



Republic of the Philippines
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT

JUNE 3, 2014

Memorandum Circular (MC) No. 68 Series 2014

TO: THE PROVINCIAL GOVERNOR OF BOHOL, CITY/MUNICIPAL MAYORS OF THE 43 LGUs AFFECTED BY THE 7.2 MAGNITUDE BOHOL EARTHQUAKE, DILG REGION VII DIRECTOR, PROVINCIAL DIRECTOR, MLGOOs AND OTHERS CONCERNED

SUBJECT: GUIDELINES IN THE IMPLEMENTATION OF THE BOHOL EARTHQUAKE ASSISTANCE (BEA) -DILG FUND FOR AFFECTED LGUs IN THE PROVINCE OF BOHOL

I. REFERENCES

- Post Great Bohol Earthquake Rehabilitation Plan prepared and approved by the Bohol Provincial Government for the Province and its 43 LGUs affected by the 7.2 Magnitude Earthquake on October 15, 2013.
- Special Allotment Release Order (SARO) No. SARO-BMB-D-14-0006008, dated 26 May 2014 for the Recovery and Rehabilitation of Bohol (and Cebu) devastated by the 7.2 Magnitude, October 15, 2013 Bohol earthquake.

II. DEFINITION OF TERMS

BBB	- Build Back Better
BBBB	- Build Back Bohol Better
BEA	- Bohol Earthquake Assistance
CAF	- Certificate of Availability of Funds
COA	- Commission on Audit
DENR	- Department of Environment and Natural Resources
DILG	- Department of the Interior and Local Government
DPWH	- Department of Public Works and Highways
GPPB	- Government Procurement Policy Board
LGU	- Local Government Unit (province/city/municipality)
Recipient LGU	- LGU identified as one of the qualified recipients of the BEA-DILG Fund

Implementing LGU	- The Provincial Government of Bohol or the City/Municipalities/Barangays who are assessed to be capable of implementing their own subprojects affected by 7.2 Magnitude 2013 Bohol earthquake.
ITB	- Invitation to Bid
MGB	- Mines and Geo-Sciences Bureau
MLGOO	- Municipal Local Government Operations Officer
MOA	- Memorandum of Agreement
NDRRMC	- National Disaster Risk Reduction and Management Council
OCM	- Overhead, Contingencies and Miscellaneous
OPDS	- Office of Project Development Services
PD	- Provincial Director
PDMU	- Project Development Management Unit
PPMT	- Provincial Project Management Team
POW	- Program of Works
RD	- Regional Director
RO	- Regional Office
ROD	- Report of Disbursements
SARO	- Special Allotment Release Order
SB	- Sangguniang Bayan
SP	- Sangguniang Panlalawigan/ Panlungsod
SORD	- Statement of Receipts and Disbursements
SWA	- Statement of Work Accomplished

III. BACKGROUND

A 7.2 magnitude earthquake struck Bohol and nearby provinces on the early morning of 15 October 2013. The epicenter was plotted at 6 kilometers S24W (9.86 deg N, 124.07 deg E) of the Municipality of Sagbayan at a focal depth of 12 kilometers. It affected the whole Central Visayas region, particularly Bohol and Cebu.

The two provinces, but mostly Bohol sustained substantial damage to buildings and infrastructure – notably roads and bridges, houses, government buildings, communication facilities, and water and electric power utilities. The damage to local infrastructure, agriculture and environment was estimated to have cost, both local and national economies, billions of pesos.

Having addressed the threats to life and property, the National Government is now pursuing rehabilitation and recovery efforts to facilitate the return to normalcy of local government operations, delivery of basic services and economic activities in the affected LGUs. One of the critical measures to ensure this is the rehabilitation

and reconstruction of damaged key government facilities and infrastructures considered vital to economic recovery.

As the DILG's commitment to support the reconstruction/rehabilitation efforts, the BEA-DILG Fund was formulated with initial funding of 2.4 billion pesos, hereinafter referred to as the Fund.

A. Objectives

To facilitate the recovery and return to normalcy of government operations, services and accelerate economic activities in the areas affected by the Bohol Earthquake through the provision of technical and financial assistance to the affected LGUs for the reconstruction and rehabilitation/repair of LGU-managed and operated facilities (herein referred to as Subprojects) with due considerations on Build Back Bohol Better (BBBB) designs for disaster resilient public infrastructures.

IV. SCOPE

This Guidelines provides the policies, procedures and processes for the preparation and implementation of the reconstruction and rehabilitation/repair works of public facilities/infrastructures in the Province of Bohol and its constituent city/municipalities/barangays that were damaged by the 7.2 Magnitude 2013 Bohol earthquake.

V. GUIDELINES FOR IMPLEMENTATION

A. Eligibility Considerations

1. Eligible LGUs

All 44 LGUs (1 Province, 1 City and 42 Municipalities) of Bohol that were affected by the 7.2 Magnitude Earthquake and with reported significant damages on LGU facilities/infrastructures. *Annex I* shows the list of LGUs.

2. Eligible Subprojects

Eligible Subprojects include vital LGU facilities/infrastructures that were damaged and whose restoration will help in normalizing the local

government operations, provision of social services to public, and the socio-economic activities in the areas. These include the following:

- Provincial/City/Municipal Buildings
- Public Markets
- Civic Centers (to include gymnasium, evacuation centers, and covered courts)
- Barangay Facilities (i.e. barangay halls, health centers, and day care centers)
- LGU-managed water supply systems
- Provincial and Municipal bridges

3. Eligible Works

Rehabilitation, repair and reconstruction works of the damaged facilities/infrastructures, with due considerations on Build Back Better (BBB) designs and standards.

B. Subproject Implementation Arrangement, Procedures and Requirements

1. Subproject Implementation Arrangement

- 1.1* LGU-Recipients that are assessed to be capable of implementing their subprojects shall act as the Implementing LGU of the same subprojects.
- 1.2* The Provincial Government of Bohol shall act as the Implementing LGU for Provincial subprojects and for subprojects of non-capable LGU-Recipients.

2. Subproject Confirmation

The Provincial Government of Bohol and the DILG Regional Office thru Provincial Office shall confirm the proposed subprojects as reflected in the approved matrix shown in *Annex I-A*.

3. Preparation, Submission and Approval of Subprojects

3.1. The Recipient LGUs shall prepare the following subproject documents :

- a) Program of Works (POWs) following the DPWH Department Order No. 32, Series 2012 showing the:
 - Subproject Description

- Item of Works
 - Unit Cost
 - Quantity
 - Total Cost
- b) Technical Drawings/Plans and Specifications (As Applicable)
 - c) Unit Cost Analysis/Derivation (details of direct cost such as materials and labor and applicable provisions of indirect costs such as Overhead, Contingencies and Miscellaneous expenses (OCM), Contractor's Tax, and Contractor's profit)
 - d) Photos showing the extent of damages
 - e) Proposed Construction Schedule
 - f) Supporting documents such as:
 - Sangguniang Resolution Authorizing the Local Chief Executive to enter into a Tripartite Memorandum of Agreement (MOA) with the DILG Regional Office and Provincial Government of Bohol pursuant to the Implementation Arrangement of the Guidelines. *(See Annex 2 for the Proforma Sangguniang Resolution)*
 - For the totally-damaged facilities/infrastructures, clearance from the Building Official/ Provincial Engineer's Office, considering advisory from the MGB, that the structure will not be located on the "No Build Zone".

3.2. For Subprojects to be implemented by the Provincial Government

Subproject documents for Provincial projects shall be submitted directly to the DILG Regional for review and approval.

Subproject documents of Non Capable LGUs shall be reviewed first by the PPMT and shall be submitted to the DILG RO for final review and approval. The DILG Regional Office may seek assistance from the DPWH Regional/District Offices or Office of Project Development Services (OPDS), for a joint final review.

3.3 For Subprojects to be implemented by the Capable LGUs

Subproject documents submitted by LGUs shall be reviewed by the Provincial Project Management Team (PPMT) and approved by the Provincial Governor for fund release pursuant to existing accounting and auditing rules and regulations.

- 3.4 Subproject approval should be within 5 working days upon endorsement of the PPMT. The approval process should not be delayed by the concerned approving authority. If not acted upon within the prescribed period, the subproject shall be deemed approved.

4. Signing of Memorandum of Agreement (MOA)

4.1. The Provincial Government of Bohol shall be the primary implementing partner of the DILG, and shall act as the Fund Administrator for the BEA-DILG Fund in the Province. A MOA shall be executed between the Regional Office and the Provincial Government to formalize the implementation arrangements, among others. The MOA shall likewise contain the following provisions:

- a) The commitment of the LGU-Recipient to provide counterpart fund as needed for the following:
 - Cost for preparatory activities
 - Equity for administrative cost that may be incurred by the local staff during implementation of the subproject/s
 - Cash counterpart in case the total subproject/s costs exceeded the approved LGU fund allocation
 - Any increase in the project cost due to variation orders.
 - Annual operations and maintenance funds through a Sanggunian Resolution
- b) The commitment of the Provincial Government to ensure the implementation of all projects identified, approved and funded under the Fund;
- c) The commitment of the LGU-Recipients to ensure the provision of annual budget for the regular maintenance of the completed facilities and infrastructures;
- d) The commitment of the Provincial Government or Implementing LGU concerned to provide the necessary staff to manage and supervise the overall implementation of the subprojects. The LGU-Recipient concerned shall provide funds for the administrative and operational costs of the subprojects.

- e) Tripartite MOAs shall be executed among and between the DILG, Provincial Government and the concerned LGUs. The Tripartite MOA shall likewise contain the provisions specified above.
- 4.2 The amount to be indicated in the MOA between the DILG and Provincial Government shall be based on the total allocation for the Province including those intended for the constituent city/municipalities/barangays.
- 4.3 Upon assessment and verification of satisfactory compliance to all the requirements stipulated in *Annex 3*, a letter of advice to the LGU-Recipient on such compliance shall be issued by the Governor and a Tripartite MOA shall be immediately signed.
- 4.4 The amount to be indicated in the Tripartite MOAs shall be based on the reviewed and approved subproject documents.
- 4.5 Within five (5) working days after the signing, the DILG Regional Office and the LGUs shall provide copies of the perfected MOA/Tripartite MOA to the Regional and LGU Resident Auditors, respectively.

5. Assessment of the Capability of the LGUs to Implement

- a) The capability of the LGU to undertake subproject implementation shall be assessed by the PPMT following the standards/ criteria prescribed by the DPWH.
- b) Those assessed as Capable LGUs can implement their own subproject/s. Subproject/s of LGUs assessed as not capable shall be implemented by the Provincial Government.

6. Issuance of Certificate of Availability of Funds (CAF)

The Provincial Government shall issue CAF to the concerned LGUs with amount corresponding to approved subproject cost. The CAF issued by the Provincial Government shall be the basis of the LGU to issue the Certificate of Availability of Funds and proceed with the posting of the Invitation to Bid (ITB) for the subproject to be contracted out.

In the case of the Provincial Government as an Implementing LGU of its approved subprojects, the Provincial Accountant shall issue a CAF to the

BAC as basis for posting of the Invitation to Bid (ITB) for the subproject to be contracted out.

See *Annex 4* for the pro-forma of the CAF

7. Mode of Implementation

Implementing LGUs may undertake the rehabilitation/repair and reconstruction works either "By Administration" or "By Contract". The Provincial Government shall implement subprojects of Non-Capable LGUs and shall be responsible for the procurement, contract management and construction supervision.

7.1. By Administration

- a) LGUs may opt to implement subprojects costing Php 5.0M and below "By Administration", pursuant to the GPPB Resolution No. 018-2006 dated 06 December 2006 of the Revised Guidelines for the Implementation of Infrastructure Project By Administration and this Circular.

LGUs which shall implement their subproject/s By Administration must:

- (1) have a track record of having completed similar project with cost of at least 50% of the cost of the proposed subproject/s;
- (2) own the tools and construction equipment to be used or must have access to such tools and equipment owned by other government agencies ; and
- (3) be guided by the conditions and requirements as prescribed in Item 3.0 of the GPPB Guidelines, as follows:
 - (a) Projects undertaken "By Administration" shall be included in the approved Annual Procurement Plan (APP) of the LGU;

- (b) No contractor shall be used by the LGU, directly or indirectly for works undertaken by administration;
 - (c) Manual labor component may be undertaken in-house by the LGU, by job-order or through "Pakyaw" contracting system.
- b)* Procurement of tools and construction materials for subprojects undertaken by Administration shall be subject to RA 9184.

