central Oversight Agencies, to the extent that, often when there is a report format change, the database tables are then changed. The systems have also been designed largely to computerise the prescribed manual processes/system rather than take advantage of opportunities for automation and streamlining.

The focus in the design architecture needs to move to the transactions and the related data elements of each of these transactions. The data fields for the transactions are not complex and an example of field data is shown in the table below. However, table structures will be changed as part of the harmonisation and enhancement; these will be agreed with the GIFMIS Implementation Adviser (DepED), in conjunction with the overall redesign of the system. Example data fields for JEV transactions are contained in the table below.

Table 2: Example Data Field Structure For JEV Transactions

| | | | |
|-------------------------------|------------------------------|---------------|------------------------|
| JEV Reference No. | Month | Year | User Name |
| Transaction Date | Payee | Bank A/C No | UACS Fund Source |
| Explanation | Transaction Type | Sub | Allotment Period |
| Header Amount | Responsibility (Cost) Centre | Cheque Number | Allotment Class |
| DV/Other Ref. No. | Obligation Number | UACS Code | MFO/PAP ² |
| UACS Object Code ³ | Debit Amount | Credit Amount | Line Entry Primary Key |

The various master data tables (e.g. for UACS segments, Allotment Classes, Allotment Period, etc.) have been designed by different developers. These tables will need to be harmonised and upgraded. Currently, many of the tables are loaded and updated through the system back end. Given the distributed nature of the system, it would be desirable to

² MFO/PAP: Major Final Output, Program Activity Project Code. This defines the purpose of the spending activity.

³ Object Code is the economic item, e.g. the specific receipt or expense item, such as a specific type of salary payment, utility - water expenses, etc.

have front end functionality (under secure access controls) for updating all master tables. (This would be especially important with multi-year functionality where new GAAs are made, and new MFO/PAP codes are created.

Enhancements to the design and architecture are expected to incorporate professional best practices but will be balanced against the principle of avoiding over complexity.

4. Enhanced Functionality Requirements

A Technical Working Paper has been produced, highlighting current issues, with proposals for a number of improvements to be developed into the design of the enhanced system. This paper will be discussed in detail in conjunction with the Contractor, the GIFMIS Implementation Adviser (DepED), and the user Divisions in DepED, during the system design phase, during the first month of assignment. The Systems Design Document will undergo formal acceptance and sign-off.

The table below sets out a high level overview of the proposed enhancements to be developed.

Table 3: Proposed System Enhancement Requirements

| Feature/Functionality | Requirement |
|-----------------------|---|
| Consolidation | <p>Need for front end functionality for exporting all transaction data, so that this can be undertaken by non-technical user staff.</p> <p>Automatic standard naming convention for export files so that the system can provide metrics reports to clearly identify which Reporting Entities have or have not reported and for which reporting periods.</p> <p>Front end functionality for importing transaction data, so that this can be undertaken by non-technical user staff. The imported data will be primarily used for consolidating subordinate Reporting Entity data at the higher levels, so Reports can be undertaken at any level of Reporting Entity. The system should also facilitate importing of data, to support transferring of data (transaction and master table) for potential future system upgrades.</p> <p>Consolidation will encompass both Budget Monitoring and Disbursement (Accounting) transactions, such that all consolidated, and combined Budget Monitoring and Accounting Reports can be produced directly from the system.</p> |
| Harmonised Interface | <p>Revise user interfaces so that they are fully user friendly and intuitive, and reflect a homogeneous look and feel for both Budget Monitoring and Accounting functionalities, menus, access, and navigation.</p> <p>General revamp the organisation of functionalities and general system navigation so that use of the system becomes more intuitive.</p> |

| Feature/Functionality | Requirement |
|--------------------------------------|---|
| | <p>Make greater use of menu bars and ribbon, as opposed to the switchboard.</p> |
| <p>Harmonised Master Tables</p> | <p>Incorporate harmonised tables for all 5 segments of the full revised UACS. Review levels of normalisation and balance normalisation against the practicalities for avoiding over-complexity for end users.</p> <p>Requirements from Budget Monitoring and Accounting should be built into common shared master tables, rather than using separate tables for similar types of data.</p> <p>Incorporate common harmonised tables for other master table data.</p> <p>Provide front-end functionality for Editing and Updating Master Table data, so that new items can be added or items can be edited by system end-users.</p> <p>Recommendations for revising the tables have been documented and will be discussed with the Contractor during the Design Phase.</p> |
| <p>Improved General Architecture</p> | <p>Realign the basic architecture around transactions and process flows rather than Report outputs. Significant redesign of the Budget Monitoring Transaction Tables (proposed design has been documented).</p> <p>Provide strong process linkage between the Obligation and the Disbursement, and provide on-screen information relating to the Obligation when processing the Disbursement, and prohibit Disbursements which do not relate to an Obligation already entered into the system.</p> <p>Strengthen the saving of transactions to the database with a formal posting and committing to the database, and only permitting posting of a transaction if it meets all the validation rules including double entry balancing and other data field cross validation rules (e.g. system should not just warn of unbalanced transactions but positively prohibits them)</p> <p>Balance normalisation of transaction and other tables generally against principles of keeping the system as simple and easy as possible for users and for support/maintenance.</p> <p>Assess the possibility of enhancing integrity and performance through use of balance tables in addition to transaction data tables.</p> <p>Improve the general database architecture, with integrity built into robust data table structures, as opposed to</p> |

| Feature/Functionality | Requirement |
|--------------------------|--|
| | <p>reporting and queries.</p> <p>Rationalise some of the existing data fields within tables through more effective use of other field values (e.g. single amount fields, rather than separate amount fields for different transaction sub-types - as documented).</p> <p>Denote Debit entries as "+" in the system and Credit Entries as "-" under a single amount field. This provides full double entry balancing in the actual database tables themselves rather than through reporting or queries.</p> <p>Provide for the Reporting Entity distinct from the Organisation Code, as DOs account on behalf of other Organisational Units. The reporting Entity will also be fundamental to consolidation, and oversight over all levels of operation within DepED.</p> |
| Stronger Robust Controls | <p>Provide facilities for reversing, rather than Editing Accounting Transactions, in accordance with best accounting principles (Corrections would then be made as new entries but the full audit trail of both transactions would be retained).</p> <p>For Budget Data, where data is edited, a mechanism for maintaining an audit trail over Edits should be incorporated into the system. (Old values could be archived to a separate table when an item is Edited.</p> <p>Strong System Access Controls are required and User ID (from log-in) should be recorded in the transaction tables against all Entries, Updates and Edits.</p> <p>Strong Audit Trails are required; current primary keys and audit trails have been documented and will need to be strengthened.</p> <p>System should enforce balancing of transactions and other validation rules, rather than prompt with a warning. Where relevant other value should be defaulted by the system where cross validation rules and data relationships dictate. Selection of values from drop down lists should be restricted where relevant.</p> <p>Time and data stamp should be captured against all transaction records. This information will also be useful for reporting on process (performance) metrics.</p> <p>The system should prompt for taking a back up upon selecting to exit.</p> |
| User Log-On | System should have easy to use Setup Functionality, |

