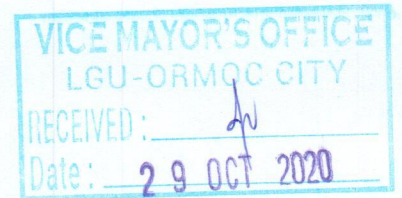
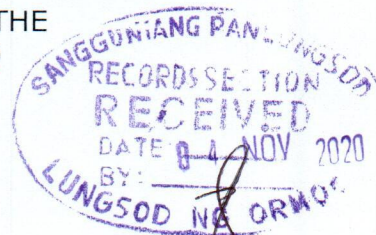


REPUBLIKA NG PILIPINAS
SANGGUNIANG PANLUNGSOD
LUNGSOD NG ORMOC



EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE
FIFTEENTH SANGGUNIANG PANLUNGSOD NG ORMOC HELD
AT THE SANGGUNIANG PANLUNGSOD SESSION HALL,
ORMOC CITY HALL BUILDING
ON OCTOBER 27, 2020



PRESENT:

Leo Carmelo L. Locsin, Jr.	City Vice Mayor & Presiding Officer
Benjamin S. Pongos, Jr.,	SP Member
Roiland H. Villasencio,	SP Member, Majority Floor Leader
Tomas R. Serafica,	SP Member
Nolito M. Quilang,	SP Member Asst. Majority Floor Leader
Eusebio Gerardo S. Penserga,	SP Member
Jasper M. Lucero,	SP Member
Peter M. Rodriguez,	SP Member
Gregorio G. Yrastorza III,	SP Member
Lalaine A. Marcos,	SP Member
Esteban V. Laurente,	Ex-Officio SP Member, Chapter President, Liga ng mga Barangay ng Ormoc
Joan Marbie C. Simbajon,	Ex-Officio SP Member, Chapter President, Panlungsod na Pederasyon ng mga Sangguniang Kabataan ng Ormoc

ON LEAVE:

Vincent L. Rama,	SP Member
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RESOLUTION NO. 2020-352

**A RESOLUTION GRANTING AUTHORITY TO THE CITY
MAYOR RICHARD I. GOMEZ OR THE ACTING CITY
MAYOR TO ENTER INTO AND SIGN THE
MEMORANDUM OF AGREEMENT (MOA) TO BE
ENTERED INTO BY AND BETWEEN THE GOVERNMENT
SERVICE INSURANCE SYSTEM (GSIS) AND THE CITY
GOVERNMENT OF ORMOC FOR THE GSIS MULTI-
PURPOSE LOAN AND CONSOLIDATION OF DEBTS
(MPL).**

WHEREAS, this Fifteenth Sangguniang Panlungsod was in receipt of an Indorsement dated October 22, 2020 from the Office of the City Mayor, endorsing a request for the issuance of a Resolution granting the City Mayor or Acting City Mayor the authority to sign the Memorandum of Agreement (MOA) to be entered into by and between the Government Service Insurance System (GSIS) and the City Government Of Ormoc for the GSIS Multi-Purpose Loan and Consolidation of Debts (MPL). Further requesting that this matter be treated as EXTREMELY URGENT, a copy of the MOA is hereto attached as "ANNEX A" and made an integral part hereof;

WHEREAS, in an Opinion dated October 22, 2020, the City Legal Office finds nothing legally objectionable in the said MOA and that the same is not contrary to law, morals, public order, or public policy much less detrimental to the best interest of Ormoc City, a copy of the Opinion is hereto attached as "ANNEX B" and made an integral part hereof;

WHEREAS, the GSIS is legally mandated to collect monetary obligations in its favor and under Section 39 of RA 8291, the GSIS is authorized to deduct, from the benefits of separating or retiring members, the said members' monetary liabilities to the GSIS;

WHEREAS, every year, the General Appropriations Act (GAA) has a standard provision on Authorized Deductions which enumerates the allowable deductions from the salaries and other benefits accruing government employees while consistently mandating that highest priority be given to contributions and obligations due to BIR, PHILHEALTH, GSIS, and HDMF;