7.2. By Contract thru Competitive Bidding

- a)* Subprojects costing above Php 5.0 Million shall be implemented "By Contract" through Competitive Bidding, pursuant to RA 9184 (Government Procurement Reform Act). Refer to Annex 5 for the procurement timelines.
- b)* All procurement must be included in the Annual Procurement Plan of the LGUs and the Procurement Procedures shall be in accordance with RA 9184.
- c)* The LGU shall start the publication and posting of the Invitation to Bid (ITB) within 10 working days after issuance of the CAF by the Provincial Government of Bohol. The LGU shall submit to the Provincial Government of Bohol, thru the PPMT, a copy of the Invitation to Bid (ITB) as published in the newspaper and PhilGEPs Website, within two (2) working days after publication and posting. Subsequently, the Provincial Government of Bohol shall submit copies of all ITBs to DILG-RO thru the Provincial Director. The LGU shall complete the bidding process following the timelines stipulated in RA 9184.
- d)* The LGU shall invite the DILG Provincial/City Director/MLGOO or his duly authorized representative to observe the bidding process. The Regional Director or his duly authorized representative may likewise be invited.
- e)* In the event of a failed bidding, the LGU shall immediately start the re-bidding process within five (5) working days after the BAC has issued a resolution declaring a failure of bidding.

in accordance with the timelines set-forth in RA 9184. In such event, the LGU shall revise the Physical and Financial Plan (PFP) which shall be submitted to the DILG – Regional Office through the PPMT for review.

- f)* In the event that the LGU will have to resort to negotiated procurement after two (2) failed biddings, the LGU shall commence the negotiation within five (5) working days after the BAC has issued a resolution declaring a failure of bidding and complete the negotiation within 15 working days.
- g)* Copies of Bid Evaluation Reports (BERs) and signed perfected contracts shall be submitted to the PPMT. Further, per COA Circular No. 2009-001, Section 3.1.1 dated February 12, 2009, within five (5) working days from the execution of the Contract, the LGUs shall submit to the Local Auditor a copy of the said contract together with all the documents forming part thereof, by reference or incorporation.
- h)* In case of failure in the two (2) biddings and the negotiated procurement, the LGU shall seek clearance from the Provincial Government of Bohol to implement the Subproject "By Administration". In such a case, the procurement of tools and construction materials shall adhere to RA 9184. Likewise, the LGU shall submit a revised Program of Works that excludes Contractor's Profit, Taxes and Overhead Contingencies and Miscellaneous (OCM) expenses; with unit cost price derivations per item of work, for review, validation and approval by the Provincial Government of Bohol.
- i)* The Procurement is deemed completed upon the issuance of the Notice to Proceed (NTP) by the LGU.

7.3. Alternative Mode of Procurement under RA 9184 may be resorted to provided that the criteria under said Law are applicable.

8. Adherence to National Government standards and policies

LGUs shall abide by the standards and policies set by the National Government which are applicable to all phases of subproject preparation, procurement and implementation.

- a) The Provincial Government of Bohol and the DILG Regional Office shall ensure that these standards and policies are considered during review and evaluation of POWs, and are being observed during actual implementation by the LGUs.
- b) The following are the existing national standards/guidelines, laws, and policies, among others, that should be observed by all parties:
- Buildings and other vertical structures per CY 2005 Revised Edition of the IRR of the National Building Code (PD 1096), and Volume 1, 6th Edition of the National Structural Code of the Philippines published CY 2010 by the Association of Structural Engineers of the Philippines
 - Vol. II, Standard Specifications for Public Works and Highways (2004 Edition)
 - Evacuation Centers and other DRRM and Climate Change Adaptation (CCA) required facilities
 - "No-build" zone. In accordance with FY 2014 GAA, Subprojects for reconstruction must be in locations, areas or sites that are not included in the critical geo-hazard areas or "no build zones" as identified by the Mines and Geo-Sciences Bureau (MGB) under the Department of Environment and Natural Resources (DENR). The LGU shall secure clearance from the Building Official/ Provincial Engineer's Office considering advisory from the MGB that the structure will not be located on the "No Build Zone."
 - NIPAS areas. In accordance with Sec. 40, General Provisions of FY 2014 GAA, no major infrastructure and/or development projects shall be undertaken in National Integrated Protected Area System (NIPAS) areas and areas which have been determined to be within the danger zone, except for measures intended to protect and/or mitigate the impact of the identified hazards and enhance the protection of the NIPAS areas.

VI. SUBPROJECT IMPLEMENTATION

A. For the Implementing LGUs

The Implementing LGUs are the

- Capable City/Municipality
- Barangays. However, the BLGU shall be allowed to implement only subprojects with total cost of not more than Php 300,000.00. Any excess shall be implemented by the concerned MLGU.

The Implementing LGUs shall:

1. Designate a Project Engineer/Officer to supervise the construction/implementation on site, on a day-to-day basis. In the case of the Barangay, the Punong Barangay shall act as the Subproject Officer who will oversee the implementation.
2. Conduct a Pre-Construction Conference (regardless of the mode of implementation) with the presence of all concerned parties including PPMT representative/s to discuss the following:

2.1. For Subprojects "By Contract"

- a) Technical aspects of the Contract
- b) Specific subproject timelines including the advice to Contractor to mobilize within seven (7) working days after the receipt of the NTP
- c) Agree on the regular conduct and schedule of coordination meetings
- d) The nature and thrust of the subproject in relation to the BEA-DILG Fund to ensure that the Contractor appreciates the purpose of the Fund
- e) The participatory monitoring employed by the Fund
- f) Compliance of the Contractor to pertinent policies and guidelines

2.2. For Subprojects "By Administration"

- a) Subproject timelines and materials workmanship quality assurance
- b) Schedule of coordination meetings and reporting systems
- c) Participatory monitoring employed by the Subproject
- d) Adherence to national standards and policies

3. For LGUs who will implement "By Contract", the following shall be observed:
- a) Consistent with RA 6685 dated 12 December 1988, the LGU shall ensure that the Contractor hires at least fifty percent (50%) of the unskilled and at least thirty percent (30%) of the skilled labor requirements from the unemployed bonafide and actual residents in the province, city or municipality who are ready, willing and able as determined by the LCE where the subproject is located. Similarly, the LGU shall ensure: (1) adoption of the standard labor salary rate, (2) adoption of rotation process, as possible, to accommodate as many community members in the labor force, (3) transparency in the criteria for selection, and (4) prioritization of those from the community with no current employment and are able-bodied.
 - b) The LGU shall cause the Contractor to submit a monthly report on the labor force employed within the subproject based on the format shown in Annex 6 as part of the Monthly Physical Accomplishment Report mentioned in Item A.6 below.
 - c) The LGU shall cause the Contractor to observe the following:
 - (1) Construction materials are available on site in accordance with the approved plans and specifications
 - (2) Appropriate equipment are on site, in accordance with the Equipment Schedule
 - (3) Actual implementation/construction is in accordance with the approved Plans and Technical Specifications
 - (4) Quality control tests are conducted consistent with the frequency and number specified in the Technical Specifications for each item of work. The tests are conducted by accredited testing center/ laboratory
 - (5) Waste disposal is done in accordance with prescribed standards
 - (6) Health and Safety standards set by DOLE are implemented
 - d) The LGU shall require the Contractor to submit a Monthly Physical Accomplishment Report within five (5) working days after the end of each month using the report form shown in Annex 7 – Statement of Work Accomplished. Copy of the

report shall be submitted to the PPMT within two (2) working days after submission by the Contractor.

- e) In case there is noted/observed delay, the LGU shall immediately issue a Warning Letter to the Contractor and require the submission of a Catch-up Plan to complete the works within the approved contract period. If the delay is due to unforeseen events or work items known to the LGU, the Contractor shall immediately be advised to submit a request within thirty (30) days from the occurrence of such circumstances/events leading to the delay, for either suspension of works or extension of contract time. Any Contractor's request submitted beyond the said period shall be denied. The Implementing LGU shall act on the Contractor's request within three (3) working days upon receipt of the request.
- f) In case there is stoppage of work for unknown reasons or the Contractor has abandoned the subproject, the LGU shall immediately assess/evaluate the situation, including the determination of the accomplished and remaining works, and officially notify the Contractor to explain the reason for abandonment and the consequence of its action. If warranted, the LGU shall forfeit the Performance Security Bond in favor of the LGU and recommend blacklisting of the Contractor and revocation of the PBAC License. In such a case, the LGU shall take over the work or immediately rebid the remaining works.
- g) The LGU shall request inspection from the Provincial Government thru the PPMT when the subproject reaches 95% physical accomplishment for Punchlisting. Immediately after inspection, the LGU shall inform the Contractor to rectify the noted deficiencies, if any, and to complete the works within the remaining contract duration.
- h) Within one (1) week upon submission of the Contractor's request for final inspection of the subproject, the LGU shall conduct joint final inspection with representatives from the PPMT.
- i) Within one (1) week upon submission of the Contractor's request for Final Inspection of the subproject, the LGU shall also request COA inspection.

4. The LGU shall invite the presence of representatives from the Provincial Government of Bohol thru the PPMT, during major activities such as, but not limited to:

For Roads and other Infrastructure Projects

- Pouring of concrete
- Soil testing
- Field density test
- Testing and commissioning
- RCPC laying
- Materials testing

For Water Supply Projects

- Well drilling
- Pumping test
- Pipe laying
- Leakage/hydro testing/commissioning
- Water sampling for potability (before, during and after construction)

5. The LGU shall ensure the official turn-over of the completed subproject.
6. Upon Completion of the subproject, the LGU shall submit to the Provincial Government or DILG Regional Office of the following:
 - a) Copy of the Certificate of Acceptance of the subproject signed by the LCE
 - b) Copy of COA certification of Liquidation of 100% of the subproject fund and COA Inspection Report
 - c) Others, as deemed necessary.

Subsequently, the Provincial Government shall submit copies of the above documents to the DILG-RO thru the Provincial Director

B. For the Provincial Government of Bohol

1. The Provincial Government of Bohol shall:
 - a) Establish thru an *Executive Order* the Provincial Project Management Team (PPMT) to manage the overall implementation of BEA-DILG Fund in the Province, membership of which shall be composed of, but not limited to the following:

- Provincial Government of Bohol (*PLO, PEO, PPDO, rep from LFC*)
 - Provincial DILG
 - DPWH (District I, II and III)
- b) Undertake the construction for Non-Capable LGUs and all Bridges, by Administration or by Contract.

2. The PPMT shall:

- a) Conduct regular monitoring to all subprojects being implemented and observe the following:
- (1) Availability of construction materials on site, in accordance with the approved plans and specifications
 - (2) Availability of appropriate equipment on site, in accordance with the Equipment Schedule
 - (3) Quality control tests results conducted whether they are consistent with the frequency and number specified in the Technical Specification and whether the tests were conducted by accredited testing center/laboratory
 - (4) Waste disposal is done in accordance with prescribed standards
 - (5) Health and Safety standards set by DOLE are being implemented
 - (6) Works are in accordance with the approved Plans and Specifications
- b) Immediately advise the LGU of any noted deviations and to cause the Contractor to initiate corrective actions.
- c) Review and evaluate all submitted reports by the LGUs. For the following cases:
- (1) Physical Works not in accordance with the Approved Plans and Specifications - The PPMT shall advise the LGU to immediately issue notice to Contractor to implement corrective measures on noted defects. The LGU shall be advised to monitor Contractor's corrective actions.
 - (2) Inconsistency between the reported and actual work accomplished, PPMT shall advise the Implementing LGU to

conduct a joint inspection with the Contractor within three (3) days, to resolve inconsistencies.

(3) Any delay in subproject implementation, PPMT shall advise the Implementing LGU to issue Warning Letter to the Contractor and require immediate submission of catch-up plan to complete the works within the approved contract period.

(4) Poor quality of works – PPMT shall check the results of quality control tests conducted by the Contractor, among others.

d) In case there is a reported stoppage of work for unknown reasons or the Contractor has abandoned the subproject, advise the LGU to immediately assess/evaluate the situation and recommend appropriate action.

e) Advise the Implementing LGU to:

- Organize the joint inspection for Punchlisting before the subproject reaches 95%.
- Organize the joint final inspection and request the local COA for final inspection before the subproject reaches 100% physical accomplishment.
- Submit monthly Physical Accomplishment Report including the corresponding Report of Disbursement (ROD) until project completion.

C. For DILG Regional Office, Provincial/City Office or MLGOOs

The DILG Regional Office shall:

1. Thru the PDMU, provide support to the PPMT in the conduct of regular monitoring visits so that subprojects will be completed within the approved contract duration.
2. Thru the Provincial/City Director and MLGOOs, review and validate reports submitted by the LGUs on the compliance with the provisions of RA 6685 regarding the Hiring of Skilled and Unskilled Labor.