| Feature/Functionality | Requirement |
|-------------------------------|--|
| | <p>where Users can be added from the front-end, Menu/ Functionality Access rights can be assigned from 5 or 6 standard Responsibility/Privileges Groups.</p> <p>Where a user doesn't have access rights to certain functionalities, this should be greyed out and unavailable for selection.</p> <p>Reporting Entity and User ID (and Location Code based on system logic and data relationships) should be auto-captured against all transactions from Log-On details rather than user entered.</p> |
| Multi-year capability | <p>The JEV numbering should be sequential and unique for each Entity, starting at zero for each new year. Invariably, transactions will need to be posted in the new year alongside closing transactions for the old year. The system will need to support this, with users selecting which Financial Year they are working on, and inbuilt logic ensuring in year unbroken sequence.</p> <p>When selecting the year and period, ideally the system should provide warning where the selection (compared to system date) appears to be in error.</p> <p>A system process for closing periods and financial years after reporting, will be designed.</p> <p>The system should automatically bring forward the brought forward balances.</p> |
| Multi-user capability | <p>The system should support multi-user functionality on small scale networks. None of the instances are likely to have in excess of 10 users, and the majority of Entities will have only a single user.</p> <p>The possibility of web-enabling the system will also be explored.</p> |
| Reporting, Export and Queries | <p>Queries and Reporting to Screen, Printer and File needs to be harmonised across the two sets of functionalities, and generally reorganised.</p> <p>Export will be viewed separately from Reporting to file, where the latter is formatted as a Report, whereas as the former is formatted as data (for purposes defined above).</p> <p>There are currently 27 standard monthly reports plus additional 9 Quarterly Budget and Financial Accountability Reports (BFARs), which will be required from the system.</p> <p>System should support other parameterised reports, where users can select the report parameters required.</p> |

5. Approach to Systems Development and Implementation

As the system is not being developed totally from scratch, it is anticipated that a prototype will be developed early on, to assist in gaining buy in with the DepED system developers and financial systems owners.

Where feasible, the system will be kept as simple as possible to avoid a system which is overly complex and therefore difficult to maintain.

The system will undergo full testing and acceptance.

The Contractor will provide mentoring to DepED developers, during the development of the system, to build skills for maintaining the systems after the completion of the contract.

System Training Materials will be produced and comprehensive Training of Trainers courses will be delivered to designated trainers in Central Office and Regional Office (DepED Trainers will then be responsible for rolling out training to the DOs and Implementing Unit Secondary Schools.

The system and its technical architecture must be fully documented so that DepED can take over the support, maintenance and future upgrading of the system.

6. Activities:

In performance of the following activities, the Contractor will be expected to work closely with the PFMP Consultant Team and DepED counterparts:

- (i) Undertake a scoping of the task for completing the above developments and agree the design requirements for the new version of a single database system (1 month);
- (ii) Using the existing systems as prototypes, design harmonised system user interfaces;
- (iii) Make recommendations and proposals for the design and architecture, including forms, tables, query structures, etc. to address the functional requirements highlighted above, as well as recommendations on systems security and data archiving;
- (iv) Build the new version of the single combined database reflecting the design and architecture proposals, etc. above;
- (v) Assess and develop capacity where required in DepED counterparts for undertaking system testing and support them during the testing processes;
- (vi) Develop training materials and facilitate Training of Trainers Courses for Central Office and the ROs, and provide on-site support to the initial implementation in Central Office;
- (vii) Provide a System Technical Manual, covering all aspects of the application architecture, structures and functionality; and
- (viii) Mentor and provide on the job training, imparting knowledge and skills to the DepED system developers, so that they can fully support and troubleshoot the system;

7. Outputs:

The Output Deliverables under this contract are shown in the table below: (Indicative timeframes, based on assumption of 1 individual):

Table 4: Output Deliverables For the Assignment

| | Output | Timing of Output |
|----|---|-------------------------|
| 1. | Scoping and Design Document | Month 3 |
| 2. | Upgraded System Developed | Month 6 |
| 3. | System Testing and Acceptance Report | Month 7 |
| 4. | System Fully Accepted | Month 8 |
| 5. | Training Materials and TOT courses to CO and ROs. | Month 9 - 12 |
| 6. | Technical Manuals Finalised and Accepted | Month 11 |

8. Qualifications of Firm and Proposed Staff

The Consulting Firm will provide either an individual or possibly two consultants to undertake the work, which is expected to equate to 12 person months' inputs. The Contracting firm is expected to be able to demonstrate a track record of developing systems, preferably in financial systems and using MS Access.

The Consulting Firm's technical staff to be assigned to this task must have the following qualifications and experience:

- (i) A Masters Degree in Information Systems Development, or related fields;
- (ii) A minimum of 5 years work experience in developing applications using MS Access and other development tools;
- (iii) Knowledge of financial management systems is essential;
- (iv) Knowledge of drafting technical documentation to support systems;
- (v) Able to work in a team environment and ability and willingness to pass on knowledge and skills, through effective coaching and mentoring;
- (vi) Fluency in English and Filipino is required.

9. Timing and Resource Inputs

The assignment is expected to be completed within 12 months, tentatively running from April 2015 to March 2016. Consultants may propose a shorter time frame, e.g. by applying additional developer staffing resources. It is envisaged that the task will require approximately 12 person months' inputs. However, the contract will be based on the successful delivery of the outputs in Table 4.

10. Reporting:

The Contractor will report through the DepED Adviser, (Strengthening the Financial Management System in DepED) to PFMP Team Leader.

PART G: DRAFT CONTRACT



**COFFEY INTERNATIONAL DEVELOPMENT PTY LTD
("COFFEY INTERNATIONAL DEVELOPMENT")**

- and -

THE CONTRACTOR

[full legal name]

SUBCONTRACTOR AGREEMENT

**MS Access Application Development Services
for the Department of Education**

Philippines Australia Public Financial Management Program (PFMP)

An Australian Government sponsored initiative

THIS AGREEMENT is made

2015

BETWEEN **COFFEY INTERNATIONAL DEVELOPMENT PTY LTD**
ACN 007 889 081 of 33 Richmond Road, Keswick Adelaide South Australia
5035 (“**COFFEY INTERNATIONAL DEVELOPMENT**”)

AND **THE PARTY DESCRIBED IN THE SCHEDULE AS THE CONTRACTOR**
 (“**Contractor**”)

RECITALS

- A. Coffey International Development carries on the business of a management consultant and international project manager.
- B. In the course of its business, Coffey International Development engages the specialist services of various consultants (as contractors) specifically in connection with the Project described in the Schedule.
- C. The Contractor carries on the business of a specialist consultant in the field specified in the Schedule.
- D. Coffey International Development engages the Contractor to provide the Services and the Contractor agrees to provide the Services on the terms of this Agreement.

THE PARTIES AGREE as follows:

1 Recitals

The recitals are true and form an operative part of this Agreement.

2 Interpretations and definitions

In this Agreement, unless required by the context or unless stated otherwise:

- 2.1 A reference to one gender includes the other genders; reference to a person includes an incorporated body or other association of persons or a governmental agency and vice versa; the singular includes the plural and vice versa.
- 2.2 Headings are for convenience of reference and will not affect the interpretation of this Agreement.
- 2.3 This Agreement is written in plain English as far as possible. Its terms are to be interpreted so as to give efficacy to the parties' agreement. No rule resolving a doubt as to interpretation against the party preparing this Agreement will apply. The specific provisions will not limit the interpretation of general provisions.
- 2.4 A reference to costs includes legal costs on a full indemnity basis.

