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24TH Floor LBP Plaza 1598 M.H Del Pilar cor. Dr. J. Quintos St. Malate Manila **Chapter 1: General Provisions**

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A. Declaration of Policy

The provisions of this Manual are in line with the commitment of the Corporation to engage in, operate, and carry on the business of providing and rendering construction, renovation and repair of Bank facilities within the Procuring Agency's time frame which is of utmost importance to meet/comply with BSP deadline/ Executive commitments/governmental requirements and other government/private construction and renovation projects This will also affirm our commitment to render quality and responsive service to our clients.

It is the policy of the Corporation that the construction/renovation was in compliance with the Building Code of the Philippines and the Construction Safety and Health Program of the Department of Labor and Employment (DOLE) with good quality of workmanship competitive to the construction industry.

B. Acronyms

ABC	Approved	Budget for	r the (Contract
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BOWCVOTCABreakdown of Works and Corresponding Value of the Contract Amount

CARI Contractor's All-Risk Insurance

CB/WAO Construction Bulletin/Work Authorization Order

COC Certificate of Completion

COPC Certificate of Punch list Completed

CSHP Construction Safety and Health Program

CTE Contract Time Extension

GCC General Condition of the Contract

LBP Land Bank of the Philippines

MOA Memorandum of Agreement



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NOA Notice of Award

NTP Notice to Proceed

OFM Owner Furnished Materials

PIUR Project Inspection and Update Report

PRF Procurement Request Form

PMED Project Management and Engineering Department

PERT/CPM Program Evaluation Review Technique/ Critical Path

Method

PPE Personal Protective Equipment

SCC Special Conditions of the Contract

SOWA Statement of Work Accomplished

TOA Turn-over and Acceptance

TCP Total Contract Price

VAT Value Added Tax



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C. Definition of Terms

- 1.1 The **Arbiter** is the person appointed by the Procuring Agency and the Servicing Agency to resolve disputes in the first instance, as provided for in General Conditions of the Contract (GCC).
- 1.2 **Bill of Quantities** refers to a list of the specific items of the Work and their corresponding unit prices, lump sums, and/or provisional sums.
- 1.3 The **Building Permit** is a permit issued by the Office of the Building Official to the owner/applicant prior to any erection, construction, alteration, repair, move, convert or demolish any part of their building or structure.
- 1.4 The Certificate of Occupancy is a document issued by the Building Official within thirty (30) days if after final inspection and submission of a Certificate of Completion is found to be in compliance with the provisions of National Building Code of the Philippines. No building or structure shall be used or occupied and no change in the existing use or occupancy classification of a building or structure or portion thereof shall be made until the Building Official has issued a Certificate of Occupancy.
- 1.5 The **Completion Date** is the date of completion of the Works as certified by the Procuring Agency's PMED in accordance with GCC.
- 1.6 The **Certificate of Punch list Completed (COPC)** is a document signed and issued by the Branch End-User if all the punch lists noted by the Procuring Agency's representatives have been satisfactorily completed by the Servicing Agency.
- 1.7 The **Certificate of Completion (COC)** is a document issued by the Procuring Agency (PMED) if all the documents and punch lists have been satisfactorily complied/completed by the Servicing Agency. This is issued prior to the turn-over and acceptance of the project.
- 1.8 The **Construction Safety and Health Program** refers to a set of detailed rules to cover the processes and practices that shall be utilized in a specific construction project site in conformity with the Occupational Safety and Health Standards (OSHS) including the personnel responsible and the penalties for violations thereof.



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1.9 The **Contract** is the contract between the Procuring Agency and the Servicing Agency to execute, complete, and maintain the Works. It consists of the documents listed in GCC.