3. Thru the PDMUs, review and evaluate all submitted reports by the PPMT and recommend appropriate solutions for noted deviations.
4. Provide advisory, technical and related capacity development assistance to the LGUs, in the implementation and management of subproject.

D. Subproject Completion

1. All subprojects shall be completed within the approved timelines.
2. Upon completion of the subproject, the LGUs shall issue the Certificate of Completion to be concurred by the DILG-Regional Office and Provincial Government.

VII. FUND MANAGEMENT

All prescribed COA auditing rules and regulations shall be complied with. The Provincial Government shall act as the Fund Administrator for the fund in the Province.

A. Fund Utilization

The Fund shall be used exclusively for the following:

1. To finance the implementation of the approved subprojects reflected in the signed MOA and Tripartite MOA.
2. Any balances from the Subproject MOA Allocation shall be returned to the DILG Regional Office.
3. In no case shall the LGU use the Fund to cover administrative costs (e.g. office supplies, local travelling expenses, communication, honoraria, meetings and consultations, salaries, and any other related monitoring and construction supervision expenses) of the LGU personnel overseeing and monitoring the subproject. Such expenses shall be borne by the LGU.

B. Mechanics for Fund Releases

1. Release of Funds is done by the DBM direct to the DILG Region VII through their Regular Accounts (Fund 101). Consistent with the nature

and purpose of the fund, DILG RO shall book-up the Notice of Cash Allocation (NCA) as "Subsidy from National Government - 4-03-01-010" while the fund transfer to the Provincial Government shall be taken up as Financial Assistance to Local Government Units -5-02-14-030.

2. The Provincial Government shall open, manage and maintain a Trust Account for the Fund intended for the entire Province. The Capable LGUs shall likewise open Trust Account or use their existing Trust Account to which the transferred fund shall be deposited, with separate ledger for each subproject. In the case of Barangays, the fund shall be treated as Trust Liability Account. The transferred fund shall be taken up as Subsidy from Other National Government -4-03-01-020 by the LGU.
3. DILG Regional Office shall transfer 100% of the amount allocated for the LGUs of Bohol including the amount intended for the Provincial Government to finance the reconstruction, rehabilitation or repair of damaged LGU facilities/infrastructures. The Provincial Government through a Tripartite MOA shall in turn release/transfer to the Implementing LGUs their respective allocations.
4. Fund releases to LGUs from the Provincial Government of Bohol shall be made in the following tranches:
 - a) For subprojects with cost of *Php 3.0 Million and below*, funds shall be released in one tranche (100%), upon submission of the following:

Tranche	Requirements
100%	<ol style="list-style-type: none"> 1. SB Resolution authorizing the LCE to enter into a Tripartite MOA with the Provincial Government of Bohol and DILG 2. Signed Tripartite MOA 3. Government Bank Certificate on the Trust Account 4. Approved subproject documents such as Program of Works – (Subproject Description, Item of Works, Unit Cost, Quantity, Total Cost), and its supporting documents such as : Technical Drawings/Plans and Specifications, Unit Cost Analysis/Derivation, Quantity Computation including the Bid Documents <p><i>Or Detailed Engineering Design (DED) for totally damaged structures</i></p>

- b) For subprojects with cost of Above Php 3.0 Million to 10 Million, funds shall be released in two (2) tranches upon submission of the following:

Tranche	Requirements
1st Tranche (Equivalent to 80% of Approved Subproject Cost)	<ol style="list-style-type: none"> 1. SB Resolution authorizing the LCE to enter into a Tripartite MOA with the Provincial Government of Bohol and DILG 2. Signed Tripartite MOA 3. Government Bank Certificate on the Trust Account 4. Approved subproject documents such as Program of Works – (Subproject Description, Item of Works, Unit Cost, Quantity, Total Cost), and its supporting documents such as : Technical Drawings/Plans and Specifications, Unit Cost Analysis/Derivation, Quantity Computation including the Bid Documents <p>or Detailed Engineering Design (DED) for totally damaged structures</p>
2nd Tranche (20% or the Difference Between the Approved Contract Cost and the 1 st Tranche)	<ol style="list-style-type: none"> 1. Letter Request from the LGU for the Release of 2nd Tranche 2. Physical Accomplishment Report/Statement of Work Accomplished (SWA) showing 50% accomplishment with pictures 3. Report of Disbursement (ROD) showing at least 50% liquidation of the 1st tranche

- c) For subprojects with cost of Above 10 Million, funds shall be released in two (2) tranches upon submission of the following:

Tranche	Requirements
1st Tranche (Equivalent to 60% of Approved Subproject Cost)	<ol style="list-style-type: none"> 1. SB Resolution authorizing the LCE to enter into a Tripartite MOA with the Provincial Government of Bohol and DILG 2. Signed Tripartite MOA 3. Government Bank Certificate on the Trust Account 4. Approved subproject documents such as Program of Works – (Subproject Description, Item of Works, Unit Cost, Quantity, Total Cost), and its supporting documents such as : Technical Drawings/Plans and Specifications, Unit Cost Analysis/Derivation,

	Quantity Computation including the Bid Documents or Detailed Engineering Design (DED) for totally damaged structures
2 nd Tranche (40% or the Difference Between Approved Contract Cost and 1 st Tranche)	<ol style="list-style-type: none"> 1. Letter Request from the LGU for the Release of 2nd Tranche 2. Physical Accomplishment Report/Statement of Work Accomplished (SWA) showing 40% accomplishment with pictures 3. ROD showing at least 65% liquidation of the 1st tranche

- d) *For Barangay subprojects, with cost of Php 300,000.00 and below, funds shall be released in one tranche (100%), upon submission of the following:*

Tranche	Requirements
100%	<ol style="list-style-type: none"> 1. Barangay Resolution authorizing the Punong Barangay to enter into a Tripartite MOA with the Provincial Government of Bohol and DILG 2. Signed Tripartite MOA 3. Government Bank Certificate on the Trust Account 4. Approved subproject documents such as Program of Works – (Subproject Description, Item of Works, Unit Cost, Quantity, Total Cost), and its supporting documents such as : Technical Drawings/Plans and Specifications, Unit Cost Analysis/Derivation, Quantity Computation including the Bid Documents or Detailed Engineering Design (DED) for totally damaged structures

5. Prior to the start of the procurement process (if By Contract) or subproject implementation (if By Administration), the Implementing LGU shall submit the following additional documents to the Provincial Government of Bohol thru the PPMT:
 - a) Copy of the Executive Order designating a Subproject Officer who will oversee the Subproject implementation;

- b) Appropriation Ordinance for LGU counterpart funds for amounts in excess of the Approved Subproject Allocation (if applicable);
 - c) Clearance from the Building Official/ Provincial Engineer's Office considering advisory from the MGB that the structure will not be located on the "No Build Zone";
6. Requests for fund releases shall be submitted to the Provincial Government of Bohol thru the PPMT with the complete required supporting documents.
 7. The Provincial Government of Bohol thru the PPMT shall review the submitted documents and conduct field inspection to validate the claimed physical accomplishment, prior to the release of the 2nd Tranche.
 8. The Provincial Government of Bohol shall release the funds within seven (7) working days upon satisfactory compliance of the requirements. It shall issue the check in the name of the Implementing LGU for deposit to the latter's Trust Account maintained for the purpose. For its part, the Implementing LGU shall issue the corresponding official receipt in acknowledgment.
 9. The Regional Director is given authority to act on, sign and/or approve contracts, disbursement vouchers, checks, liquidation reports with amounts equivalent allocation stipulated in the MOA with the Provincial Government, and all other related documents subject to the usual accounting and auditing rules and regulations
 10. The Provincial Government of Bohol shall officially inform the concerned Local Resident Auditors that a check has been issued to the Implementing LGU, immediately after issuance of the check.
 11. In cases where the LGU has to provide Cash Counterpart Fund for the implementation of the subproject/s, such Cash Counterpart Fund shall be deposited in the Trust Account before the Award of the Contract. The Cash Counterpart Fund shall be fully disbursed before the release of the second tranche.

C. Reporting and Liquidation

1. Liquidation of Fund Transfers

The Implementing LGU shall liquidate the funds and submit to the Provincial Government of Bohol thru the PPMT either in print or by way of electronic documents, reports on the liquidation of the fund transfer. As such:

- a) The LGU shall submit to the Provincial Government of Bohol, the Report of Disbursement (ROD), including the supporting documents as evidence of the actual utilization of funds within ten (10) working days after the end of each month. The ROD shall be duly signed by the LGU Accountant and Treasurer and approved by the Local Chief Executive. This shall serve as the basis for the subsequent fund releases. See *Annex 8* for the pro forma of Report of Disbursement (ROD). The supporting document shall include, but not limited to the following:
 - Disbursement Voucher (DV)
 - Checks Issued to Creditors
 - Official Receipts by Creditors
 - Creditor's Billings
- b) Within 15 working days after the end of each month, the Implementing LGU shall submit their report to the Provincial Government thru the PPMT who in turn will submit to the Regional Office the consolidated report of Fund Utilization. The DILG Regional Office shall submit to the Central Office copy of the consolidated Report of Fund Utilization. Please refer to Annex 9 for the Pro-forma Regional Consolidated Report of Fund Utilization.
- c) The DILG Accountant or any authorized representative shall conduct regular visit to review the status of fund utilization, proper recording of book of accounts, and overall financial management of the Provincial Government.
- d) Within one (1) month after the end of each year, Implementing LGUs shall submit to the Provincial Government of Bohol, a copy of the Annual Audited Report (Consolidated Report of the Monthly ROD) for on-going subprojects reflecting all fund deposits and actual fund utilization. The Provincial Government shall furnish DILG Regional and Central Offices copy of such report.

- e) The Provincial Government of Bohol shall cause the concerned Implementing LGUs to return all unutilized funds to the Provincial Government after project completion. Likewise, the Province shall return all unutilized fund to the DILG Regional Office.
- f) All fund transfers shall be liquidated one (1) month after the completion of each subproject. The LGU shall submit an Audited Summary Report (Consolidated Report of the Monthly ROD) to the Provincial Government showing all fund deposits and actual disbursements. In case the LGU fails to submit monthly and/or Audited Summary Reports, an Annual Audited Report including a separate opinion from the Auditor, as to whether the fund has been used for the purpose, shall be submitted.
- g) The Provincial Government of Bohol shall officially notify the LGUs on the need to submit monthly the required liquidation reports.

2. Liquidation of Regional Operational Fund

Within 10 working days after the end of each month, the Regional Office shall submit to the DILG Central Office the ROD on the utilization of the funds transferred for operational expenses.

VIII. IMPLEMENTATION ARRANGEMENTS

A. BEA -DILG Project Management Office (BEA -DILG PMO)

A Project Management Office (PMO) shall be established in the DILG under the Office of Project Development Services (OPDS) which shall be responsible for the overall-project management. The PMO shall specifically be responsible for the following:

1. Formulation/Updating of Operational Guidelines and Strategies for effective implementation
2. Over-all physical and financial planning
3. Over-all fund management
4. Development and implementation of monitoring and evaluation systems
5. Overall monitoring of subproject implementation and fund utilization
6. Development and maintenance of databases for the Fund
7. Preparation and submission of monthly and quarterly reports to the DILG Secretary and Undersecretary

8. Provision of advisory and technical assistance to DILG Field Offices and LGUs, in all aspects of project implementation, as needed
9. Development and implementation of capacity development programs for DILG Field Offices and LGUs
10. Conduct of regular consultations/dialogues with DILG-ROs and LGUs to resolve implementation issues

B. DILG Regional Office VII

The Regional Office VII shall oversee the implementation of BEA-DILG Fund, and shall take appropriate measures to ensure that the Funds transferred to LGUs are used for the intended purpose.