- 2.5 In this Agreement where a word or phrase is given a particular meaning other parts of speech or grammatical forms of that word or phrase have corresponding meanings.
- 2.6 A reference to writing is to be construed as including a reference to any mode of representing or reproducing words, figures or symbols in a visible form.
- 2.7 This Agreement binds the parties' respective heirs, successors, legal personal representatives and assigns.
- 2.8 "Agreement" means this agreement and all schedules, annexures and other documents as may be incorporated by reference.
- 2.9 "Claim" means any claim, action, proceeding, demand, cost, damage, loss, expense or liability of any kind incurred or suffered by, or brought or made or recovered against, a person however arising (whether or not presently ascertained, immediate, future or contingent).
- 2.10 "Client" means the client to whom the Services are provided pursuant to the Head Contract.
- 2.11 "Code of Conduct" means Coffey's code of conduct for its employees and contractors from time to time, the current version of which is annexed to this Agreement.
- 2.12 "Commencement Date" means the date specified in the Schedule.
- 2.13 "End Date" means the date this Agreement will expire which date is specified in the Schedule or the date this Agreement is terminated pursuant to clause 17 or 29 whichever is earlier.
- 2.14 "Existing Material" means any material which is existing at the Commencement Date, or produced after the Commencement Date, independently of this Agreement, but which forms part of a deliverable under this Agreement.
- 2.15 "Head Contract" means the contract described in the Schedule under which Coffey International Development is required to provide services for which Coffey International Development engages the Contractor to provide the Services.
- 2.16 "Intellectual Property Rights" means any patent, copyright, trademark, tradename, design, trade secret, know how or other form of confidential information, or any right to registration of such rights and any other form of intellectual property right whether arising before or after the execution of this Agreement.
- 2.17 "Moral Rights" means any moral rights arising under the Copyright Act 1968 (Cth) and any other similar rights arising under any other law in Australia at any time.
- 2.18 "New Material" means all material produced or developed by or on behalf of the Contractor for Coffey International Development in the performance of the Services, in which subsists newly developed Intellectual Property Rights (but specifically excludes Existing Material).
- 2.19 "notice" means written notice. "notify" has a corresponding meaning.
- 2.20 "Services" means the services described in the Schedule.

2.21 “Term” means the term of this Agreement which commences on the Commencement Date and ends on the End Date.

3 Term

This Agreement commences on the Commencement Date and will continue until the End Date.

4 Services

4.1 Coffey International Development engages the Contractor to provide and the Contractor agrees to provide the Services on the terms of this Agreement.

4.2 The Contractor must perform its obligations under this Agreement (including the provision of the Services) in a professional and timely manner in accordance with this Agreement.

5 Service fee

5.1 As consideration for providing the Services, the Contractor’s service fees will be as set out in the Schedule.

5.2 The parties agree that the service fees shall be calculated, invoiced and paid in the manner set out in the Schedule.

6 Reimbursement of costs

Coffey International Development will only reimburse those expenses defined in the Schedule.

7 Contractor’s obligations

The Contractor warrants that:

7.1 it is able to perform its obligations under this Agreement and will throughout the Term perform its obligations (including providing the Services) in a competent and professional manner and in accordance with this Agreement;

7.2 it will carry out all its duties (including providing the Services) to a high professional standard and will show good faith towards Coffey International Development;

7.3 no conflict of interest exists or is likely to arise in the performance of its obligations under this Agreement;

7.4 it will not during the Term hold any other position or engage in any other work which may conflict with the Contractor’s duties under this Agreement;

7.5 it will not, during the Term, engage in any activity likely to compromise the ability of the Contractor to perform its obligations under this Agreement fairly and independently;

7.6 it will immediately disclose to Coffey International Development any activity which constitutes or may constitute a conflict of interest;

7.7 it will not in any way bring Coffey International Development into disrepute;

- 7.8 it will follow the principles, general methods and procedure from time to time stipulated by Coffey International Development including, without limitation, the Code of Conduct and observe all relevant professional and other standards and procedures;
- 7.9 the Services will be performed in full compliance with all applicable laws, rules, regulations and customs;
- 7.10 it will liaise with, and obtain all necessary consents, approval and authorisations necessary for the performance of the Services; and
- 7.11 it will inform Coffey International Development in writing as soon as practicable of any anticipated problems which may have a significant effect on the costs to Coffey International Development, the delivery of the Services or the Contractor's ability to perform its obligations under this Agreement.

8 Information provided

- 8.1 The Contractor warrants that all information given to Coffey International Development orally or in any response to tender, curriculum vitae, resume or any other document is accurate, is not in any way misleading and discloses all matters relating to the Contractor which should have been disclosed or which would or may affect Coffey International Development's decision to enter into this Agreement and to engage the Contractor and to approve the Contractor to provide the Services.

9 Indemnity

- 9.1 The Contractor indemnifies and will keep Coffey International Development indemnified from and against any direct loss (including damages, expenses and costs but excluding any loss of profits or consequential, special or indirect loss or damage) arising from any Claim suffered or incurred by Coffey International Development (including in respect of any loss of life, personal injury or disability, loss or damage to property) arising out of:
 - 9.1.1 any negligence or wrongful act or omission by the Contractor in connection with or incidental to this Agreement; or
 - 9.1.2 any breach of this Agreement by the Contractor.
- 9.2 The Contractor acknowledges that it is aware Coffey International Development may be liable under the Head Contract if the Contractor fails to provide the Services in accordance with this Agreement. Without limiting clause 9.1, the Contractor indemnifies Coffey International Development against all Claims it suffers or incurs under the Head Contract as a direct or indirect result of the Contractor failing to satisfy its obligations under this Agreement.

10 Contractor liabilities

- 10.1 The Contractor will be responsible for the payment of and indemnifies Coffey International Development in relation to the Contractor's employees' salaries and allowances, including all salaries, allowances and benefits which the Contractor is obliged to pay pursuant to the terms of this Agreement. The Contractor will also be responsible for holiday; sick leave and long service leave entitlement, payroll tax, fringe benefits tax, workers compensation payments, superannuation and other similar obligations and will make all necessary group taxation deductions.

11 Insurance

11.1 11.1 The Contractor is responsible of its own security and the security of its workers. The Contractor must arrange and maintain for the duration of this Agreement:

11.1.1 (where the Contractor is a Company) workers' compensation insurance or its equivalent in the country in which the Services are to be provided:

- (i) which fully insures the Contractor for any amount it becomes liable to pay under any statute relating to workers' or accident compensation or for employer's liability at common or court-determined law; and for medical and emergency evacuation; and
- (ii) which, where possible at law extends to indemnify Coffey International Development as principal for Coffey International Development's liability to persons engaged by the Contractor.

11.1.2 (where the Contractor is an individual) personal, accident and travel insurance at a commercially prudent level;

11.1.3 all other commercially prudent insurances for the activities to be undertaken as part of the Services.

11.2 The Contractor must, within 14 days after a request by Coffey International Development, provide for any insurance policy required to be taken out and maintained under this Agreement: a certificate of currency, a list of exclusions; and the amount of excess payable.

11.3 Neither the effecting of insurance nor any failure to effect such insurance shall in any way limit, reduce or otherwise affect any of the obligations, responsibilities and liabilities of the Contractor under the other provisions of this Agreement or at law.

11.4 During the Term, the Contractor must notify Coffey International Development prior to lapse of cancellation of the policies detailed above.

