



Republic of the Philippines  
**Department of Education**

**Project Title:** SUPPLY, DELIVERY AND INSTALLATION OF NEW AIR-CONDITIONING UNITS FOR OFFICES WITH COMPLETED REPAIR, REHABILITATION AND RETROFITTING (RRR) PROJECTS

**Location:** DepEd Central Office, DepEd Complex, Meralco Avenue, Pasig City

**End-User:** Administrative Service – Office of the Director

**Approved Budget for the Contract (ABC):** 3,090,000.00

**Procurement Mode:** Competitive Bidding

## **TERMS OF REFERENCE (TOR)**

### **1. Background**

This project supports the ongoing Repair, Rehabilitation, and Retrofitting (RRR) of DepEd offices by replacing or upgrading air conditioning units to ensure energy-efficient, reliable cooling systems in newly improved workspaces.

### **2. Objectives**

- Procure and install brand new, energy-efficient, inverter-type air conditioning units
- Ensure professional installation and commissioning of all units
- Provide end-user orientation and secure post-installation service support

### **3. Scope of Work**

The winning supplier shall:

- Supply and deliver brand new air-conditioning units with complete installation accessories
- Install and commission the units in designated RRR-completed office areas
- Perform on-site testing and ensure full functionality
- Conduct basic training for end-users on operation and maintenance
- Submit necessary documentation such as manuals and warranty certificates

### **4. Minimum Product Requirements**

- Type: Inverter-Type Floor-Mounted Airconditioning Unit
- Cooling Capacity: 5.0 TR, 6.0 HP (as specified in the technical specification)
- Power Supply: 220–240V / 60Hz
- Refrigerant: R-32
- Air Filter: PM2.5

### **5. Deliverables**

- Fully installed and operational air conditioning units
- Warranty certificates for units, parts, and labor
- User manuals and product datasheet
- Certificate of Training Completion

### **6. Documentation to be Submitted Upon Completion**

- Warranty Certificate
- User Manual and Product Datasheet

### **7. Supplier Eligibility Requirements**

- The supplier must have at least 5 years' relevant experience in supplying, delivery and installing air conditioning systems.

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- Must have its own service center within Metro Manila

**8. Warranty and After-Sales Support**

- Minimum of one (1) year on-site warranty on parts and labor
- Minimum of five (5) years warranty on compressor
- The warranty shall cover all major equipment and components, parts and labor, and on-site servicing or replacement.
- Any failure or defect arising under normal operating conditions within the warranty period shall be repaired or replaced by the supplier at no additional cost to the procuring entity.
- Warranty support shall include technical assistance, repair, and replacement of defective components within the warranty period.
- The warranty period shall commence upon the signing of the "Acceptance" portion in the Inspection and Acceptance Report (IAR) by the authorized representative of the procuring entity.

**9. Delivery and Installation Schedule**

The Supplier shall have the option to:

1. Single Completion (100% Delivery and Installation): Supply, deliver, and install all required air-conditioning units in one (1) completion phase within one hundred twenty (120) calendar days from the issuance of the Notice to Proceed (NTP).
2. Staggered Completion (Milestones): Supply, deliver, and install the air-conditioning units in four (4) milestones, each equivalent to twenty-five percent (25%) of the total quantity.

The schedule of delivery and installation per milestone shall be as follows:

<b>Milestone</b>	<b>Scope of Work</b>	<b>Completion Timeline</b>	<b>Percentage of Total Contract</b>
<b>Milestone 1</b>	Supply, delivery, and installation of the first 25% of air-conditioning units	Within thirty (30) calendar days	25%
<b>Milestone 2</b>	Supply, delivery, and installation of the second 25% of air-conditioning units	Within sixty (31-60) calendar days	25%
<b>Milestone 3</b>	Supply, delivery, and installation of the third 25% of air-conditioning units	Within ninety (61-90) calendar days	25%
<b>Milestone 4</b>	Supply, delivery, and installation of the final 25% of air-conditioning units	Within one hundred twenty (91-120) calendar days	25%

**10. Progress Payment**

**1. Single Completion (100% Delivery and Installation):**

Should the Supplier elect to complete the project in one (1) phase, payment equivalent to one hundred percent (100%) of the contract price shall be made upon successful supply, delivery, installation, inspection, and final acceptance of all air-conditioning units.