1. The Regional Director shall:
 - a) On behalf of the DILG, enter into a MOA with the Provincial Government of Bohol for the implementation and release of funds, among others. The Regional Director shall also act as the signatory in the Tripartite MOA to be executed among and between the DILG, PLGU and C/M/BLGUs for the actual implementation of subprojects;
 - b) Sign disbursement vouchers, checks, liquidation reports relative to Project implementation and fund releases to the Provincial Government for amount in excess of the existing Regional Director's delegated Authority provided under Department Order No. 2013-91 dated January 23, 2013;
 - c) Approve the subprojects of the Provincial Government for funding
2. The Regional Office through the PDMUs shall be responsible for the following:
 - a) Review and evaluate subproject documents submitted by Provincial Government;
 - b) Provide advisory, technical and related capacity development to LGUs, as needed;
 - c) Provide support to the Provincial Government in subproject progress monitoring ;

- d) Conduct separate quality control test, as necessary, through the engagement of accredited testing institutions;
- e) Prepare and submit monthly Regional Physical and Financial Accomplishment Reports to DILG CO through OPDS and FMS;
- f) Prepare regular alert status reports that will provide management advance information on what is happening on the ground and guide in addressing possible bottleneck;
- g) Conduct regular consultations/dialogues with the Provincial Government, LGUs and other stakeholders;
- h) Facilitate the resolution of implementation issues that are not resolved at the local level.

C. DILG Provincial/City/Municipal Offices

The Provincial Director shall represent the DILG in the PPMT. The MLGOOs shall likewise assist the PPMT and PDMUs in monitoring the implementation of the subprojects at the local level.

The Provincial/City Director and MLGOO shall be responsible for the following:

1. Provide feedback to DILG Regional Office and CO on the progress of Project implementation;
2. Facilitate the submission of the documents required in MOA signing;
3. Monitor and provide advice during the bidding process, as necessary;
4. Upon invitation by the LGU, attend Pre-bid Conference for the subproject and observe the bidding process;
5. Facilitate timely submission of accomplishment reports by the LGUs (including pictures);

6. Participate in the conduct of final inspection and submit report within five (5) working days after inspection, to the DILG Regional Office;
7. Upon completion of the subproject, attest to the existence of the subprojects by submitting a certification to the Office of the Undersecretary for Local Government (OUSLG), through channels, that he/she has seen that the subproject was implemented and has been completed;

D. The Provincial Government of Bohol

1. The Provincial Government shall be responsible for the following:
 - a) Enter into a MOA with DILG –RO and Tripartite MOAs with LGUs
 - b) Open a Trust Account for which the Fund shall be deposited
 - c) Create the Provincial Project Management Team (PPMT) pursuant to Section VI, B.1.1 of this Guidelines
2. The Provincial Government thru the PPMT shall:
 - a) Administer/manage the Fund at the Provincial level, which includes among others, review and evaluation of subproject documents submitted by Implementing LGUs prior to signing of Tripartite MOA and release of funds
 - b) Assess the capability of the LGUs to implement subproject using the existing DPWH Assessment Guide
 - c) Provide advisory, technical and related assistance to LGUs when necessary
 - d) Conduct progress monitoring of subprojects
 - e) Conduct separate quality control test, as necessary, through the engagement of accredited testing institutions
 - f) Prepare and submit Physical and Financial Accomplishments Reports to DILG RO VII through the DILG Provincial Director

- g) Conduct regular consultations/dialogues with LGUs and other stakeholders, when necessary
- h) Facilitate the resolution of implementation issues
- i) Review and consolidate all SWAs and RODs submitted by the LGUs and submit to the DILG RO thru the DILG Provincial Office
- j) Cause the LGUs to submit the liquidation of fund transfers

E. Local Government Units (LGUs)

The LGU shall be responsible for the following:

The following shall be the responsibilities of Recipient LGUs:

1. All Recipient LGUs shall enter into a Tripartite MOA with the Provincial Government and DILG to define the implementation arrangements.
2. Implementing LGUs shall designate a Project Officer to oversee the day to day subproject implementation at the local level
3. Implementing LGUs shall open a Trust Account or use an existing Trust Account for the transferred of funds, with a separate subsidiary ledger for each subproject
4. All Recipient LGUs shall prepare and submit to the appropriate approving entity the Program of Works (POW) including supporting documents such as drawing plans, technical specifications, project cost, unit price analysis, quantity calculations and photographs.
5. During procurement, Implementing LGUs shall adhere to and implement all provisions of RA 9184 and its Implementing Rules and Regulations (IRR).
6. Recipient LGUs shall provide counterpart funds for the (i) administrative and operational costs for the subproject implementation, i.e. office supplies, travel expenses, communication, meetings and consultations, salaries, construction supervision, and likes; (ii) excess cost due to variation orders including any unforeseen work items; and (iii) operations and maintenance of the completed facilities/structures.

7. Implementing LGUs shall implement the subproject in accordance with the established standards and prevailing engineering practices.
8. Implementing LGUs shall submit a Monthly Physical and Financial Accomplishment Report, including the Statement of Work Accomplishments (SWA) and Report of Disbursement/Liquidation (ROD) to the Provincial Government of Bohol.
9. Implementing LGUs shall adhere to existing national standards/guidelines, laws and policies stipulated in Section IV, B.6, among others
10. Implementing LGUs shall ensure that the subproject is implemented in accordance with the approved schedule, within the approved budget and in accordance with acceptable standards
11. Upon completion of the subproject, the Implementing LGU shall issue the Certificate of Completion to be concurred by the DILG- Provincial Office and the Provincial Government of Bohol.
12. Implementing LGUs shall return to the Provincial Government of Bohol or DILG RO, whichever is applicable, the unexpended balance of the released portion of the funds or the corresponding portion related to the cancelled component.

IX. MONITORING AND ADVOCACY

- A. To ensure transparency and accountability, the DILG, Provincial Government and LGUs shall provide the following:
 1. Regular reporting to ensure timely resolution of issues that may arise.
 2. Installation of project billboards by the LGUs and Contractors to provide the people information on the period of implementation, fund allocation and utilization, among others
 3. Posting of the Fund implementation status in the DILG and LGU Websites (www.dilg.gov.ph/www.bohol.gov.ph)
 4. Full disclosure of project information through tri-media.
- B. Progress Monitoring

The following are the processes and mechanisms for the monitoring of subproject during implementation:

1. BEA-DILG-PMO

- a) Conduct regular site visits and spot checks in all phases of subproject implementation, whenever necessary.
- b) Submit monthly and quarterly progress reports to the Secretary and concerned Undersecretary of DILG.

2. DILG Regional Office VII

- a) Conduct Progress monitoring visits in coordination with the Provincial Government , which shall cover the following:
 - physical status and accomplishment
 - financial status to include utilization/disbursement rates
 - problems encountered and recommended solutions;
 - assessment of risks
- b) Submit Progress Monitoring Reports on a monthly and quarterly basis

3. Provincial Government of Bohol

- a) Conduct progress monitoring in subproject sites which shall cover the following
 - physical status and accomplishment
 - financial status to include utilization/disbursement rates
 - problems encountered and recommended solutions;
 - assessment of risks
- b) Submit Progress Monitoring Reports on a monthly and quarterly basis

C. Transparency and Accountability Mechanisms (TAM)

The following Transparency and Accountability Mechanisms shall be operationalized in the implementation of subprojects:

1. For the Implementing LGUs

- a) The LGUs shall install subproject billboards on the subproject sites to provide information including the period of implementation, fund allocation and status of fund utilization consistent with COA Circular

No. 2013-004 dated 30 January 2013 – Information and Publicity on Programs/Projects/Activities of Government Agencies on subproject reporting and monitoring of subproject/s.

- b) The LGUs shall post in their respective websites, within thirty (30) calendars days from entering into Contract with the winning contractor/bidder, the following information per subproject.
 - (1) Subproject title and detailed description which shall include the nature and location.
 - (2) The detailed estimates in arriving at the Approved Budget for the Contract (ABC).
 - (3) The winning Contractor and the detailed estimates of the bid awarded.
- c) The LGUs shall post in their respective websites within thirty (30) calendars days from the issuance of subproject completion the following.
 - Detailed actual cost of the sub-project; and
 - Variation orders, if any.
- d) The LGUs shall also abide by the COA Circular No. 2013-004 dated 30 January 2013 – Information and Publicity on Programs/Projects/Activities of Government Agencies on subproject reporting and monitoring of subproject/s.

2. The BEA-DILG PMO and Regional Office VII

BEA-DILG PMO and Regional Office VII shall post subproject implementation status on their respective websites. Full disclosure of subproject information and status of implementation is encouraged through tri-media.

X. PENALTIES AND SANCTIONS

A. The Regional Director is authorized to:

- 1. Terminate/cancel the implementation of the subproject in the following instances:

- a) LGU's non-compliance to prescribed processes, standards and requirements
- b) Corruption and fraudulent practices
- c) When situations/circumstances would make it improbable for the subproject to continue to be carried out
- d) Upon request of the LGU

In such case that the subproject is partially or fully cancelled due to the fault of the LGU, the LGU shall be obliged to return the unexpended balance of the released portion of the funds or the pertinent portion related to the cancelled component of the subproject, whichever applies.

2. Suspend/ withhold the release of the final tranche if any of the following occurs:

- a) The DILG Regional Office, during the conduct of review and monitoring activities determines that: (i) the procurement of any contract is inconsistent with RA 9184 provisions (ii) LGU is performing unsatisfactorily in the implementation and execution of the subproject or in the event that substantial slippage in implementation is incurred;
- b) Extraordinary conditions such as force majeure, fortuitous events and the like which shall make it necessary to suspend the implementation of the subproject.

The LGU will be given a period of one month to resolve the issue, improve performance or remedy the situation. However, termination will be resorted to only, if LGU, having been duly notified, does not make any effort to institute measures that will address issues at hand.

- B. The Bohol Provincial Governor is authorized to:

1. Suspend the implementation and may recommend termination of the subproject in the following instances:
 - a) LGU's non-compliance to prescribed processes, standards and requirements
 - b) Corruption and fraudulent practices

c) When situations/circumstances would make it improbable for the subproject to continue to be carried out

d) Upon request of the LGU

The LGU will be given a period of one month to resolve the issue, improve performance or remedy the situation. However, suspension will be resorted to only, if LGU, having been duly notified, does not make any effort to institute measures that will address issues at hand.

2. Submit a report to the DILG Regional Office VII on unresolved implementation issues for appropriate action.

3. Suspend/ withhold the release of the final tranche if any of the following occurs:

a) The Provincial Government, during the conduct of review and monitoring activities determines that: (i) the procurement of any contract is inconsistent with RA 9184 provisions (ii) LGU is performing unsatisfactorily in the implementation and execution of the subproject or in the event that substantial slippage in implementation is incurred .

b) Extraordinary conditions such as force majeure, fortuitous events and the like which shall make it necessary to suspend the implementation of the subproject

1. EFFECTIVITY

This Memorandum Circular shall take effect immediately.



MAR ROXAS
Secretary, DILG



DILG-OSEC OUTGOING 14-03234

List of the 44 LGUs in Bohol
Affected by the 7.2 Magnitude 2013 Bohol Earthquake
with Estimated Total Project Cost (In Milion Pesos)

No.	DISTRICT	NAME OF LGU	ESTIMATED TOTAL PROJECT COST
PROVINCE OF BOHOL			
1	0	Province of Bohol	205.40
			205.40
2	1	Alburquerque	1.89
3	1	Antequera	76.89
4	1	Baclayon	4.51
5	1	Balilihan	89.90
6	1	Calape	98.74
7	1	Catigbian	131.25
8	1	Corella	10.55
9	1	Cortes	98.53
10	1	Dauis	0.31
11	1	Loon	196.06
12	1	Maribojoc	75.60
13	1	Panglao	1.37
14	1	Sikatuna	44.56
15	1	Tagbilaran	114.47
16	1	Tubigon	95.72
			1,040.32
17	2	Buenavista	91.42
18	2	Clarin	62.37
19	2	Dagohoy	7.49
20	2	Danao	53.21
21	2	Inabanga	185.03
22	2	Sagbayan	242.71
23	2	San Isidro	85.18
24	2	San Miguel	46.02
25	2	Talibon	6.44
26	2	Trinidad	23.66
27	2	Ubay	1.95
			805.49
28	3	Alicia	11.08
29	3	Batuan	21.14
30	3	Candijay	7.80

No.	DISTRICT	NAME OF LGU	GRAND TOTAL AMOUNT
31	3	Carmen	10.61
32	3	Dimiao	12.35
33	3	Duero	0.81
34	3	Garcia Hernandez	10.21
35	3	Guindulman	4.10
36	3	Jagna	31.14
37		Lila	1.24
38	3	Loay	48.79
39	3	Loboc	21.29
40	3	Mabini	0.13
41	3	Pilar	46.09
42	3	Sevilla	90.35
43	3	Sierra Bullones	10.92
44	3	Valencia	10.27
			338.29
		BOHOL TOTAL	2,389.50

Republic of the Philippines
Province of _____
City/Municipality of _____

OFFICE OF THE SANGGUNIANG [PANLALAWIGAN/PANLUNGSOD/BAYAN]

EXCERPTS FROM THE MINUTES OF THE [REGULAR] SESSION OF THE SANGGUNIANG [PANLALAWIGAN/PANLUNGSOD/BAYAN] HELD AT [VENUE OF THE SESSION] ON [MONTH DAY], 2014.