12 Intellectual property

12.1 All Intellectual Property Rights in all New Materials will vest absolutely in Coffey International Development.

12.2 The Contractor grants an irrevocable, non-exclusive, royalty-free, perpetual licence to Coffey International Development and the Client to use, reproduce and copy the Existing Material for any purpose related to the interest of Coffey International Development and the Client in the Project.

12.3 The Contractor warrants that in providing the Services it is not infringing and will not infringe the Intellectual Property Rights or Moral Rights of any person.

12.4 Without limiting any other indemnity given under this Agreement, the Contractor indemnifies and will keep Coffey International Development indemnified against all Claims arising out of or in connection with any claim that the performance of the Services by the Contractor, its employees its agents or contractors infringes the Intellectual Property Rights or Moral Rights of any person.

- 12.5 The Contractor will disclose all Intellectual Property Rights arising out of or in connection with the provision of the Services to Coffey International Development and will promptly do all such acts and things and sign all such documents as Coffey International Development requires to give effect to this clause 12 including to vest such Intellectual Property Rights in all New Materials to Coffey International Development.
- 12.6 If requested by Coffey International Development, the Contractor must use best endeavours to obtain consents from all authors and holders of Moral Rights in the form required by Coffey International Development.

13 Confidentiality

13.1 In this clause:

13.1.1 “**Confidential Information**” means information disclosed by, or on behalf of, a party to this Agreement that:

- (a) is by its nature confidential or by the circumstances in which it is disclosed is confidential; or
- (b) is designated by the disclosing party as confidential or identified in terms connoting its confidentiality,

but does not include information which is or becomes public knowledge other than by a breach of this Agreement or information which is included in this Agreement;

13.2 Subject to this Agreement, a party (“receiving party”) to whom Confidential Information is disclosed by another party (“disclosing party”) must not disclose Confidential Information to any person without first obtaining the disclosing party’s written consent.

13.3 There will be no breach of the obligations of the receiving party under this Agreement if the Confidential Information is legally required to be disclosed or permitted to be disclosed by this Agreement.

13.4 The receiving party may disclose Confidential Information to its employees, advisors, agents and sub-contractors (“Authorised Persons”) if:

13.4.1 the Authorised Person needs to know the Confidential Information for the performance of duties under this Agreement;

13.4.2 the receiving party makes the Authorised Person aware of the confidential nature of the Confidential Information; and

13.4.3 the receiving party requires the Authorised Person to treat the information confidentially.

13.5 Notwithstanding anything else in this Agreement, it is a condition to any permitted disclosure that the receiving party must notify the disclosing party promptly if the receiving party becomes aware of any unauthorised disclosure by a third party. The receiving party must give the disclosing party all assistance reasonably required by

that party in connection with any proceedings which it may institute against any person for the disclosure.

- 13.6 As at the End Date, the Contractor must promptly at its own cost, deliver or cause to be delivered to Coffey International Development, all records of whatsoever nature or description which contain Confidential Information of Coffey International Development in its possession or under its control which relate to the Service or in the possession or control of any of its employees or sub-contractors, which relate to the Services other than records it is required by law to retain.

14 Assignment

- 14.1 The Contractor must not assign, subcontract or otherwise transfer any of its rights or obligations pursuant to this Agreement without the prior written consent of Coffey International Development which Coffey International Development may withhold in its absolute discretion and without having to give reasons for its decision. A change in the effective control of the Contractor will be an assignment for the purposes of this clause 14.
- 14.2 The Contractor acknowledges that the Client may issue a notice under the Head Contract requiring this Agreement be novated to the Client or any other party nominated by the Client and the Contractor agrees to execute and deliver to the Client in a timely manner any documents required by the Client to give effect to this clause and any novation.

15 Taxes

All taxes, duties, levies, imposts and charges imposed or levies in Australia or overseas in connection with the performance of this Agreement will be borne by the Contractor.

16 GST/VAT

- 16.1 All amounts payable under this Agreement are exclusive of GST/VAT. PFMP holds a VAT exemption which provides that all supplies, motor vehicles, professional and technical materials and services provided for or procured for the implementation of the activities under PFMP are subject to zero rate for purposes of VAT.

17 Termination

- 17.1 Coffey International Development may terminate this Agreement immediately by notice to the Contractor if:
- 17.1.1 the Services provided by the Contractor are in the reasonable opinion of Coffey International Development unsatisfactory and the Contractor fails to remedy the default within 7 days of receiving notice specifying which Services are unsatisfactory and requiring the Contractor to remedy such default;
- 17.1.2 the Contractor commits a serious breach of any term of this Agreement such as would reasonably justify immediate termination of this Agreement by Coffey International Development;

- 17.1.3 the Contractor commits a breach of any term of this Agreement (other than breaches referred to in clause 17.1.2) and fails to rectify the breach within 14 days of receiving notice of the breach;
 - 17.1.4 Coffey International Development reasonably determines that the Contractor has brought Coffey International Development into disrepute;
 - 17.1.5 the Contractor is guilty of any misconduct in relation to the affairs of Coffey International Development or which may be damaging to Coffey International Development's business or reputation;
 - 17.1.6 the Head Contract in relation to which the Contractor has been engaged to provide the Services is terminated, amended or suspended such that the Services are not required (whether or not due to Coffey International Development's default); or
 - 17.1.7 a party to the Head Contract (other than Coffey International Development) requires the Contractor to cease providing the Services (whether or not due to Coffey International Development's default), or
 - 17.1.8 the Contractor is placed into bankruptcy, liquidation, has an administrator or a receiver or manager appointed or a mortgagee takes possession of any substantial asset(s) of the Contractor or if the Contractor permanently ceases to carry on its existing business.
- 17.2 If this Agreement is terminated by Coffey International Development pursuant to clause 17.1, the Contractor will not be entitled to any compensation or damages in consequence of such termination including any money in lieu of notice (if applicable) provided however that if this Agreement is terminated by Coffey International Development pursuant to clause 17.1.6 where the Head Contract is terminated, amended or suspended as a result of default on the part of Coffey International Development, clauses 29.2 and 29.3 shall apply.
- 17.3 Termination of this Agreement by Coffey International Development will not prejudice any other rights or remedies which Coffey International Development has against the Contractor.
- 17.4 Without limiting clause 17.1, either party may terminate this Agreement at any time by giving the other party not less than 30 days notice.

18 Force Majeure

- 18.1 A party will not be liable for its inability to perform its obligations under this Agreement as a result of an act of God, national emergency, war, prohibitive governmental regulations, labour dispute or any other cause beyond that party's reasonable control. If such a force majeure event occurs, the party suffering it will notify the other party of the occurrence and expected duration of that event. The party suffering the force majeure event must use all reasonable endeavours to obviate that force majeure occurrence.
- 18.2 If a force majeure event renders performance of this Agreement impossible for a continuous period of at least 3 calendar months, either party may by notice to the other, terminate this Agreement.

19 Governing law

This Agreement is to be construed according to South Australian laws and the parties submit themselves to the exclusive jurisdiction of the Courts of South Australia and any competent appellate courts.

20 Amendment

This Agreement may be varied by agreement between the parties. All such variations shall be in writing signed by the parties.

21 Entire agreement

This Agreement contains the entire agreement between the parties in respect of the subject matter of this Agreement. This Agreement supersedes any prior agreement or understanding (if any) between the parties and there is no collateral or other form of agreement between the parties in relation to the subject matter of this Agreement.