WHEREAS, this is to enable delinquent GSIS borrowers to restructure all their due and demandable local accounts with the GSIS, regardless of loan-type, with the exception of housing loan, the GSIS launched the Multi-Purpose Loan and Consolidation of Debts with Lower Interest Rate Program (MPL), to be extended to agencies which have already executed a MOA with GSIS for Special Members or for the GSIS Financial Assistance Loan (GFAL), or willing to execute the MOA with GSIS;

WHEREAS, the City Government of Ormoc seeks to participate in MPL through the execution of this MOA to enable its employees to enjoy the benefits thereof, subject to its terms and conditions;

WHEREAS, the subject MOA clearly and plainly encapsulates the terms and conditions of the agreement of the parties thereto, including their specific roles and obligations towards the attainment of the lofty ends of the same, and this Sanggunian, upon thorough review, finds that the same is entered into for the best interests of the City and its constituents, and therefore, is most deserving of this august Body's prompt and favorable consideration;

WHEREFORE, on joint motion of SP Member Benjamin S. Pongos, Jr. Chairperson, Committee on Laws & Ordinances and SP Member Jasper M. Lucero, Chairman, Committee on Good Government & Oversight, severally seconded by SP Members Roiland H. Villasencio, Nolito M. Quilang, Esteban V. Laurente, Tomas R. Serafica, Lalaine A. Marcos, Gregorio G. Yrastorza III, Peter M. Rodriguez and Joan Marbie C. Simbajon; be it

RESOLVED, AS IT IS HEREBY RESOLVED, to pass A RESOLUTION GRANTING AUTHORITY TO THE CITY MAYOR RICHARD I. GOMEZ OR THE ACTING CITY MAYOR TO ENTER INTO AND SIGN THE MEMORANDUM OF AGREEMENT (MOA) TO BE ENTERED INTO BY AND BETWEEN THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS) AND THE CITY GOVERNMENT OF ORMOC FOR THE GSIS MULTI-PURPOSE LOAN AND CONSOLIDATION OF DEBTS (MPL);

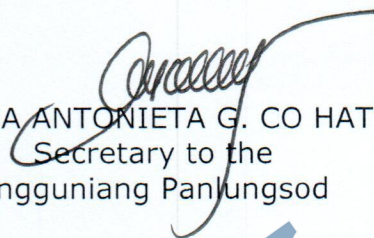
ADOPTED, October 27, 2020.

RESOLVED, FURTHER, that a copy of the final notarized Memorandum of Agreement (MOA) be submitted to this Sanggunian for its information and files;

RESOLVED, FINALLY, to furnish copies of this resolution each to the City Mayor of Ormoc Richard I. Gomez; the City Administrator, Mr. Vincent L. Emnas; the City Legal Officer, Atty. Josephine Mejia-Romero; GSIS; the HRMO; the City Accountant; the COGEA; the City Local Government Operations Officer-DILG; and other offices concerned for their information and guidance;

CARRIED UNANIMOUSLY.

I HEREBY CERTIFY to the correctness of the foregoing resolution.


MARIA ANTONIETA G. CO HAT
Secretary to the
Sangguniang Panlungsod

ATTESTED:


LEO CARMELO L. LOCSIN, JR.
City Vice Mayor & Presiding Officer

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (MOA) is made and executed on this ____ day of _____ 2020, _____, Philippines, by and between:

The **GOVERNMENT SERVICE INSURANCE SYSTEM**, a social insurance institution created under Commonwealth Act No. 186, as amended and operating under its present Charter, Republic Act (R.A.) No. 8291, otherwise known as the "GSIS Act of 1997", with principal office address located at the GSIS Headquarters Building, Financial Center Area, Pasay City, represented herein by **MS. MARILYN S. ABELIDO, OIC Branch Manager**, duly authorized for this purpose, hereinafter, the "GSIS";

- and -

The **<NAME OF AGENCY>**, an agency of the Philippine Government, with principal office address at **<OFFICE ADDRESS>** represented herein by **<NAME OF AGENCY HEAD>**, **<AGENCY NAME>**, duly authorized for the purpose, hereinafter, the "-
_____".