PRESENT:

Hon. _____
Hon. _____
Hon. _____
Hon. _____
Hon. _____
Hon. _____
Hon. _____
Hon. _____
Hon. _____
Hon. _____
Hon. _____
Hon. _____
Hon. _____
Hon. _____

ABSENT:

Hon. _____
Hon. _____
Hon. _____
Hon. _____

Authorized by:
HON. _____

RESOLUTION NO. ____
Series 2014

RESOLUTION AUTHORIZING GOVERNOR/MAYOR (Name) _____ TO ENTER INTO A MEMORANDUM OF AGREEMENT (MOA) WITH THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT (DILG) FOR THE BOHOL EARTHQUAKE ASSISTANCE (BEA) - DILG FUND.

WHEREAS, to facilitate the return to normalcy of local government services and economic activities in the 7.2M 2013 Bohol Earthquake-affected areas, the Department of the Interior and Local Government (DILG) established the Bohol Earthquake Assistance (BEA) - DILG Fund which aims to reconstruct and rehabilitate/repair LGU-owned and managed public

facilities and infrastructure, with build back better (BBB) design considerations to make them more disaster-resilient structures;

WHEREAS, the BEA-DILG Fund covers 44 LGUs in the Province of Bohol and 9 LGUs in the Province of Cebu;

WHEREAS, this Province/City/Municipality has been identified as a recipient of the BEA-DILG Fund being one of the 53 affected LGUs;

WHEREAS, this Province/City/Municipality has submitted Program of Works (POWs) for the proposed rehabilitation/repair/reconstruction of the following damaged facilities and infrastructure (referred herein as subprojects);

Item No.	Proposed Subproject	Amount
	(e.g. <u>rehabilitation/repair/reconstruction of Municipal Building</u>)	
	Total	

NOW THEREFORE, upon motion of Hon. _____ and duly seconded by Hon. _____, this Sangguniang [Panlalawigan/Panglunsod/Bayan] of _____ do hereby **RESOLVE TO**:

- a. affirm the interest of the Province/City/Municipality of _____ to avail of the BEA-DILG Fund for the subproject/s as described above;
- b. authorize Hon. **Governor/Mayor** _____, or his successor, for and on behalf of the Province/City/Municipality of _____ to enter into an agreement with the DILG and to enter into contract for any procurement of goods/services/infrastructures during subproject implementation;

RESOLVED FURTHERMORE, that this LGU commits to:

- a. utilize the BEA-DILG Fund exclusively for the subproject/s in accordance with the approved Program of Works (POWs);
- b. designate a Subproject Manager to supervise and oversee the implementation of the subproject/s as well as act as focal person of the LGU;
- c. provide counterpart funds for the (i) administrative and operational costs for the subproject implementation, i.e. office supplies, travel expenses, communication, meetings and consultations, salaries, construction supervision, and likes (ii) excess cost due to variation orders including any unforeseen work items (iii) operations and maintenance of the completed facilities/structures;

- d. execute the implementation of the subproject/s with due diligence and efficiency and in conformity with sound administrative, financial, environmental and engineering practices; and
- e. abide by the standards and policies of the National Government related to the the design and implementation of the subproject/s; and
- f. comply with other requirements, policies, and LGU responsibilities as set forth in the Memorandum of Agreement (MOA) with the DILG.

RESOLVED FINALLY, to furnish the Department of the Interior and Local Government (DILG) with a copy of this Resolution.

ADOPTED this ____ day of ____ in _____ 2014.

I hereby certify to the correctness of the foregoing resolution.

Secretary of the Sanggunian

ATTESTED AND APPROVED:

Vice Governor/Vice Mayor/
Presiding Officer

LIST OF DOCUMENTARY REQUIREMENTS

1. MOA Signing

- a. SP/SB Resolution Authorizing the Local Chief Executive to enter into a Tripartite Memorandum of Agreement (MOA) with the Provincial Government of Bohol and DILG Regional Office
- b. Bank Certificate on LGU Trust Account in any government depository bank
- c. Approved subproject documents which include Program of Works (Subproject Description, Item of Works, Unit Cost, Quantity, Total Cost), and its supporting documents such as : Technical Drawings/Plans and Specifications, Unit Cost Analysis/Derivation, Quantity Computation including the Bid Documents

Or Detailed Engineering Design (DED) for totally damaged structures

2. Issuance of CAF

- a. Appropriation Ordinance for LGU counterpart funds for amount in excess of the POW, (if applicable)

3. Fund Releases

A. For Subprojects with cost of Php 3.0 Million and below

One time release - 100% of the Subproject MOA Allocation

- a. SB Resolution authorizing the LCE to enter into a Tripartite MOA with the Provincial Government of Bohol and DILG
- b. Signed Tripartite MOA
- c. Government Bank Certificate on the Trust Account
- d. Approved subproject documents which include Program of Works (Subproject Description, Item of Works, Unit Cost, Quantity, Total Cost), and its supporting documents such as : Technical Drawings/Plans and Specifications, Unit Cost Analysis/Derivation, Quantity Computation including the Bid Documents

Or Detailed Engineering Design (DED) for totally damaged structures

The following documents must be submitted to Provincial Project Management Team (PPMT), prior to the commencement of the procurement process:

- a. Copy of the Executive Order designating a Subproject Officer who will oversee the Subproject implementation
- b. Appropriation Ordinance for LGU counterpart funds for amounts in excess of the POW (if applicable)

- c. Clearance from the Building Official/ Provincial Engineer's Office considering advisory from the MGB that the structure will not be located on the "No Build Zone".

B. For Subprojects with cost above Php 3.0 Million to 10 Million

First Tranche - 80% of the Subproject MOA Allocation (Approved POW)

- a. SB Resolution authorizing the LCE to enter into a Tripartite MOA with the Provincial Government of Bohol and DILG
- b. Signed Tripartite MOA
- c. Government Bank Certificate on the Trust Account
- d. Approved subproject documents which include Program of Works (Subproject Description, Item of Works, Unit Cost, Quantity, Total Cost), and its supporting documents such as : Technical Drawings/Plans and Specifications, Unit Cost Analysis/Derivation, Quantity Computation including the Bid Documents

Or Detailed Engineering Design (DED) for totally damaged structures

The following documents must be submitted to the Provincial Project Management Team (PPMT), prior to the commencement of the procurement process:

- a. Copy of the Executive Order designating a Subproject Officer who will oversee the Subproject implementation
- b. Appropriation Ordinance for LGU counterpart funds for amounts in excess of the POW (if applicable)
- c. Clearance from the Building Official/ Provincial Engineer's Office considering advisory from the MGB that the structure will not be located on the "No Build Zone".

Second Tranche – 20% or the Difference Between the Approved Contract Cost of the 1st Tranche

- a. Letter Request from the LGU for the release of the 2nd Tranche
- b. Physical Accomplishment Report/Statement of Work Accomplished (SWA) showing 50% accomplishment with pictures
- c. Report on Disbursement (ROD) showing at least 50% liquidation of the 1st Tranche

C. For Subprojects with cost Above Php 10 Million

First Tranche - 60% of the Approved Subproject Cost

- a. SB Resolution authorizing the LCE to enter into a Tripartite MOA with the Provincial Government of Bohol and DILG
- b. Signed Tripartite MOA
- c. Government Bank Certificate on the Trust Account

- d. Approved subproject documents which include Program of Works (Subproject Description, Item of Works, Unit Cost, Quantity, Total Cost), and its supporting documents such as : Technical Drawings/Plans and Specifications, Unit Cost Analysis/Derivation, Quantity Computation including the Bid Documents

Or Detailed Engineering Design (DED) for totally damaged structures

The following documents must be submitted to the Provincial Project Management Team (PPMT), prior to the commencement of the procurement process:

- a. Copy of the Executive Order designating a Subproject Officer who will oversee the Subproject implementation
- b. Appropriation Ordinance for LGU counterpart funds for amounts in excess of the POW (if applicable)
- c. Clearance from the Building Official/ Provincial Engineer's Office considering advisory from the MGB that the structure will not be located on the "No Build Zone".

Second Tranche – 40% or the Difference Between Approved Contract Cost and 1st Tranche

- a. Letter Request from the LGU for the release of the 2nd Tranche
- b. Physical Accomplishment Report/Statement of Work Accomplished (SWA) showing 40% accomplishment with pictures
- c. Report on Disbursement (ROD) showing at least 65% liquidation of the 1st Tranche

D. Barangay, For Subprojects with cost of Php 300,000 and below

One time release - 100% of the Approved Subproject Cost

- a. Barangay Resolution authorizing the LCE to enter into a Tripartite MOA with the Provincial Government of Bohol and DILG
- b. Signed Tripartite MOA
- c. Government Bank Certificate on the Trust Account
- d. Approved subproject documents which include Program of Works (Subproject Description, Item of Works, Unit Cost, Quantity, Total Cost), and its supporting documents such as : Technical Drawings/Plans and Specifications, Unit Cost Analysis/Derivation, Quantity Computation including the Bid Documents

Or Detailed Engineering Design (DED) for totally damaged structures

The following documents must be submitted to the Provincial Project Management Team (PPMT), prior to the commencement of the procurement process:

- a. Copy of the Executive Order designating a Subproject Officer who will oversee the Subproject implementation
- b. Appropriation Ordinance for LGU counterpart funds for amounts in excess of the POW (if applicable)
- c. Clearance from the Building Official/ Provincial Engineer's Office considering advisory from the MGB that the structure will not be located on the "No Build Zone".

CAF No. _____

Dated : _____

CERTIFICATE OF AVAILABILITY OF FUNDS (CAF)

Pursuant to the provisions of RA ____ (FY 201_ General Appropriations Act), the amount of _____ (*amount in words of the total Regional Allocation*) _____ (Php *amount in figures* _____) has been allocated to DILG Region ____ for the implementation of _____ (*name of Program/Project*) _____ and booked-up by this Office under Fund 101.

This Office hereby certifies that a portion of the said appropriations is available for the Province/City/Municipality of _____ (*name of LGU*) _____ amounting to _____ (*amount in words based on the signed MOA*) _____ (Php *amount in figures* _____) and shall be charged against the abovementioned appropriations to finance the following Bohol Earthquake Assistance (BEA) – DILG Fund Subprojects:

Project Title	Amount
1. _____	_____
2. _____	_____
3. _____	_____
TOTAL	_____

The corresponding cash shall be released in accordance with the signed **Memorandum of Agreement (MOA)** between the DILG Region and the Province/City/Municipality of _____ (*name of LGU*) _____ signed on _____ 201__ and the Memorandum Circular No. ____ (**Guidelines in the Management of the BEA – DILG FUND**). Tentative cash releases shall be as follows:

Project Title	First Tranche		Second Tranche	
	Amount	Date	Amount	Date
1. _____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____
TOTAL	_____		_____	

Certified correct by:

Approved by:

DILG Regional Accountant_____
DILG Regional Director

PROCUREMENT TIMELINES

Activities	Particulars
1. Advertisement and Posting in PhilGEPS	<ul style="list-style-type: none"> • Advertisement and Posting in PhilGEPS should start simultaneously on the same day. • For Infrastructure projects above 5M and Goods above 2 M, advertised is done at least once in one (1) newspaper of general nationwide circulation which has been regularly published for at least (2) two years before the date of issue of the Advertisement. • For infrastructure projects below 5M and Goods below 2M, advertisement in a newspaper is not mandatory. • Posting in of Invitation to Bid in PhilGEPS and Conspicuous places must be done continuously for (7) calendar days.
2. Issuance of Bidding Documents	<ul style="list-style-type: none"> • Issuance of Bidding Documents must start from 1st day of Advertisement and Posting until the date set for the submission and receipt of Bids.
3. Pre Bid Conference	<ul style="list-style-type: none"> • Must be conducted at least (12) calendar days before Bid Opening • Must be conducted at least one (1) for contracts with an ABC of 1M and above • For contracts with an ABC of 1M below, pre-bid conference may be conducted at the discretion of the BAC
4. Supplemental/ Bid Bulletin	<ul style="list-style-type: none"> • Issuance should at least be seven (7) calendar days before Bid Opening.
5. Submission and Receipt of Bids	<ul style="list-style-type: none"> • For Goods, deadline of submission of Bids must be set within (45) calendar days from the last day of Posting. • For Infrastructure Projects, deadline of submission of Bids must be set within fifty (50) calendar days for projects 50M and below and sixty-five (65) calendar days for projects above 50 M. • Please take note that deadline of submission of Bids may be earlier that (45) and (65) calendar days.