22 Set off

Coffey International Development may set-off against any amount owing by the Contractor to Coffey International Development any amount due for payment by Coffey International Development to the Contractor.

23 Survival of Provisions

The covenants, conditions and provisions of this Agreement which are capable of having effect after the expiry or termination of the Agreement shall remain in full force and effect notwithstanding the expiry or termination of the Agreement. Without limiting the foregoing, clauses 5, 6, 7, 8, 9, 10, 12, 13, 15, 17, 19, 22, 31, 34 and 35 will survive the End Date.

24 Notices

24.1 Any notice to be given by one party to the other must be signed by the party giving the notice or by one of its officers or its duly authorised lawyer or agent and must be hand delivered or sent by prepaid post or sent by facsimile or electronic mail to the address, facsimile number or electronic mail address (as the case may be) shown at the commencement of this Agreement (or any other address, facsimile number or electronic mail address that a party may notify to the other) and will be deemed sufficiently given:

24.2 in the case of hand delivery, on the date of delivery; or

24.3 in the case of prepaid post, 2 business days after being sent by prepaid post; or

24.3.1 in the case of facsimile, on receipt by the sender of a successful transmission answerback; or

24.4.1 in the case of electronic mail, on day of transmission provided that the sender can give evidence of transmission and the intended recipient does not give evidence of non-receipt.

25 Waiver

- 25.1 The failure by one party to insist upon strict performance by the other party of any of the terms of this Agreement will not be deemed a waiver of any term or of a breach by the other party of any term of this Agreement.
- 25.2 A waiver of any term of this Agreement by a party must be in writing executed by that party or one of its duly authorised officers or lawyers.

26 Severability

Every provision of this Agreement will be deemed severable as far as possible from the other provisions of this Agreement. If any provision is found to be void, illegal or unenforceable for any reason, it will be deemed to be severed and omitted from this Agreement. This Agreement with the offending provision severed and omitted and with any consequential amendment if necessary will otherwise remain in full force.

27 Special conditions

The Special Conditions (if any) set out in the Schedule form an operative part of this Agreement. The Special Conditions shall prevail in the event of any inconsistency between the Special Conditions and any other provision of this Agreement.

28 Costs

The parties will pay their own costs of the negotiation, preparation and execution of this Agreement. Any stamp duty, tax or other impost payable in respect of this Agreement will be borne by the Contractor. A party that breaches this Agreement will pay all costs, damages or losses incurred by the other party in consequence of that breach (but without limit to any other rights or remedies which the party not in breach may have as a result of that breach).

29 Termination for Convenience

- 29.1 In addition to any other rights it has under this Agreement, Coffey International Development may terminate or postpone operation of this Agreement at any time, in whole or in part, by notifying the Contractor in writing that this Agreement, or a part of this Agreement, is terminated or postponed (as the case may be) from the date specified in the notice (which date must not be a date earlier than the date on which the notice is received by the Contractor), and, in that event, Coffey International Development may give to the Contractor such directions as it thinks fit in relation to subsequent performance of this Agreement.
- 29.2 The Contractor must comply with any such directions given and must do everything possible to mitigate any losses arising in consequence of termination or postponement (as the case may be) of this Agreement under this clause.
- 29.3 Coffey International Development must pay the Contractor for any:
- 29.3.1 services performed, as payable under Service Fees in the Schedule, prior to the termination, on a pro rata basis; and
 - 29.3.2 costs that are reasonably and properly incurred by the Contractor in connection with this Agreement to the extent to which those costs are unavoidable as a direct consequence of the termination or partial

termination or postponement or partial postponement of this Agreement in accordance with this clause. Any cost must be substantiated to Coffey International Development and must not include loss of profits or any other form of expectation loss,

- 29.4 Coffey International Development shall not have any liability under this clause to pay any amounts in excess of what it is entitled to recover under the Head Contract in relation to its termination of this Agreement as a result of the termination of the Head Contract.

30 Resolution of Disputes

- 30.1 The parties undertake to use all reasonable efforts in good faith to resolve any disputes, which arise between them in connection with this Agreement. Subject to clause 4.4 of the Schedule and unless otherwise agreed by the parties, the parties shall at all times during the dispute proceed to fulfil their obligations under this Agreement.
- 30.2 A party may give the other party a notice of dispute ("**dispute notice**") in connection with this Agreement. Following the giving of a dispute notice, the dispute must be referred to a senior officer of Coffey International Development and a senior officer of the Contractor, who must use reasonable endeavours to resolve the dispute within 20 business days or such other period as is agreed by the parties.
- 30.3 If the parties have not been able to resolve the dispute in accordance with clause 30.2 above, then the parties may agree on a process for resolving the dispute through means other than litigation or arbitration, including by mediation or conciliation.
- 30.4 In the event that the dispute, controversy or claim has not been resolved within 50 business days (or such other period as agreed between the parties in writing) after the parties have attempted to agree on a process, or the appointment of the mediator or conciliator, then either party is entitled to treat the mediation process as terminated and may, if it wishes, commence legal proceedings.
- 30.5 Nothing in this clause prevents either party from seeking urgent injunctive relief.

31 Accounts and Records

- 31.1 The Contractor shall:
- 31.1.1 at all times maintain full, true, separate and up-to-date accounts and records in relation to the Services and the Service Fees. Such accounts and records must:
- (a) record all receipts and expenses in relation to the Services, including those involving foreign exchange transactions;
 - (b) be kept in a manner that permits them to be conveniently and properly audited;
 - (c) enable the extraction of all information relevant to this Agreement;

- (d) provide the accounts and records for inspection by Coffey International Development immediately upon the request of Coffey International Development;
 - (e) retain the accounts and records for the Term and for a period of 7 years from the End Date.
- 31.1.2 provide to Coffey International Development a statement of expenditure in relation to the Services on a 6 monthly basis and must indicate:
- (a) total expenditure in relation to the Services to date;
 - (b) disaggregated expenditure in relation to the Services to date identifying all categories of expenditure including Fixed Management Fee component, the Fixed Costs component and the Reimbursable Costs component;
 - (c) total expenditure in relation to the Services for the period of 9 months; and
 - (d) forward expenditure and expenses by category for the period of 9 months.

32 Audits

- 32.1 Where Coffey International Development has reasonable concerns regarding the Contractor's financial management systems Coffey International Development must provide the Contractor with written notification of those concerns and what action is required of the Contractor. This may include:
- (a) that a director or senior officer of the Contractor must provide a statutory declaration confirming that they have sighted the necessary supporting documentation and confirm the veracity of the claim for payment;
 - (b) providing Coffey International Development with additional documentation to support the claim for payment; or
 - (c) a direction that the Contractor engage an independent, suitable organisation to undertake an audit of those financial management systems, including invoicing procedures and practices.
- 32.2 The Contractor must respond to any notice received under clause 32.1 above within 14 days.
- 32.3 Where the Contractor does not respond within 14 days, or the response does not alleviate Coffey International Development's concern, Coffey International Development reserves the right, if it has not already done so, to direct the Contractor to provide Coffey International Development with certification from an independent auditor as described in clause 32.1(c) above.
- 32.3 If Coffey International Development directs the Contractor to undertake an independent audit under this clause:

- (a) the terms of reference must be agreed in writing by Coffey International Development;
- (b) the audit must be undertaken according to the standards of the professional body relevant to the particular audit and those standards must be detailed in the terms of reference;
- (c) the Contractor will bear the total cost of the audit; and
- (d) Coffey International Development will not make any further payments owed to the Contractor pending certification of the reliability of the Contractor's financial management systems and the veracity of the invoicing procedures and practices.