RECITALS

WHEREAS:

1. The **GSIS** is legally mandated to collect monetary obligations in its favor and under Section 39 of R.A. No. 8291, the **GSIS** is authorized to deduct, from the benefits of separating or retiring members, the said members' monetary liabilities to the **GSIS**.
2. Every year, the General Appropriations Act (GAA) has a standard provision on Authorized Deductions which enumerates the allowable deductions from the salaries and other benefits accruing government employees while consistently mandating that highest priority be given to contributions and obligations due the BIR, PHILHEALTH, **GSIS** and HDMF.¹
3. The net take home pay of the Borrower must adhere to the provision on the Minimum Net Take Home Pay set forth in the GAA.
4. On _____, 2020, to enable delinquent **GSIS** borrowers to restructure all their due and demandable loan accounts with the **GSIS**, regardless of loan type, with the exception of housing loan, the **GSIS** launched the Multi-Purpose Loan and Consolidation of Debts with Lower Interest Rate Program ("MPL"), to be extended to agencies which have already executed a MOA with **GSIS** for Special Members or for the **GSIS** Financial Assistance Loan (GFAL), or willing to execute this MOA with the **GSIS**.

¹ See Section 47, GAA 2017; Section 52, GAA 2016; Section 48, GAA 2015; Section 46, GAA 2014; and so on.

5. The **<AGENCY NAME>** seeks to participate in **MPL** through the execution of this MOA to enable its employees to enjoy the benefits thereof, subject to the following terms and conditions.

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties hereby agree as follows:

ARTICLE I – COVERAGE

- 1.1 The signing of this MOA shall automatically make **MPL** available to all qualified employees of the **<AGENCY NAME>**, including those in its regional/branch offices, bureaus and/or attached agencies.
- 1.2 **MPL** shall be extended to the **<AGENCY NAME>**'s employees from the signing of the MOA.

ARTICLE II - COMMITMENTS OF THE AGENCY

- 2.1 The **<AGENCY NAME>** shall ensure that the employee availing of **MPL** has no pending administrative case and/or criminal charge at the time of loan application, is not on leave of absence without pay and that the net take-home pay after loan availment is not lower than the amount required under the General Appropriations Act. Any adverse finding/s in the performance of the Agency Authorized Officer (AAO) who certified the loan shall be subject to investigation and determination of appropriate administrative sanction/s. *- who will certify? What doc shall be required?*
- 2.2 The **<AGENCY NAME>** shall prioritize the payment of **GSIS** loans over and above the payment of loans taken by personnel from lending institutions. Consistently, the **<AGENCY NAME>** shall prioritize the deduction from its payroll of the monthly amortizations due on the loans taken by personnel under **MPL**, until fully paid.
- 2.3 The **<AGENCY NAME>** shall ensure the timely payment of all loan repayments due from the Borrowers, which must be remitted to the **GSIS** not later than the 10th day of the calendar month following the due month.
- 2.4 The **<AGENCY NAME>**, upon the Borrower's resignation, separation, retirement, death or permanent total disability, undertakes to withhold any or all benefits due to the Borrower (i.e., terminal leave benefits) as payment for the Borrower's outstanding **GSIS** loan obligations pursuant to **GSIS** Memorandum Circular No. 005, Series of 2018 (Annex "A"). For this purpose, the **<AGENCY NAME>** shall require a **GSIS** clearance and/or Statement of Account prior to the release of the Borrower's benefits.
- 2.5 The **<AGENCY NAME>**, upon receipt of the Statement of Account from the **GSIS**, shall deduct and/or withhold from any or all benefits that may accrue to the Borrower, the total amount corresponding to his/her outstanding loan accounts and arrearages, if any, and remit the same to the **GSIS** to liquidate the said account/s.