Activities	Particulars
6. Bid Evaluation	<ul style="list-style-type: none"> • Bid Evaluation should be completed within seven (7) calendar days for Goods and Infrastructure above 50 M, five (5) calendar days for Infrastructure 50 M and below. • Bid Evaluation may be completed earlier than five (5) and seven (7) calendar days, respectively.
7. Post Qualification	<ul style="list-style-type: none"> • Post qualification process shall be completed in not more than seven (7) calendar days from determination of the Lowest Calculated Bid (LCB). • In exceptional cases post qualification period may be extended by the Head Of Procuring Entity (HOPE), but in no case shall the aggregate period exceed thirty (30) calendar days
8. Approval of resolution/Issuance of Notice of Award	<ul style="list-style-type: none"> • Should be done within seven (7) calendar days for Goods and Infrastructure above 50 M, four (4) calendar days for Infrastructure 50 M and below. • The BAC shall post within three (3) calendar days from its issuance, the NOA in the PhilGEPS, its website and conspicuous places.
9. Contract preparation and signing	<ul style="list-style-type: none"> • Should be done within ten (10) calendar days from receipt of NOA, including the posting of the required Performance Security.
10. Approval of Contract by higher authority	<ul style="list-style-type: none"> • Should be done within fifteen (15) calendar days for Goods and Infrastructure above 50 M, five (5) calendar days for Infrastructure 50 M and below. • If no action on the contracts is taken by the HOPE or the approving authority within the periods specified, the contract concerned shall be deemed approved.
11. Issuance of Notice to Proceed	<ul style="list-style-type: none"> • Should be done within three (3) calendar days for Goods and Infrastructure above 50 M, two (2) calendar days for Infrastructure 50 M and below. • Contract effectivity date shall not be later than seven (7) calendar days from its issuance.

Republic of the Philippines

(LGU)

LABOR FORCE EMPLOYMENT REPORT
As of _____

Project Title: _____

[illegible]

Prepared by:

Verified Correct by :

**Bohol Earthquake Assistance - DILG FUND
Report of Disbursement/Liquidations**

For the Month of _____

Amount Received per NTA No. _____
Less: Disbursement

Balance as of _____

<u>Payee</u>	<u>Nature of Payment</u>	<u>Check No.</u>	<u>Date</u>	<u>Amount</u>	<u>Remarks</u>
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Certified Correct:

Approved by:

Verified by:

Accountant

LCE

Regional COA Auditor

REGIONAL CONSOLIDATED FUND UTILIZATION REPORT¹

SN	PROJ. CODE	PROVINCE	MUNICIPALITY	PROJECT TITLE	BUDGET ALLOCATION	NCA RELEASES					Cash Transfer			LGU LIQUIDATION			
						First Tranche		Second Tranche		Total	Total for the Previous Month	Current Month	Total	Total for the Previous Month	Current	Total	Balance
						Date Received	Amount	Date Received	Amount								
1																	
2																	
3																	
4																	
5																	
6																	
7																	
8																	
9																	
10																	
14																	

Prepare by:

Approved by:

Regional Accountant

Regional Director

**MEMORANDUM OF AGREEMENT (MOA)
FOR THE IMPLEMENTATION OF THE
BOHOL EARTHQUAKE ASSISTANCE (BEA) – DILG FUND**

KNOW ALL MEN BY THIS PRESENTS:

This Memorandum of Agreement (MOA) for the Bohol Earthquake Assistance-DILG (BEA-DILG) Fund intended to support the reconstruction, rehabilitation and repair of damaged LGU facilities/infrastructures is entered into by and between the following Parties:

The **DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**, a national government agency represented herein by its Regional Director, **ANANIAS M. VILLACORTA**, with office address at DILG Regional Office VII, Sudlon, Lahug, Cebu City, hereinafter referred to as the “**DILG**”

and

The **PROVINCIAL GOVERNMENT OF BOHOL** a local government unit (LGU) duly established under the laws of the Republic of the Philippines, with address at CPG North Ave., Tagbilaran City herein represented by its Governor **HON. EDGAR M. CHATTO**, hereinafter referred to as the “**PGBh**”.

WITNESSETH

WHEREAS, the Philippines ranks among the countries that are most vulnerable to multiple hazards, such as earthquakes, typhoons, floods, volcanic eruptions, and landslides, exacerbated by global climate change;

WHEREAS, a 7.2 magnitude earthquake struck Bohol and nearby provinces on the early morning of 15 October 2013;

WHEREAS, it affected the whole Central Visayas Region, particularly Bohol and Cebu;

WHEREAS, more than 73,000 structures were damaged, of which more than 14,500 were totally destroyed;

WHEREAS, the Provincial Government of Bohol submitted the Post-Great Bohol Rehabilitation Plan;

WHEREAS, the DILG established the Bohol Earthquake Assistance-DILG Fund (BEA-DILG Fund), to support reconstruction, rehabilitation and repair of damaged LGU facilities/infrastructures, hereinafter referred to as the "Fund";

WHEREAS, the National Government initially released SARO-BMB-D-14-0006009, dated May 26, 2014 in the amount of P2,413,354,190.00, for the recovery and rehabilitation of Bohol and Cebu devastated by magnitude 7.2 earthquake per Office of the President approval dated May 19, 2014, sourced out from the Supplemental Appropriations, RA 10634, National Disaster Risk and Management Fund (Calamity Fund);

WHEREAS, the Sangguniang Panlalawigan of Bohol passed Resolution No. _____ Series 2014, authorizing Hon. Edgar M. Chatto to enter into a Memorandum of Agreement with the DILG and comply with the Fund's requirements;

WHEREAS, to ensure the effective and efficient implementation of the subproject/s to be funded under the Fund, there is a need to define the institutional arrangements, the responsibilities of all parties, and the procedures and requirements in the utilization of the Fund;

NOW THEREFORE, for and in consideration of the foregoing, the Parties to this Agreement do hereby agree on the terms and conditions set forth herein.

Section 1. GENERAL PRINCIPLES

- 1.1 This MOA defines the roles and responsibilities of DILG and the PGBh in implementing the Bohol Earthquake Assistance (BEA)-DILG Fund;
- 1.2 The parties shall at all times take necessary action to cooperate with each other, perform their respective duties and responsibilities in order to achieve the over-all objective of the Fund;
- 1.3 The execution of the subproject/s shall conform with the policies and procedures prescribed in Memorandum Circular No. _____ Series of 2014 (Guidelines in the Implementation of the BEA-DILG Fund For Affected LGUs in the Province of Bohol) which shall be made an integral part of this Agreement, hereinafter referred to as MC No. _____.
- 1.4 The Fund shall be used exclusively to finance the implementation of the identified and approved subprojects as stipulated in **Annex 1-A** of MC No. _____. In no case shall the PGBh use the Fund to cover administrative costs (e.g. office supplies, local travelling expenses, communication, honoraria, meetings and

consultations, salaries, and any other related monitoring and construction supervision expenses) of the personnel overseeing and monitoring the subprojects. Such expenses shall be borne by the PGBh.

Section 2. SUBPROJECT REVIEW AND APPROVAL

2.1 SUBPROJECT REVIEW

- 2.1.a For subprojects to be implemented by capable LGUs: the Implementing LGU shall submit the subproject documents to the Provincial Project Management Team (PPMT) for review and evaluation.
- 2.1.b For Provincial subprojects : the Provincial Government shall submit the subproject documents to the DILG for review and evaluation.
- 2.1.b For subprojects of non-capable LGUs: the noncapable LGU shall submit the subproject documents to the PPMT for review and endorse to DILG RO for final review.

2.2 SUBPROJECT APPROVAL

- 2.2.a Subproject documents submitted by capable LGUs shall be approved by the Provincial Governor.
- 2.2.b Subproject documents submitted by the Province and the other non-capable LGUs shall be approved by the DILG.

Section 3. DUTIES AND RESPONSIBILITIES

3.1 DUTIES AND RESPONSIBILITIES OF THE DILG

- a. Transfer the equivalent amount allocated for the Province and its constituent LGUs to the PGBh to finance the reconstruction, rehabilitation or repair of damaged LGU facilities/infrastructures as reflected in Annex 1 of the MC No. 1.
- b. Enter into Tripartite MOAs with PGBh and LGUs for the implementation of subprojects.
- c. Review and evaluate subproject documents submitted by PGBh and other non-capable LGUs.

- d. Oversee the implementation of BEA-DILG Fund, and take appropriate measures to ensure that the funds transferred to Implementing LGUs are used for the intended purpose.
- e. In coordination with PGBh, closely monitor the subproject implementation, verify and validate project accomplishments and the authenticity of financial records, reports and documents submitted by the Implementing LGUs.
- f. Monitor compliance of the LGUs with the provisions of the Tripartite MOA and MC No. _____ (Guidelines in the Implementaiton of BEA-DILG Fund).
- g. Provide advisory, technical and related capacity development]to LGUs, as necessary

3.2 DUTIES AND RESPONSIBILITIES OF THE PGBh

- a. Open, manage and maintain a Trust Account in a Government Depository Bank specific for the BEA-DILG Fund . As such, shall:
 - Issue an Official Receipt for the funds received from the DILG;
 - Keep and maintain separate subsidiary records per LGU for the subsidy/financial assistance;
 - Keep and maintain financial and accounting records in accordance with the auditing and accounting rules and regulations.
- b. Enter into Tripartite MOAs with DILG and LGUs for the implementation of subprojects.
- c. Release the fund to the Implementing LGUs upon satisfactory compliance of the requirements;
- d. Undertake the reconstruction or rehabilitation of provincial subprojects and provide counterpart fund as needed;
- e. Undertake the reconstruction or rehabilitation of subprojects for the **Non-Capable LGUs**, By administration or By Contract;
- f. Provide the necessary staff to manage and supervise the implementation of the provincial subprojects including those of the Non-Capable LGUs, and provide funds for the administrative and operational costs;

g. Establish a PPMT pursuant to Section VI, B.1.(a) of MC No. _____. The PPMT shall:

- Administer/manage the Fund at the Provincial level;
- Assess the capability of the LGUs to implement subproject using the existing DPWH Assessment Guide;
- Provide advisory, technical and related assistance to LGUs when necessary ;
- Conduct progress monitoring of all subprojects;
- Conduct separate quality control test, as necessary, through the engagement of accredited testing institutions;
- Prepare and submit consolidated Physical and Financial Accomplishments Reports including SWAs and RODs to DILG RO VII through the DILG Provincial Director;
- Conduct regular consultations/dialogues with LGUs and other stakeholders, when necessary;
- Facilitate the resolution of implementation issues;

h. Make all records and documents available to the DILG relative to the utilization of the Fund;

i. Cause the Implementing LGUs to liquidate the fund transfers and to return all unutilized funds to the PGBh after project completion and subsequently return to the DILG;

Section 4. EFFECTIVITY OF THE AGREEMENT

This Agreement shall take effect immediately upon approval and signing by the contracting parties and shall remain in force and effect until the completion of the subproject/s and the requirements stipulated under this MOA and the accompanying Guidelines in the Implementation of the BEA-DILG Fund, unless sooner terminated.

IN WITNESS WHEREOF, the Parties hereto, acting through their representatives thereto authorized, have caused this Agreement to be signed in their respective names in _____, Philippines on the ____ day of _____ 201__.

PROVINCE OF BOHOL

DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT

Governor

DILG Regional Director

WITNESSES

ACKNOWLEDGMENT

Republic of the Philippines)

_____) S.S.

BEFORE ME, personally appeared:

Name	Competent Evidence of Identification	Date/Place Issued/Expiration
_____	_____	_____
_____	_____	_____

known to me to be the same persons who executed the forgoing Memorandum of Agreement consisting of seven (7) pages including the page on which this acknowledgment is written, and who further acknowledged to me that the same is their free and voluntary act and deed and the free and voluntary act and deed of the entity that they represent.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my seal this _____ day of _____ 20__ in _____.

Notary Public

Until : _____

Ptr No. : _____

Issued on: _____

Issued at : _____

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 20_____.