33 Compliance with Laws

The Contractor must comply with relevant and applicable laws, regulations and development policies, including AusAID's Child protection policy and child protection compliance standards both in Australia and any other country in which the Services are to be provided.

34 Access to Contractor's Premises and Records

- 34.1 The Contractor must grant Coffey International Development and/or its nominees (including AusAID, the Auditor-General or the Privacy Commissioner or their delegates), access to the Contractor's premises, records, accounts and other financial material or material relevant to the Services, however and wherever stored, in the Contractor's custody, possession or control, for inspection and copying
- 34.2 Such access must be available to Coffey International Development and its nominees:
- (a) during the hours of 9 am and 5 pm on a business day;
 - (b) except in the case of a breach of this Agreement, subject to reasonable prior notice; and
 - (c) at no additional charge to Coffey International Development.
- 34.3 In the case of documents or records stored on a medium other than in writing, the Contractor must make available on request such reasonable facilities as may be necessary to enable a legible reproduction to be created at no additional cost to Coffey International Development.
- 34.4 This clause applies for the term of this Agreement and for a period of seven (7) years from the date of its expiration or termination.

35 Privacy

- 35.1 This clause applies only where the Contractor deals with Personal Information when, and for the purpose of, providing the Services
- 35.2 In this clause, the terms 'agency', 'Information Privacy Principles' (IPPs), and 'National' Privacy Principles' (NPPs) have the same meaning as they have in section 6 of the Privacy Act 1988 and "Personal Information" means information or

an opinion forming part of a database), whether true or not and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion, as set out in section 6 of the Privacy Act 1988 (Cth).

- 35.3 The Contractor acknowledges that it is a 'contracted service provider' within the meaning of section 6 of the Privacy Act 1988 (the Privacy Act), and agrees in respect of the provision of the Services:
- (a) to use or disclose Personal Information obtained during the course of providing the Services, only for the purposes of this Agreement;
 - (b) not to do any act or engage in any practice that would breach an IPP contained in section 14 of the Privacy Act, which if done or engaged in by an agency, would be a breach of that IPP;
 - (c) to carry out and discharge the obligations contained in the IPPs as if it were an agency under that Act;
 - (d) to notify individuals whose Personal Information the Contractor holds, that complaints about acts or practices of the Contractor may be investigated by the Privacy Commissioner who has power to award compensation against the Contractor in appropriate circumstances;
 - (e) not to use or disclose Personal Information or engage in an act or practice that would breach section 16F of the Privacy Act (direct marketing), a NPP (particularly NPPs 7 to 10) where that section or NPP is applicable to the Contractor, unless:
 - (i) in the case of section 16F – the use or disclosure is necessary, directly or indirectly, to discharge an obligation under this Agreement; or
 - (ii) in the case of a NPP – where the activity or practice is engaged in for the purpose of discharging, directly or indirectly, an obligation under this Agreement, and the activity or practice which is authorized by this Agreement is inconsistent with the NPP;
 - (f) to disclose in writing to any person who asks, the content of the provisions of this Agreement (if any) that are inconsistent with a NPP binding a party to this Agreement;
 - (g) to immediately notify Coffey International Development if the Contractor becomes aware of a breach or possible breach of any of the obligations contained in, or referred to in, this clause, whether by the Contractor or any subcontractor;
 - (h) not to transfer such information outside Australia, or to allow parties outside Australia to have access to it, without the prior approval of Coffey International Development; and
 - (i) to ensure that any employee of the Contractor who is required to deal with Personal Information for the purposes of this Agreement is made aware of the obligations of the Contractor set out in this clause.

35.4 The Contractor agrees to indemnify Coffey International Development in respect of any loss, liability or expense suffered or incurred by Coffey International Development which arises directly or indirectly from a breach of any of the obligations of the Contractor under this clause

35.5 This clause shall survive expiration or termination of this Agreement

36 Anti-corruption

The Contractor warrants that the Contractor shall not make or cause to be made, nor shall the Contractor receive or seek to receive, any offer, gift or payment, consideration or benefit of any kind, which would or could be construed as an illegal or corrupt practice, either directly or indirectly to any party, as an inducement or reward in relation to the execution of this Agreement. Any such practice shall be grounds for immediate termination of this Agreement under clause 17 by notice from Coffey International Development.

37 Independent Contractor Relationship

The Contractor agrees to perform the Services under this Agreement solely as an independent contractor and further agrees that this Agreement does not create any actual or apparent agency, partnership, franchise, or relationship of employer and employee between the parties. The Contractor is not authorised to enter into or commit Coffey International Development to any agreements, and the Contractor shall not represent itself as the agent or legal representative of the Coffey International Development.

SIGNED by the parties as an agreement.

EXECUTED by **COFFEY INTERNATIONAL**)
DEVELOPMENT PTY LTD by its duly)
authorised representative in the presence of:)
Signature

.....
.....Witness

.....
Witness Full Name

SIGNED for and on behalf of **THE**)
CONTRACTOR by its duly authorised)
representative in the presence of:)
Signature)

.....
Witness

.....
Witness Full Name

ANNEXURE A – THE SCHEDULE

CONTRACTOR

(to be provided)

CONTACT DETAILS

(to be provided)

PROJECT (Recital B)

MS Access Application Development Services for the Department of Education

CONTRACTOR'S EXPERTISE (Recital C)

(to be provided)

QUALIFIED PERSONS

(to be provided)

COMMENCEMENT DATE (clause 2.9)

(to be provided)

END DATE (clause 2.133)

(to be provided)

HEAD CONTRACT (clause 2.155)

DFAT Contract – Philippines Australia Public Financial Management Program (PFMP)

SERVICES (clause 4)

As detailed in the TOR attached

SERVICE FEES (clause 5)

1. Total Amount

- 1.1 The total amount payable by Coffey to the Contractor for the provision of the Services shall not exceed the sum of AUD **xxxx** plus GST, if applicable, to a maximum of AUD **xxx** [no more than 10% of the total amount]. The total amount should, however, be exclusive of VAT. PFMP holds a VAT exemption which provides that all supplies, motor vehicles, professional and technical materials and services provided for or procured for the implementation of the activities under PFMP are subject to zero rate for purposes of VAT.
- 1.2 Coffey shall not be liable for any costs or expenditure incurred by the Contractor in excess of this amount, unless previously approved by Coffey via a written contract variation.

2. Payments

- 2.1 The Service Fees will be paid following the schedule below:

| Ref No | Percentage | Milestone Reports | Indicative Date |
|--------|------------|--|-----------------|
| 0 | 20% | Contract Signed & Mobilisation of Expert/s | Month 0 |
| 1 | 10% | Acceptance of the Scoping and Design Document by PFMP & DepEd | Month 3 |
| 2 | 10% | Acceptance of the Report on Prototype Development by PFMP & DepED | Month 5 |
| 3 | 20% | Acceptance of the System Testing and Acceptance Report by PFMP & DepED | Month 7 |
| 4 | 20% | Acceptance of the Training Report that includes (i) Completion of training to CO and ROs and (ii) Training Course Design & Materials by PFMP & DepED | Month 10 |
| 5 | 10% | Acceptance of the System Technical Manuals by PFMP & DepED | Month 11 |
| 6 | 10% | Acceptance of the Project Completion Report by PFMP & DepED | Month 12 |

2.2 **Reporting requirements.** In addition to the above-mentioned subcontracted milestone reports, the successful tenderer is also expected to submit exception reports to cover key issues that require immediate attention. Exception Reports shall be submitted, as the issues arise, to the DepED FMS Adviser and PFMP Team Leader for consideration Coffey may withhold a payment under this Clause until the report or other deliverable is submitted to Coffey in accordance with this Contract.