ARTICLE III - COMMITMENTS OF GSIS

- 3.1 The **GSIS** shall implement **MPL** in accordance with the terms and conditions set forth under Policy and Procedural Guidelines No. 348-19 on **MPL** issued by the **GSIS** on November 19, 2019 (**Annex "B"**).
- 3.2 The **GSIS** shall make **MPL** available to the employees of the **<AGENCY NAME>** from the date of the signing of the MOA.
- 3.3 The **GSIS** reserves the right to evaluate and deny **MPL** applications, if warranted. *(period?)*
- 3.4 The **GSIS**, upon receipt of a request for clearance and/or Statement of Account, shall issue the appropriate clearance and/or Statement of Account to the duly authorized representative of the **<AGENCY NAME>**.
Period for release?

ARTICLE IV - GENERAL PROVISIONS

- 4.1 The parties warrant that they shall perform their respective undertakings and commitments for the full and satisfactory performance of this MOA.
- 4.2 It is understood that the failure of either party to demand strict compliance with any term or condition of this MOA shall not be construed as a waiver and/or estoppel on the part of the said party for the enforcement of any of its rights or to subsequently demand compliance therewith during the subsistence of this MOA.
- 4.3 In case of breach of any provision of this MOA, this MOA may be terminated by the non-defaulting party by written notice to the defaulting party. If the breach is remediable and the non-defaulting party opts to demand rectification of the breach, this MOA may be terminated by the non-defaulting party if the defaulting party fails to remedy the breach within sixty (60) days from receipt of the notice of breach.
- 4.4 In case this MOA is terminated, such termination shall not affect any outstanding loans granted under this MOA, which loans shall continue to be valid and prioritized in the deductions from the salaries of the Borrowers until full payment thereof.
- 4.5 All notices, statements and requests hereunder shall be in writing and shall be personally delivered or transmitted by registered mail to the other party at its address set forth above, unless a party has informed the other in writing of its change of address, in which case said notice shall be sent to the new address.
- 4.6 No modification of or amendment to the terms and conditions of this MOA shall be valid unless set out in writing and signed by the authorized representatives of each party.
- 4.7 In the event that any term, condition, or any part of the provisions contained in this MOA is determined to be invalid, unlawful or unenforceable to any extent, such term, condition or provision shall be severed from the remaining provisions, which shall continue to be valid and enforceable to the fullest extent permitted by law.
- 4.8 Any and all actions arising from this MOA which any party may institute shall be brought exclusively before the proper court in the City of Pasay.

4.9 This MOA shall take effect upon the signing hereof and shall remain valid until terminated by mutual agreement of the parties or unilaterally for cause pursuant to Section 4.3 thereof. The terms of this MOA which by their nature extend beyond its termination shall remain in effect.

IN WITNESS WHEREOF, the parties have affixed their signatures to this Agreement on the date and place stated above.

GOVERNMENT SERVICE
INSURANCE SYSTEM

By:

MARILYN S. ABELIDO
OIC, Branch Manager

<AGENCY NAME>

By:

<NAME OF AGENCY HEAD>
<Position>

SIGNED IN THE PRESENCE OF:

REPUBLIC OF THE PHILIPPINES)
CITY OF _____) s.s.

BEFORE ME, a Notary Public for and in the City of _____ on this
_____ of _____, 2020 personally appeared:

Name

ID No./Passport No.

Date and
Place Issued

MARILYN S. ABELIDO

In his capacity as [oic,
BRANCH Manager of the
Tacloban Branch Office

010009

Pasay City

[NAME OF AGENCY'S
SIGNATORY]

In his/her capacity as
[Position] of the
[AGENCY]

known to me and to me known to be the same person, **MARILYN S. ABELIDO**
in representation of the **GSIS** as a juridical person, who executed the foregoing
Memorandum of Agreement consisting of five (5) pages including the page on
which this Acknowledgment is written, signed by the parties and their witnesses on
each and every page thereof, and acknowledged to me that the same is his free
and voluntary act and deed, and of the entity he represents.