**TRIPARTITE MEMORANDUM OF AGREEMENT (MOA)
FOR THE BOHOL EARTHQUAKE ASSISTANCE (BEA)-DILG FUND**

KNOW ALL MEN BY THIS PRESENTS

This Tripartite Memorandum of Agreement (MOA) for the Bohol Earthquake Assistance-DILG (BEA-DILG) Fund intended to support the reconstruction/ rehabilitation/ repair of damaged LGU facilities/infrastructures is entered into among and between the following Parties:

The **DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**, a national government agency represented herein by its Regional Director, **ANANIAS M. VILLACORTA**, with office address at DILG Regional Office VII, Sudlon, Lahug, Cebu City , hereinafter referred to as the **"DILG"**;

The **PROVINCIAL GOVERNMENT OF BOHOL**, a local government unit (LGU) duly established under the laws of the Republic of the Philippines, with address at CPG North Ave., Tagbilaran City herein represented by its Governor, **HON. EDGAR M. CHATTO**, hereinafter referred to as the **"PGBh"**;

and

The **City/Municipality of _____**, a local government unit (LGU) duly established under the laws of the Republic of the Philippines, with address at _____
_____ herein represented by its City / Municipal Mayor, Hon. _____, hereinafter referred to as the **"Implementing LGU"**.

WITNESSETH

WHEREAS, the Philippines ranks among the countries that are most vulnerable to multiple hazards, such as earthquakes, typhoons, floods, volcanic eruptions, and landslides, exacerbated by global climate change;

WHEREAS, a 7.2 magnitude earthquake struck Bohol and nearby provinces on the early morning of 15 October 2013;

WHEREAS, it affected the whole Central Visayas Region, particularly Bohol and Cebu;

WHEREAS, more than 73,000 structures were damaged, of which more than 14,500 were totally destroyed;

WHEREAS, the Provincial Government of Bohol submitted the Post-Great Bohol Rehabilitation Plan;

WHEREAS, the DILG established the Bohol Earthquake Assistance-DILG Fund (BEA-DILG Fund), to support reconstruction/rehabilitation/repair of damaged LGU facilities/infrastructures, hereinafter referred to as the "Fund";

WHEREAS, the National Government released SARO-BMB-D-14-0006009, dated May 26, 2014 in the amount of P2,413,354,190.00, for the recovery and rehabilitation of Bohol and Cebu devastated by magnitude 7.2 earthquake per Office of the President's approval dated May 19, 2014, sourced out from the Supplemental Appropriations, RA 10634, National Disaster Risk and Management Fund (Calamity Fund);

WHEREAS, the Sangguniang Panlalawigan of Bohol passed Resolution No. _____ Series 2014, authorizing Hon. Edgar M. Chatto to enter into a Tripartite Memorandum of Agreement with the DILG and recipient LGUs for the implementation of the Fund;

WHEREAS, the Sangguniang Bayan of the City/ Municipality of _____, Bohol passed Resolution No. _____ Series 2014, authorizing Hon. _____ (Name of the Mayor) to enter into a Tripartite Memorandum of Agreement with the DILG and PGBh and to comply with the Fund's requirements;

WHEREAS, to ensure the effective and efficient implementation of the subproject/s to be funded under the Fund, there is a need to define the institutional arrangements, the responsibilities of all parties, and the procedures and requirements in the utilization of the Fund;

NOW THEREFORE, for and in consideration of the foregoing, the Parties to this Agreement do hereby agree on the terms and conditions set forth herein.

Section 1. GENERAL PRINCIPLES

- 1.1 This Tripartite MOA defines the roles and responsibilities of DILG, PGBh, and Implementing LGU in implementing the Bohol Earthquake Assistance (BEA)-DILG Fund;

- 1.2 The parties shall at all times take necessary action to cooperate with each other, perform their respective duties and responsibilities in order to achieve the over-all objective of the Fund;
- 1.3 The execution of the subproject/s shall conform with the policies and procedures prescribed in Memorandum Circular No.____ Series of 2014 (Guidelines in the Implementation of the BEA-DILG Fund For Affected LGUs in the Province of Bohol) which shall be made an integral part of this Agreement;
- 1.4 The Fund shall be used exclusively to finance the implementation of the approved subprojects as stipulated in **Section 2.1** of this Agreement. In no case shall the Implementing LGU use the Fund to cover administrative costs (e.g. office supplies, local travelling expenses, communication, honoraria, meetings and consultations, salaries, and any other related monitoring and construction supervision expenses) of the LGU personnel overseeing and monitoring the subproject. Such expenses shall be borne by the Implementing LGU.
- 1.5 All parties shall strictly observe the provisions of RA 9184 in the procurement of goods, civil works and services.

Section 2. THE SUBPROJECT/S

- 2.1 This Tripartite MOA shall cover the following subproject/s with the corresponding approved amount :

Subproject Title	Location	Approved Amount (as per POW)
Total		

- 2.2 The PGBh shall release to the Implementing LGU, pursuant to Section VII-B.4 of the MC, the approved amount of _____ (Php _____) to finance the subproject/s.

- 2.3 In case the Subproject/s costs exceeded the approved amount stipulated in **Section 2.1 above**, the Implementing LGU shall provide cash counterpart to finance the difference;
- 2.4 Any variation orders due to changes in design shall be reviewed by the PGBh thru the PPMT. Any increase in the project cost due to variation orders shall be borne by the Implementing LGU;

Section 3. THE SUBPROJECT EXECUTION

The Implementing LGU shall carry out the implementation with due diligence and efficiency in conformity with sound administrative, financial, environmental and engineering practices. It shall:

- a. Adhere to standards and policies set by the National Government which are applicable to all phases of subproject preparation, procurement and implementation;
- b. Designate a Subproject Officer to supervise the construction/ implementation on site, on a day-to-day basis;
- c. Invite the DILG Provincial/ City Director/MLGOO to observe the procurement process particularly during pre-bid conference and bid opening;
- d. Submit a Monthly Physical Accomplishment Report within five (5) working days after the end of each month using the report form shown in Annex 7 (**Statement of Work Accomplished**) of the MC to the PGBh;
- e. Install billboards on the subproject sites to provide information to the public on the period of implementation, fund allocation and status of fund utilization pursuant to COA Circular No. 2013-004 dated 30 January 2013 (Information and Publicity on Programs/Projects/Activities of Government Agencies);
- f. Complete the subproject/s within the approved timelines;
- g. Upon Completion of the subproject submit to the Provincial Government thru the PPMT the following:
 - Subproject Completion Report (SPCR),
 - SWA showing 100% Accomplishment,

- Certificate of Turn-Over by Contractor, duly acknowledged by the LGU,
- Certificate of Completion issued by the LGU,
- Liquidation Documents,
- Copy of Request for Inspection by the COA, stamped with "Received;"

Section 4. DUTIES AND RESPONSIBILITIES

4.1 DUTIES AND RESPONSIBILITIES OF THE DILG

The DILG Regional Office shall oversee the implementation of the BEA-DILG Fund at the local level, and shall take appropriate measures to ensure that the funds transferred to Implementing LGUs are used for the intended purpose. Specifically, the DILG shall:

- a. Provide advisory, technical and related capacity development assistance to the Implementing LGU, in the management and implementation of the subproject/s;
- b. Monitor the procurement timelines and observe the bidding process;
- c. Provide support to the PPMT in the conduct of regular monitoring ;
- d. Validate reports submitted by the Implementing LGU on the compliance with the provisions of R.A. 6685 regarding the Hiring of Skilled and Unskilled labors;
- e. Review and evaluate all submitted reports by the PPMT and recommend appropriate actions for noted deficiencies;
- f. Participate in the conduct of major activities during construction as well as in joint inspections.
- g. Conduct regular consultations/dialogues with the Implementing LGU and other stakeholders to facilitate the resolution of implementation issues.

4.2 DUTIES AND RESPONSIBILITIES OF THE PGBh

- a. Act as Fund Administrator and as such release the approved amount city/Municipal Government of _____

upon satisfactory compliance of the requirements as stipulated in **Annex 3 of the MC**.

- b. Create the Provincial Project Management Team (PPMT) which shall:
 - Assess the capability of the LGU to implement subproject using the existing DPWH Assessment Guide;
 - Provide advisory, technical and related assistance to Implementing LGUs when necessary ;
 - Conduct progress monitoring of subprojects;
 - Conduct separate quality control test, as necessary, through the engagement of accredited testing institutions;
 - Prepare and submit a consolidated Physical and Financial Accomplishments Reports, such as State of Work Accomplished (SWA) and Report of Disbursement (ROD)/Liquidation to DILG RO VII through the DILG Provincial Director;
- c. Conduct regular consultations/dialogues with Implementing LGUs and other stakeholders, when necessary;
- d. Facilitate the resolution of implementation issues;
- e. Make all records and documents available to the DILG relative to the utilization of the Fund;
- f. Cause the Implementing LGU to return all unutilized funds to the PGBh after project completion and subsequently return to the DILG;
- g. Provide counterpart fund as needed;

4.3 DUTIES AND RESPONSIBILITIES OF THE IMPLEMENTING LGU

- a. Open a Trust Account or use an existing Trust Account for the funds to be transferred. The Trust Account shall be maintained with a separate subsidiary ledger for each subproject;
- b. Issue an Official Receipt (OR) in acknowledgement of the fund received from the Provincial Government;

- c. Keep and maintain financial and accounting records for the fund in accordance with the existing auditing and accounting rules and regulations
- d. Submit the required Physical and Financial Accomplishment Report to the PPMT relative to the fund utilization and project implementation.
- e. Designate a Project Engineer/Officer to supervise the construction/implementation of the subproject;
- f. Provide funds for the administrative and operational costs in the implementation of the subproject/s;
- g. Issue the certificate of completion to be concurred by the PGBh and the DILG Provincial Office;
- h. Liquidate cash transfers in accordance with Section VII –C.1 of the MC.
- i. Return any unused balance upon completion of the subproject to the PGBh.
- j. Participate in the capacity building interventions provided under the Fund;
- k. Attend meetings, conferences and forum related to project implementation.

Section 5. OTHER COVENANTS

- 5.1** The Implementing LGU shall take out and maintain with responsible insurers such insurances, against such risk and in such amounts as shall be consistent with appropriate government and/or business practices to cover:
 - a.** Hazards incidental to acquisition, transportation and delivery of goods financed out of the Fund to the place of installation, and
 - b.** Risk of fire, flood and other damages to the facilities constructed in whole or part out of the Fund;
- 5.2** Upon the issuance of Certificate of Acceptance, the Implementing LGU shall operate and maintain, or cause to be operated and maintained properly, the facility provided under the Fund and shall include in their annual appropriation funds for the maintenance and operation of the completed facility; and

- 5.3 By mutual consent, this Agreement or any part thereof may be changed, modified, revised and amended or supplemented for the purpose of effective implementation and management of the subproject/s. All other parties concerned shall be notified/ informed of such changes, revisions and amendments.

Section 6. PENALTIES AND SANCTIONS

6.2 Pursuant to Section X of the MC:

- The Regional Director may terminate or cancel the implementation of subproject/s;
- The Provincial Governor may suspend or recommend the termination of subproject/s pursuant to Section X of the MC.

6.2 The Implementing LGU will be given one month to resolve the issue, improve performance or remedy the situation. However, termination will be resorted to only, if the Implementing LGU, having been duly notified, do not make any effort to institute measure that will address issues at hand.

Section 7. ANTI-GRAFT AND CORRUPTION PRACTICES ACT

Neither of the Parties of this Agreement shall unduly benefit from each other nor gain anything which is disadvantageous to the Government, and in violation of Republic Act No. 3019, as amended, otherwise known as the Anti-graft and Corrupt Practices Act.

Section 8. EFFECTIVITY OF THE AGREEMENT

This Agreement shall take effect immediately upon approval and signing by the contracting parties and shall remain in force and effect until the completion of the subproject/s and the requirements stipulated under this MOA and the accompanying Guidelines in the Implementation of the BEA -DILG Fund, unless sooner terminated.

IN WITNESS WHEREOF, the Parties hereto, acting through their representatives thereto authorized, have caused this Agreement to be signed in their respective names in _____, Philippines on the ____ day of _____ 201__.

PROVINCE

DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT

Governor/ Mayor

DILG Regional Director

CITY/MUNICIPALITY

Mayor

WITNESSES

ACKNOWLEDGMENT

Republic of the Philippines)
_____) S.S.

BEFORE ME, a Notary Public for and in _____, this ____
day of _____ 201__, personally appeared _____
with ID number _____ issued at _____, dated
_____ and _____ with ID Number _____
issued at _____ dated _____, both known to me to
be the same persons who executed the forgoing instruments and acknowledged to
me that the same is their own free and voluntary act of deed.

This instrument refers to a Memorandum of Agreement consisting of ten (10) pages
including this page where the acknowledgment is duly written and signed by the
parties and their instrumental witnesses on each page thereof.