3. Claims for Payment.

3.1 Payment shall be based on receipt of an invoice and confirmation of acceptance of milestones outlined under item 2.1 by Coffey through the PFMP Program Manager.

3.2 Payments will be made within thirty (30) days and will be subjected to deductions mandated by the law to withhold.

3.3 The Contractor's claims for payment must be submitted when due pursuant to this Schedule in a form identifiable with the Services.

3.4 All claims for payment must include a certification by a duly authorize representative of the Contractor:

- (a) that the invoice has been correctly calculated;
- (b) that the Services included in it have been performed in accordance with this Agreement.

3.5 All claims for payment must be made to:

Ms Virgie Ongkiko,
PFMP Program Manager
"MS Access Application Development Services for the Department of Education"
Coffey International Development
Third Floor, JMT Building, ADB Avenue, Ortigas Centre, Pasig City 1605, PHILIPPINES
T (+63) (2) 638-9686 or F (+63) (2) 637-3517
Virgie_Ongkiko@pfmp.org.ph

3.6 The above service fee will be used as the basis of determining additional remuneration for any services in addition to those required under this Agreement.

3.7 Coffey will not pay an amount that is disputed in good faith until the dispute is resolved.

4. Special Conditions (clause 27)

All duties, taxes, and other levies payable by the Contractor under this Agreement, or for any other cause, shall be included in the Total Amount referred to Services Fees above. However, since goods and services provided for or procured for the implementation of activities under the PFMP are VAT zero-rated, output VAT shall be excluded in the derivation of unit prices and Total Amount.

ANNEXURE B – CODE OF CONDUCT

COFFEY INTERNATIONAL DEVELOPMENT: CODE OF CONDUCT

PURPOSE

The purpose of a Code of Conduct is to provide a framework for decisions and actions in relation to conduct in employment. It underpins our commitment to a duty of care to all Employees, stakeholders and clients receiving our services. The document explains the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behaviour expected from Employees.

SCOPE

This policy applies to all Employees of Coffey International Development and all of its subsidiaries and related entities.

This policy applies in respect of conduct which relates to or is connected with, in any way, work with a Coffey company, or in connection with a Coffey Group Company provided benefit. This includes, but is not limited to, Employee who are:

- (a) on Company Premises;
- (b) while on duty in any place where Employee of any Coffey company are working;
- (c) representing a Coffey company;
- (d) at a work function organised by a Coffey company; or
- (e) travelling for business related purposes.

REFERENCES

Nil

DEFINITIONS

“Company Premises” means any place or thing used by any Coffey company in the course of conducting its business, (whether or not owned by or within the exclusive control of a Coffey company) including, but not limited to:

- (a) vehicles;
- (b) offices;
- (c) car parks;
- (d) client worksites;
- (e) demountables;
- (f) workshops;
- (g) warehouses; and
- (h) kitchens;

“Employees” means Employees as well as other non-Employees (such as independent and subcontractors) who perform work for a Coffey Group Company.

RESPONSIBILITIES

Managers and Supervisors

Managers and supervisors are responsible and accountable for:

- Undertaking their duties and behaving in a manner that is consistent with the provisions of Code of Conduct;
- The effective implementation, promotion and support of the Code of Conduct in their areas of responsibility.
- Ensuring Employee under their control understand and follow the provisions outlined in the Code of Conduct.

Employees

All Employee are responsible for:

- Undertaking their duties in a manner that is consistent with the provisions of the Code of Conduct;
- Reporting suspected corrupt conduct; and
- Reporting any departure from the Code of Conduct by themselves or others.

PROCEDURES

Overview

Coffey International is a complex organisation, which involves a diversity of relationships. These relationships may be defined by differences in power, status, cultural diversity, organisational structures, contracting relationships, differing country laws, labour laws, international relationships and or national governments. It is essential in such a community that all Employee recognise and respect not only their own rights and responsibilities but also the rights and responsibilities of other members of the community and those of Coffey.

Coffey also recognises that many of their professional Employee are also bound by codes of conduct or ethics defined by learned or professional societies or groups. It is recognised that these codes are not always in harmony. It is an obligation of an Employee member to weigh the importance of these codes in each particular set of circumstances and notify an appropriate officer of Coffey where such conflict may arise.

Personal and Professional Behaviour

You should not behave in a way which has the intent or effect of offending or embarrassing other Employee or the public in a manner contrary to legislative requirements.

When carrying out your duties, you will:

- Obey any lawful direction from a person who has the authority to give the direction. If you have a dispute about carrying out a direction you may appeal to your senior Manager;
- Behave honestly and with integrity. You will avoid behaviour that could suggest that you are not following these principles. This will include a duty to report other Employee who are behaving dishonestly;
- Make sure that you carry out your work efficiently, economically and effectively as you are able and that the standard of your work reflects favourably on yourself and the company;
- Follow the policies of the company in all aspects of work to achieve outcomes that are socially responsible and sustainable.
- Treat Employee, clients and stakeholders with respect.
- Maintain individuals' rights to privacy and undertake to keep personal information in confidence.
- Do not use, possess or distribute pornographic or offensive materials.
- Comply with all national and international laws.
- When representing the Company in public forums:

Employee at all levels represent the Company in the course of their employment including when travelling on Company business, attending functions on behalf of the Company or internal Company meetings, conferences, training programs, seminars or any other function.

Your behaviour in all these circumstances reflects on the Company and its image. As such, you should act in an appropriate business-like manner that will in no way harm the image of the Company or infringe any other Company policy including the Discrimination Free Workplace Policy.

Where any Company function or meeting is held that involves the availability of alcohol, steps should be taken to ensure that it is not abused. You should be aware that being work-related, behaviour in those situations can be subject to disciplinary procedures.

Conflict of Interest

Potential for conflict of interest arise when it is likely that you could be influenced, or it could be perceived that you are influenced by a personal interest when carrying out your duties. Conflicts of interest that lead to biased decision making may constitute corrupt conduct.

Some situations that may give rise to a conflict of interest include situations where you have:

- Financial interests in a matter the company deals with or you are aware that your friends or relatives have a financial interest in the matter;
- Directorships/Management of outside organisations;
- Membership of Boards of outside organisations;
- Personal relationships with the people the company is dealing with which go beyond the level of a professional working relationship;

- Secondary employment, business, commercial, or other activities outside of the workplace which impacts on clients and/or Employee of the company;
- Involvement in party political activities; and
- Access to information that can be used for personal gain.

You may often be the only person aware of potential for conflict. Therefore it is your responsibility to avoid any financial or other interest that could compromise your ability to perform your duties impartially. It is also your responsibility to report any potential or actual conflicts of interest to your manager.