- 1.10 The **Contract Duration** is the duration required by the Procuring Agency to the Servicing Agency to finish the project as stated in the contract.
- 1.11 The **Contract Price** is the price stated in the Letter of Acceptance and thereafter to be paid by the Procuring Agency to the Servicing Agency for the execution of the Works in accordance with their Contract.
- 1.12 **Contract Time Extension (CTE)** is the allowable period for the Servicing Agency to complete the Works in addition to the original Completion Date stated in this contract.
- 1.13 The **Servicing Agency** is the juridical entity whose proposal has been accepted by the Procuring Agency and to whom the contract to execute the Work was awarded.
- 1.14 **Days** are calendar days, months are calendar months.
- 1.15 **Day works** are varied work inputs subject to payment on a time basis for the Servicing Agency's employees and Equipment, in addition to payments for associated Materials and Plant.
- 1.16 A **Defect** is any part of the Works not completed in accordance with the Contract.
- 1.17 The **Defects Liability Certificate** is the certificate issued by the Procuring Agency's Representative upon correction of defects by the Servicing Agency.
- 1.18 The **Defects Liability Period** is the one year period between project completion and final acceptance within which LBRDC assumes the responsibility to undertake the repair of any damage to the Works at his own expense.
- 1.19 **Drawings** are graphical presentations of the Works. They include all supplementary details, shop drawings, calculations, and other information provided or approved for the execution of this Contract.



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- 1.20 **Equipment** refers to all facilities, supplies, appliances, materials or things required for the execution and completion of the Work provided by the Servicing Agency and which shall not form or not intended to form part of the Permanent Works.
- 1.21 The **Intended Completion Date** refers to the date specified in the Special Conditions of the Contract (SCC) when the Servicing Agency is expected to have completed the Works. The Intended Completion Date may be revised only by the Procuring Agency's Representative by issuing an extension of time or an extension acceleration order.
- 1.22 **Materials** are all supplies, including consumables, used by the Servicing Agency for incorporation in the Works.
- 1.23 The **Notice of Award (NOA)** is a written notice issued by the Procuring Agency to the Servicing Agency informing the total contract price that has been awarded and the contract duration of the project.
- 1.24 The **Notice to Proceed (NTP)** is a written notice issued by the Procuring Agency or the Procuring Agency's Representative to the Servicing Agency requiring the latter to begin the commencement of the work not later than a specified or determinable date.
- 1.25 **Permanent Works** are all permanent structures and all other project features and facilities required to be constructed and completed in accordance with this Contract which shall be delivered to the Procuring Agency and which shall remain at the Site after the removal of all Temporary Works.
- 1.26 **Plant** refers to the machinery, apparatus, and the like intended to form an integral part of the Permanent Works.
- 1.27 The **Procuring Agency** is the party who employs the Servicing Agency to carry out the Works stated in the SCC.
- 1.28 The Procuring Entity's Representative refers to the Head of the Procuring Agency or his duly authorized representative identified in the SCC who shall be responsible for the supervising the execution of the Works and administering the contract.



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1.29 The **Project Inspection and Update Report** (PIUR) refers to the report prepared by the Procuring Agency's Representative showing the status of the on-going project and the basis for the payment of billing of the Servicing Agency.

- 1.30 The Safety and Health Committee means a group tasked with the authority to monitor, inspect, and investigate all aspects of the construction project pertaining to health and safety of construction workers.
- 1.31 **Site Investigation Reports** are those that were included in the Bidding Documents and are factual and interpretative reports about the surface conditions at the Site.
- 1.32 **Slippage** is a delay in work execution occurring when actual accomplishment falls below the target as measured by the difference between the scheduled and the actual accomplishment of the Work by the Servicing Agency as established from the work schedule. This is actually described as a percentage of the whole Works.
- 1.33 **Specification** means the description of Works to be done and qualities of materials to be used, the equipment to be installed and the mode of construction.
- 1.34 The **Start Date**, reckon upon receipt of NTP or upon released of approved building permit whichever comes later.
- 1.35 A **Sub-Contractor** is any person or organization to whom a part of the Works has been sub-contracted by the Servicing Agency, as allowed by the Procuring Agency, but not any assignee of such person.
- 1.36 **Temporary Works** are works designed, constructed, installed, and removed by the Servicing Agency that are needed for construction or installation of the Permanent Works.
- 1.37 **Turn-over and Acceptance (TOA)** is the document issued by the Procuring Agency to the Servicing Agency once the project has been satisfactorily completed and complied with all the documentary requirements.



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1.38 **Works** refer to the Permanent Works and Temporary Works to be executed by the Servicing Agency in accordance with this Contract, including (i) the furnishing of all labor, materials, equipment and other incidental, necessary or convenient to complete execution of the Works; (ii) the passing of any tests before acceptance by the Procuring Agency's Representative; (iii) and the carrying out of all duties and obligations of the Servicing Agency imposed by this