WITNESS MY HAND AND NOTARIAL SEAL.

Until : _____
Ptr No. : _____
Issued on: _____
Issued at : _____

Doc. No. _____
Page No. _____
Book No. _____
Series of 201__

**TRIPARTITE MEMORANDUM OF AGREEMENT (MOA)
FOR THE BOHOL EARTHQUAKE ASSISTANCE (BEA)-DILG FUND**

KNOW ALL MEN BY THIS PRESENTS

This Tripartite Memorandum of Agreement (MOA) for the Bohol Earthquake Assistance-DILG (BEA-DILG) Fund intended to support the reconstruction/ rehabilitation/ repair of damaged LGU facilities/infrastructures is entered into among and between the following Parties:

The **DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**, a national government agency represented herein by its Regional Director, **ANANIAS M. VILLACORTA**, with office address at DILG Regional Office VII, Sudlon, Lahug, Cebu City , hereinafter referred to as the **"DILG"**;

The **PROVINCIAL GOVERNMENT OF BOHOL**, a local government unit (LGU) duly established under the laws of the Republic of the Philippines, with address at CPG North Ave., Tagbilaran City herein represented by its Governor, **HON. EDGAR M. CHATTO**, hereinafter referred to as the **"PGBh"**;

and

The **City/Municipality of _____**, a local government unit (LGU) duly established under the laws of the Republic of the Philippines, with address at _____

_____ herein represented by its City / Municipal Mayor, Hon. _____, hereinafter referred to as the **"LGU"**.

WITNESSETH

WHEREAS, the Philippines ranks among the countries that are most vulnerable to multiple hazards, such as earthquakes, typhoons, floods, volcanic eruptions, and landslides, exacerbated by global climate change;

WHEREAS, a 7.2 magnitude earthquake struck Bohol and nearby provinces on the early morning of 15 October 2013;

WHEREAS, it affected the whole Central Visayas Region, particularly Bohol and Cebu;

WHEREAS, more than 73,000 structures were damaged, of which more than 14,500 were totally destroyed;

WHEREAS, the Provincial Government of Bohol submitted the Post-Great Bohol Rehabilitation Plan;

WHEREAS, the DILG established the Bohol Earthquake Assistance-DILG Fund (BEA-DILG Fund), to support reconstruction/rehabilitation/repair of damaged LGU facilities/infrastructures, hereinafter referred to as the "Fund";

WHEREAS, the National Government released SARO-BMB-D-14-0006009, dated May 26, 2014 in the amount of P2,413,354,190.00, for the recovery and rehabilitation of Bohol and Cebu devastated by magnitude 7.2 earthquake per Office of the President's approval dated May 19, 2014, sourced out from the Supplemental Appropriations, RA 10634, National Disaster Risk and Management Fund (Calamity Fund);

WHEREAS, the Sangguniang Panlalawigan of Bohol passed Resolution No. _____ Series 2014, authorizing Hon. Edgar M. Chatto to enter into a Tripartite Memorandum of Agreement with the DILG and recipient LGUs for the implementation of the Fund;

WHEREAS, the Sangguniang Bayan of the City/ Municipality of _____, Bohol passed Resolution No. _____ Series 2014, authorizing Hon. _____ (Name of the Mayor) to enter into a Tripartite Memorandum of Agreement with the DILG and PGBh and to comply with the Fund's requirements;

WHEREAS, to ensure the effective and efficient implementation of the subproject/s to be funded under the Fund, there is a need to define the institutional arrangements, the responsibilities of all parties, and the procedures and requirements in the utilization of the Fund;

NOW THEREFORE, for and in consideration of the foregoing, the Parties to this Agreement do hereby agree on the terms and conditions set forth herein.

Section 1. GENERAL PRINCIPLES

- 1.1 This Tripartite MOA defines the roles and responsibilities of DILG, PGBh, and Recipient LGU in implementing the Bohol Earthquake Assistance (BEA)-DILG Fund;

- 1.2 The parties shall at all times take necessary action to cooperate with each other, perform their respective duties and responsibilities in order to achieve the over-all objective of the Fund;
- 1.3 The execution of the subproject/s shall conform with the policies and procedures prescribed in Memorandum Circular No. ____ Series of 2014 (Guidelines in the Implementation of the BEA-DILG Fund for Affected LGUs in the Province of Bohol) which shall be made an integral part of this Agreement;
- 1.4 The Fund shall be used exclusively to finance the implementation of the approved subprojects as stipulated in **Section 2.1** of this Agreement. In no case shall the Fund be used to cover administrative costs (e.g. office supplies, local travelling expenses, communication, honoraria, meetings and consultations, salaries, and any other related monitoring and construction supervision expenses) of the personnel overseeing and monitoring the subproject.
- 1.5 All parties shall strictly observe the provisions of RA 9184 in the procurement of goods, civil works and services.

Section 2. THE SUBPROJECT/S

- 2.1 This Tripartite MOA shall cover the following subproject/s with the corresponding approved amount :

Subproject Title	Location	Approved Amount (as per POW)
Total		

- 2.2 The PGBh shall disburse/utilize the approved amount of _____ (Php _____) to finance the subproject/s, pursuant to Section VII –B.4;
- 2.3 In case the Subproject/s costs exceeded the approved amount stipulated in **Section 2.1 above**, the Receptient LGU and the

PGBh shall agree on which LGU will provide cash counterpart to finance the difference;

- 2.4 Any variation orders due to changes in design shall be reviewed by the DILG-RO in coordination with the PPMT. Any increase in the project cost due to variation orders shall be borne by the LGU.

Section 3. THE SUBPROJECT EXECUTION

The PGBh will implement the subproject, on behalf of the and shall carry out the implementation with due diligence and efficiency in conformity with sound administrative, financial, environmental and engineering practices. It shall:

- a. Adhere to standards and policies set by the National Government which are applicable to all phases of subproject preparation, procurement and implementation;
- b. Designate a Subproject Officer to supervise the construction/implementation on site, on a day-to-day basis;
- c. Invite the DILG Provincial/ City Director/MLGOO to observe the procurement process particularly during pre-bid conference and bid opening;
- d. Submit a Monthly Physical Accomplishment Report within five (5) working days after the end of each month using the report form shown in Annex 7 (**Statement of Work Accomplished**) of the MC to the PGBh;
- e. Install billboards on the subproject sites to provide information to the public on the period of implementation, fund allocation and status of fund utilization pursuant to COA Circular No. 2013-004 dated 30 January 2013 (Information and Publicity on Programs/Projects/Activities of Government Agencies);
- f. Complete the subproject/s within the approved timelines;
- g. Turnover the project to the Receptient LGU upon completion
- h. Submit to the DILG-RO the following:

- Subproject Completion Report (SPCR),
- SWA showing 100% Accomplishment,
- Certificate of Turn-Over by Contractor, duly acknowledged by the LGU,
- Certificate of Completion issued by the LGU,
- Liquidation Documents,
- Copy of Request for Inspection by the COA, stamped with "Received,"

Section 4. DUTIES AND RESPONSIBILITIES

4.1 DUTIES AND RESPONSIBILITIES OF THE DILG

The DILG Regional Office shall oversee the implementation of the BEA-DILG Fund at the local level, and shall take appropriate measures to ensure that the funds transferred to LGUs are used for the intended purpose. Specifically, the DILG shall:

- a. Approve and disapprove subprojects submitted by the Recipient LGU;
- b. Provide advisory, technical and related capacity development assistance to the LGU, in the management and implementation of the subproject/s;
- c. Monitor the procurement timelines and observe the bidding process;
- d. Provide support to the PPMT in the conduct of regular monitoring ;
- e. Validate reports submitted by the LGU on the compliance with the provisions of R.A. 6685 regarding the Hiring of Skilled and Unskilled labors;
- f. Review and evaluate all submitted reports by the PPMT and recommend appropriate actions for noted deficiencies;
- g. Participate in the conduct of major activities during construction as well as in joint inspections.
- h. Conduct regular consultations/dialogues with LGU and other stakeholders to facilitate the resolution of implementation issues.

4.2 DUTIES AND RESPONSIBILITIES OF THE PGBh

- a. Implement the subproject on behalf of the LGU
- b. Keep and maintain a separate subsidiary ledger
- c. Provide advisory, technical and related assistance to LGUs when necessary ;
- d. Conduct progress monitoring of subprojects;
- e. Implement the subproject by Contract thru Competitive Bidding pursuant to the Implementing Rules and Regulation (IRR) of RA 9184 (Government Procurement Reform Act) or thru Negotiated Procurement pursuant to GPPB Resolution 34- Series of 2013
- f. Provide LGU documentary requirements for monitoring purpose such as construction drawing plans, technical specifications and project cost, and contract with the bidder
- g. Ensure that the subproject is implemented in accordance with the approved construction schedule, within the approved budget and in accordance with acceptable standards

4.3 DUTIES AND RESPONSIBILITIES OF THE LGU

- a. Secure clearance from the Building Official/ Provincial Engineer's Office, considering advisory from the MGB, that the structure will not be located on the "No Build Zone";
- b. Prepare the Program of Works (POW) or detailed engineering design (DED) of the subproject for submission to PPMT;
- c. Monitor the implementation of the subproject in accordance with the approved implementation schedule and submit reports to PPMT Office on any issues that may arise;
- d. Monitor the compliance on RA 6685 and submit requirements to DILG RO;
- e. Book- up the subproject as an LGU asset upon the issuance of Certificate of Acceptance from the PGBh;
- f. Undertake the operation, maintenance and repair of the turned-over subproject by appropriating the annual operating expenses for the same;
- g. Designate a Project Engineer/Officer to supervise the construction/implementation of the subproject.

Section 5. OTHER COVENANTS

- 5.1** The LGU shall take out and maintain with responsible insurers such insurances, against such risk and in such amounts as shall be consistent with appropriate government and/or business practices to cover:
- a. Hazards incidental to acquisition, transportation and delivery of goods financed out of the Fund to the place of installation, and
 - b. Risk of fire, flood and other damages to the facilities constructed in whole or part out of the Fund;
- 5.2** Upon the issuance of Certificate of Acceptance, the LGU shall operate and maintain, or cause to be operated and maintained properly, the facility provided under the Fund and shall include in their annual appropriation funds for the maintenance and operation of the completed facility; and
- 5.3** By mutual consent, this Agreement or any part thereof may be changed, modified, revised and amended or supplemented for the purpose of effective implementation and management of the subproject/s. All other parties concerned shall be notified/ informed of such changes, revisions and amendments.

Section 6. PENALTIES AND SANCTIONS

6.2 Pursuant to Section X of the MC:

- The Regional Director may terminate or cancel the implementation of subproject/s;

6.3 The LGU will be given one month to resolve the issue, improve performance or remedy the situation. However, termination will be resorted to only, if the LGU, having been duly notified, do not make any effort to institute measure that will address issues at hand.

Section 7. ANTI-GRAFT AND CORRUPTION PRACTICES ACT

Neither of the Parties of this Agreement shall benefit from each other nor gain anything which is disadvantageous to the Government, and in violation of Republic Act No. 3019, as amended, otherwise known as the Anti-graft and Corrupt Practices Act.

Section 8. EFFECTIVITY OF THE AGREEMENT

This Agreement shall take effect immediately upon approval and signing by the contracting parties and shall remain in force and effect until the completion of the subproject/s and the requirements stipulated under this MOA and the accompanying Guidelines in the Implementation of the BEA -DILG Fund, unless sooner terminated.

IN WITNESS WHEREOF, the Parties hereto, acting through their representatives thereto authorized, have caused this Agreement to be signed in their respective names in _____, Philippines on the ____ day of _____ 201__.

PROVINCE

**DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT**

Governor/ Mayor

DILG Regional Director

CITY/MUNICIPALITY

Mayor

WITNESSES

ACKNOWLEDGMENT

Republic of the Philippines)

_____) S.S.

BEFORE ME, a Notary Public for and in _____, this ____ day of _____ 201__, personally appeared _____ with ID number _____ issued at _____, dated _____ and _____ with ID Number _____ issued at _____ dated _____, both known to me to be the same persons who executed the forgoing instruments and acknowledged to me that the same is their own free and voluntary act of deed.

This instrument refers to a Memorandum of Agreement consisting of nine (9) pages including this page where the acknowledgment is duly written and signed by the parties and their instrumental witnesses on each page thereof.

WITNESS MY HAND AND NOTARIAL SEAL.

Until : _____
Ptr No. : _____
Issued on: _____
Issued at : _____

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 201__.