If you are uncertain whether a conflict exists, you should discuss that matter with your manager and attempt to resolve any conflicts that may exist.

You must not submit or accept any bribe, or other improper inducement. Any advances of this nature are to be reported to senior management. If you are dealing with, or having access to, sensitive information, you should be particularly alert to inappropriate attempts to influence you.

Outside employment/Other external business activities

If you work full time for the company and you wish to engage in paid employment/other business activities (including participation in family company) outside your official duties you are required to seek the approval of your manager and Human Resources. The approval should not be unreasonably withheld. However if there is any real or potential conflict of interest the duties of your position with the company must come first.

If you work for the company on a part time or casual basis, you are required to advise your manager and Human Resources of any real or potential conflict of interest between your employment for the company and any other employment.

The company can request the details of any other employment in the event of allegations of conflict of interest.

Public Comment

Individuals have a right to give their opinions on political and social issues in their private capacity as members of the community.

Employees must not make official comment on matters relating to the company unless they are:

- authorised to do so by the Managing Director and CEO; or
- giving evidence in court; or
- otherwise authorised or required to by law.

Employees cannot release the contents of unpublished or privileged knowledge unless they have the authority to do so.

Use of Company Resources

Employee must ensure responsible management and security in the use of Coffey resources and any resources managed by them for or on behalf of others.

Requests to use company resources outside core business time should be referred to management (or person authorised to handle such matters), for approval.

If Employee are authorised to use company resources outside core business times they must take responsibility for maintaining, replacing, and safeguarding the property and following any special directions or conditions which apply. Company resources can include equipment, typing facilities, photocopiers, computers, tools, motor vehicles etc.

Employee using company resources **without** obtaining prior approval could face disciplinary and/or criminal action. Company resources are not to be used for any private commercial purposes (eg. for 'profit' purposes) under any circumstances.

Security of Information

Employees are to make sure that confidential and sensitive information in any form (eg documents, computers files) cannot be accessed by unauthorised persons. Sensitive material should be securely stored overnight or when unattended.

Employee must ensure that confidential information is only discussed with people who are authorised to have access to it. It is considered a serious area of misconduct to deliberately release confidential documents or information to unauthorised persons, and may incur disciplinary action.

Intellectual Property/Copyright

The term 'intellectual property' includes the rights relating to scientific discoveries, industrial designs, trademarks, service marks, commercial names and designations, and inventions.

Coffey is the owner of intellectual property created by Employee in the course of employment unless a specific prior agreement has been made. Employee must clarify the intellectual property position before making any use of that property.

Discrimination, Harassment and Workplace Bullying

Employees must not harass, discriminate, or support others who harass and discriminate against colleagues or members of the public on the grounds of sex, pregnancy, marital status, age, race (including their colour, nationality, descent, ethnic or religious background), physical or intellectual impairment, homosexuality or transgender. Employee also must not participate in any form of workplace bullying or support others who do so.

Any employee who uses any of Coffey's resources to perpetrate harassment or domestic violence (eg use of work phones, use of cars, use of workspaces etc.) will be subjected to disciplinary processes, which may include termination of their employment.

Managers must make sure that the workplace is free from all forms of harassment, unlawful discrimination and workplace bullying. They should understand and apply the principles of Equal Employment Opportunity and ensure that the Employee they supervise are informed of these principles and are made aware of the Grievance Handling procedures.

In addition, Coffey does not condone any form of domestic violence and is committed to ensuring the Employees are provided with information, training and support on how to effectively address domestic violence.

Child Protection

For the purposes of this Code of Conduct, a child is any person under the age of 18 years.

The onus is on all Employees to use common sense and avoid actions or behaviours that could be construed as child exploitation and abuse when working for Coffey.

When carrying out your duties, you will:

- treat children with respect regardless of race, colour, gender, language, religion, political or other opinion, national, ethnic or social origin, property, disability, birth or other status;
- not use language or behaviour towards children that is inappropriate, harassing, abusive, sexually provocative, demeaning or culturally inappropriate;
- not engage children under the age of 18 in any form of sexual intercourse or sexual activity, including paying for sexual services or acts; wherever possible, ensure that another adult is present when working in the proximity of children;
- not invite unaccompanied children into your home, unless they are at immediate risk of injury or in physical danger;
- not sleep close to unsupervised children unless absolutely necessary, in which case you will obtain your supervisor's permission, and ensure that another adult is present if possible;
- use any computers, mobile phones, video cameras, cameras or social media appropriately, and never to exploit or harass children or to access child exploitation material through any medium
- not use physical punishment on children
- not hire children for domestic or other labour which is inappropriate given their age or developmental stage, which interferes with their time available for education and recreational activities, or which places them at significant risk of injury;
- comply with all relevant Australian and local legislation, including labour laws in relation to child labour;
- immediately report concerns or allegations of child exploitation and abuse and policy noncompliance in accordance with appropriate procedures; and
- immediately disclose all charges, convictions and other outcomes of an offence, which occurred before or occurs during my association with DFAT that relate to child exploitation and abuse.

When photographing or filming a child or using children's images for work related purposes, you will:

- assess and endeavour to comply with local traditions or restrictions for reproducing personal images before photographing or filming a child;
- obtain informed consent from the child and parent or guardian of the child before photographing or filming a child and in doing so, you must explain how the photograph or film will be used;
- ensure photographs, films, videos and DVDs present children in a dignified and respectful manner and not in a vulnerable or submissive manner. Children should be adequately clothed and not in poses that could be seen as sexually suggestive;
- ensure images are honest representations of the context and the facts; and
- ensure file labels, meta data or text descriptions do not reveal identifying information about a child when sending images electronically or publishing images in any form.

Breaches of this child protection code of conduct may result in disciplinary and/or criminal action.

Corrupt Conduct

Commonly it involves the dishonest or partial use of power or position which results in one person/group being advantaged over another. Corruption can take many forms including, but not limited to:

- official misconduct;
- bribery and blackmail;
- unauthorised use of confidential information;
- fraud; and
- theft.

Any form of corrupt conduct will not be tolerated by the company. Disciplinary action up to and including dismissal will be taken in the event of any Employee member participating in corrupt conduct.

Occupational Health & Safety

It is the responsibility of all Employee to act in accordance with the occupational health and safety legislation, regulations and policies and their respective organisations and use security and safety equipment provided.

Specifically all Employee members are responsible for safety in their work area by:

- following the safety and security directives of management;
- advising management of areas where there is potential problem in safety and reporting suspicious occurrences; and

- minimising risks in the workplace.

Conduct of Current / Former Employee

Employee should not misuse their position to obtain opportunities for future employment.

Employee should not allow themselves or their work to be influenced by plans for, or offers of employment outside of Coffey. If they do there is a conflict of interest and their integrity and that of Coffey is at risk.

Former Employee should not use, or take advantage of confidential information obtained in the course of their official duties that may lead to gain or profit, until it has become publicly available.

Breaches of the Code of Conduct

Employee should note that breaches of certain sections of this Code of Conduct may be punishable under laws and legislation.

Breaches of this Code of Conduct may lead to disciplinary action. The process for disciplinary action is outlined in Coffey policies and guidelines, relevant industrial awards and agreements.

I _____ acknowledge that I have read and understood the above Code of Conduct and will comply with its contents

NAME:

POSITION/PROJECT:

SIGNED: _____

Manager, Coffey International Development Pty Ltd

Acknowledged: _____

Name: _____