**2. Staggered Completion (Milestone-Based Delivery):**

Should the Supplier elect to deliver and install the air-conditioning units in milestones, payment shall be released per completed milestone, subject to inspection and acceptance by the End-User and in accordance with existing government accounting and auditing rules and regulations.

The payment breakdown per milestone shall be as follows:

<b>Milestone</b>	<b>Percentage of Total Contract Price</b>	<b>Condition for Payment</b>
<b>Milestone 1</b>	25%	Upon supply, delivery, installation, and acceptance of the <b>first 25%</b> of air-conditioning units
<b>Milestone 2</b>	25%	Upon supply, delivery, installation, and acceptance of the <b>second 25%</b> of air-conditioning units
<b>Milestone 3</b>	25%	Upon supply, delivery, installation, and acceptance of the <b>third 25%</b> of air-conditioning units
<b>Milestone 4</b>	25%	Upon supply, delivery, installation, and acceptance of the <b>final 25%</b> of air-conditioning units

**TERMS AND CONDITIONS (T&C)**

**1. Delivery and Installation Site**

DepEd Central Office, DepEd Complex, Meralco Avenue, Pasig or DepEd Office at Tech Zone Building, Malugay, Makati City

**2. Inspection and Acceptance**

Inspection, testing, and acceptance shall be conducted upon completion of each milestone, or upon 100% completion if the Supplier opts for single delivery and installation, in order to facilitate the processing of the corresponding payment. The End-

The End User and Inspection Team shall verify the following:

- Completeness of delivery
- Compliance with the Terms of Reference (TOR) and Technical Specification
- Functional testing and overall system performance

The Certificate of Final Acceptance shall be issued only upon full compliance with all requirements, completion of 100% delivery and installation, and the successful conduct of inspection and acceptance by the DepEd Inspectorate Team.

**3. Price and Payment Terms**

The contract price is fixed and inclusive of all taxes, duties, delivery, installation, training, and warranty support.

One hundred percent (100%) payment shall be made only upon full completion of the contract and final acceptance by the procuring entity.

**4. Testing and Acceptance**

The supplier shall conduct joint testing and commissioning with the procuring entity.

The units shall meet or exceed the required technical specifications before acceptance.

**5. Warranty Obligation**

Any defects or deficiencies identified during acceptance shall be corrected or replaced by the supplier **within five (5) calendar days** upon receipt of written notice from the end-user without any additional cost.

**5. Subcontracting**

Subcontracting of supply or installation is **not allowed**, unless prior written approval is granted by the procuring entity.

**6. Liquidated Damages**

The supplier shall pay liquidated damages equivalent to one-tenth of one percent (0.1%) of the cost of the unperformed portion of the contract for each calendar day of delay, including Sundays and holidays. The total liquidated damages shall not exceed ten percent (10%) of the total contract price. Should the delay exceed this maximum, the procuring entity reserves the right to rescind the contract and impose appropriate sanctions in accordance with the law.

**7. Force Majeure**

Neither party shall be held liable for any delay or failure in the performance of its obligations under this contract due to causes beyond its reasonable control, including but not limited to natural disasters, war, terrorism, civil disturbances, acts of government, labor disputes, pandemics, epidemics, embargoes, or any other similar events that are unforeseeable and unavoidable.

In the event that such a force majeure circumstance results in a delay in the delivery or completion of the project, the Supplier shall not be subject to liquidated damages, provided that:

- The Supplier promptly notifies the Procuring Entity in writing of the occurrence and expected duration of the delay; and
- The Supplier takes all reasonable steps to mitigate the effects of the delay and resume performance as soon as possible.
- Any extension of time required due to force majeure shall be subject to the written approval of the Procuring Entity.

This is to certify that we have read and understood the Terms of Reference and, Terms and Conditions for the project **SUPPLY, DELIVERY AND INSTALLATION OF NEW AIR-CONDITIONING UNITS FOR OFFICES WITH COMPLETED REPAIR, REHABILITATION AND RETROFITTING (RRR) PROJECTS** and that our company is amenable and capable of complying the requirements.

**Conforme:** \_\_\_\_\_  
Authorized Representative  
Name and Signature

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