WITNESS my hand and notarial seal at the place and on the date stated above.

Notary Public

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2020.



GSIS Government Service Insurance System

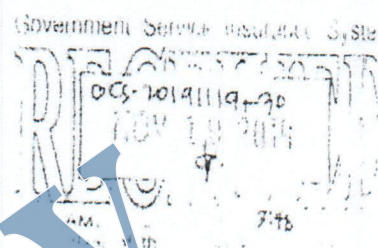
Financial Center, Pasay City, Metro Manila 1308

POLICY AND PROCEDURAL GUIDELINES NO. 348-19

FUNCTIONAL AREA : Loans

DISTRIBUTION : All Executive Vice Presidents
All Senior Vice Presidents
All Vice Presidents
All Managers

SUBJECT MATTER : GSIS MULTI-PURPOSE LOAN AND
CONSOLIDATION OF DEBTS (GSIS-MPL)



I. BACKGROUND/RATIONALE

Since its inception in 2006, the GSIS has granted 2,332,358 loans under its Consolidated Salary Loan Program (Conso-Loan Plus and Enhanced Conso-Loan Plus), with default rate at 14.33% as of March 31, 2019.

However, a review of the Conso-Loan Program showed that majority of our members have already maximized their loan credit under this loan window (88.31%); therefore, they will not be able to renew their loan when an urgent need arises due to insufficient loan credit. GSIS members with loans in default are the most affected since their inability to restructure these loans through loan renewal would result in the continued imposition of penalties on the defaulted loans, and eventual deduction from their future GSIS benefits.

Our members, particularly those in DepEd and LGU sectors, have repeatedly requested GSIS to look for ways to address this plight, and to consider increasing the loanable amounts of our current salary loan program to be able to accommodate the outstanding balances of their existing GSIS loans.

On the other hand, we have members who have been clamoring for expanded loan coverage of the existing Enhanced Conso-Loan Plus Program, which enables the consolidation of salary and cash advance loans only. In particular, members who availed of special loan programs in the past (e.g., Stock Purchase Loan and Home Emergency Loan Program), and would like to restructure their defaulted special loans under the terms and conditions of the Enhanced Conso-Loan Plus Program will not be able to do so due to the scope of coverage of this loan window.

Hence, the Management recognizes the need for a "one-loan-answers-all" solution for GSIS members with various outstanding loan obligations with the System, and would like to settle the same under an affordable payment scheme.



OFFICE OF THE CITY LEGAL OFFICER

Ormoc City, Leyte

22 October 2020

MR. VINCENT L. EMNAS
City Administrator
Ormoc City

Dear Mr. Emnas:

This pertains to your referral letter requesting for review of the draft Memorandum of Agreement (MOA) of the Government Service Insurance System.

This Office after review of the standard draft MOA finds nothing legally objectionable therein. The same is not contrary to law, morals, public order or public policy much less detrimental to the best interest of LGU-Ormoc City. However, for the convenience of the City it is recommended that actions arising out of the MOA be instituted in the proper court of Ormoc City.

Upon consideration of the above mentioned recommendation it then proposed that the draft MOA to be endorsed to the SP for the issuance of a Resolution granting the City Mayor the authority to enter into and sign the said agreement in behalf of LGU-Ormoc City pursuant Section 22 (c) in relation to Section 455 (b) 1 (vi) of R.A. No. 7160 (Local Government Code).

This comment/opinion is hereby being rendered based on the documents submitted without prejudice to contrary opinion from competent authorities or ruling of proper court.

For your consideration.

Most Respectfully,
ATTY. ANNE VERMADICE A. AREÑA
Attorney III

WITH CONFORMITY:

ATTY. JOSEPHINE A. MEJIA ROMERO
City Legal Officer

New Ormoc City Hall, Aunubing St., Cogon, Ormoc City
(053)255-7395 loc. 1010 ++ clo.ormoc@gmail.com

