

**MEMORANDUM OF AGREEMENT (MOA)**

**FOR THE IMPLEMENTATION OF THE "VARIOUS PROGRAMS/PROJECTS FOR LOCAL GOVERNMENT UNITS; PROVISION FOR POTABLE WATER SUPPLY, LOCAL ACCESS ROADS AND OTHER PROJECTS UNDER THE GRASSROOTS PARTICIPATORY BUDGETING PROCESS (GPBP) (FORMERLY KNOWN AS BOTTOM-UP BUDGETING)"**

**KNOWN ALL MEN BY THESE PRESENTS:**

This Agreement made and executed into this 30<sup>th</sup> day of June 2014 by and between:

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

- and -

The **Province/City/Municipality of JAGNA** a local government unit (LGU) in the Municipality of Jagna, Region, duly established under the laws of the Republic of the Philippines, with address at Poblacion, Jagna, Bohol herein represented by its Governor/City Mayor/Municipal Mayor, **Hon. Fortunato R. Abrenilla**, hereinafter referred to as the "**Implementing Partner**".

**WITNESSETH**

**WHEREAS**, the E.O. No. 43, Series 2011, organizing the Human Development and Poverty Reduction Cluster (HDPRC), among others, with mandate of implementing Bottom-Up Budgeting (BUB) to ensure the inclusion of the funding requirements for the development needs of focus cities and municipalities in the budget proposals of participating agencies;

**WHEREAS**, Chapter XIV.B.1.g, Implementation of Various Programs/Projects for Local Government Units, Provision for Potable Water Supply under Republic Act 10352 (FY 2013 General Appropriations Act);

**WHEREAS**, Chapter XIV, 406010001- Provision for Potable Water Supply, Local Access and Other Projects under Republic Act 10633 (FY 2014 General Appropriations Act) ;

**WHEREAS**, the Joint Memorandum Circular No. 3, series of 2012, among DBM, DILG, DSWD and NAPC, providing Policy Guidelines and Procedures in the Implementation of Bottom-Up Budgeting (BUB) for FY 2014 Budget Preparation;



**WHEREAS**, the National Government, as pronounced in the Philippine Development Plan for 2011-2016, shall pursue the Millennium Development Goal of reducing poverty in the country from 26.50% in 2009 to 16.6% by 2015;

**WHEREAS**, various projects were identified and included in the CY 2013 Budget of pilot-participating NGAs. For DILG's part, two (2) projects were included in the 2013 Budget: (i) Provision for Potable Water Supply and (ii) Implementation of Various Projects for LGUs. For FY 2014, the same 2 projects are still budgeted with the inclusion of a new one, the Local Access Roads

**WHEREAS**, the DILG is the lead executing agency responsible for the provision of grant financing for the implementation of the projects and enhancing the capacity of the LGUs and water service providers to plan, implement, manage and operate the projects.

**WHEREAS**, the **Province/City/Municipality of JAGNA** has been identified by NAPC, DSWD, DILG and DBM as one of the BUPB priority areas and had complied with all the requirements through the endorsement of their LPRAP by the BS/CSOs;

**WHEREAS**, the City/Municipality has proposed the mentioned in **Article 1 Section 1.1** of the Agreement::

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the parties to this Agreement do hereby agree on the following terms and conditions:

#### ARTICLE I - SCOPE

**Section 1.1** This Memorandum of Agreement (MOA) covers the implementation of the following 2014 GPBP Subproject/s in the Municipality of Jagna, Province of Bohol subject in accordance with **DILG Memorandum No. 2014-01 - Guidelines for the Implementation of Various Programs/Projects for Local Government Units; Provision for Potable Water Supply, Local Access Roads and Other Projects Under the Grassroots Participatory Budgeting Process (GPBP) (Formerly known as Bottom-Up Budgeting)**::

SUBPROJECTS TITLE	TARGET BARANGAY/S	HH SERVED	ALLOCATION		
			DILG Allocation	LGU Counterpart	Total
<b>Construction of Spring-box Intake</b>	<b>12 barangays</b>	<b>2,967</b>	<b>702,303.90</b>		<b>702,303.90</b>
<b>Construction of Slow Sand Filtration Tank</b>	<b>12 barangays</b>	<b>2,967</b>	<b>3,966,512.07</b>		<b>3,966,512.07</b>
<b>Installation of Transmission Pipelines (Initial)</b>	<b>12 barangays</b>	<b>2,967</b>	<b>611,052.03</b>	<b>420,750.00</b>	<b>1,031,802.03</b>
<b>Construction of Water Tank (262</b>	<b>8 barangays</b>	<b>2,016</b>	<b>3,095,820.00</b>		<b>3,095,820.00</b>



SUBPROJECTS TITLE	TARGET BARANGAY/S	HH SERVED	ALLOCATION		
			DILG Allocation	LGU Counterpart	Total
<i>cubic meters)</i>					
<b>Construction of Chlorination Facility (dripping type)</b>	<b>8 barangays</b>	<b>2,016</b>	<b>39,312.00</b>		<b>39,312.00</b>
<b>TOTAL</b>			<b>8,415,000.00</b>	<b>420,750.00</b>	<b>8,835,750.00</b>

**Section 1.2** The **DILG** shall make available to the **Implementing Partner** part of the FY 2014 General Appropriation Act to finance the subproject/s stipulated in *Section 1.1* above, not to exceed the aggregate amount of **Eight Million Four Hundred Fifteen Thousand Pesos (Php 8,415,000.00)** subject to the terms and conditions of this Agreement.

**Section 1.3** In case the subproject/s cost is/are more than the allocation as stipulated in *Section 1.1*, the **Implementing Partner** shall provide cash counterpart equivalent to the excess in subproject allocation.

**Section 1.4** The **Implementing Partner** shall also provide counterpart 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 **Implementing Partner** personnel overseeing and monitoring the subproject

## Article II OTHER COVENANTS

**Section 2.1** The **Implementing Partner** 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:

- Hazards incidental to acquisition, transportation and delivery of goods financed out of the Fund to the place of installation
- Risk of fire, flood and other damages to the facilities constructed in whole or part out of the Fund.

**Section 2.2** Upon the issuance of Certificate of Acceptance the **Implementing Partner** 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 risk of fire, flood and other damages to the facilities constructed in whole or part out of the Fund.



- b. Operate and maintain, or cause to be operated and maintained properly, the facility provided under the Project and shall include in their annual appropriation funds for the maintenance and operation of the completed facility.

**Section 2.3** Any notice or request or permission to be given or made in this Agreement shall be in writing and shall be deemed to have been duly given or made when it is delivered in the case of **DILG** to *Sudlon, Lahug, Cebu City, Cebu* and in the case of the **Implementing Partner** to *Poblacion, Jagna, Bohol* or such other addresses which the parties hereto may specify in writing.

- a. Any action required or permitted to be taken, and any documents required or permitted to be executed under this Agreement on behalf of **DILG** may be taken or executed by the **DILG Regional Director** of Region 7 or his/her authorized representative.
- b. Any action required or permitted to be taken, and any documents required or permitted to be executed under this Agreement on behalf of **Implementing Partner** may be taken or executed by the **Provincial Governor/City Mayor/Municipal Mayor** or such persons as he/she shall designate in writing.

**Section 2.4** 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 2.5** All disputes or controversies between the parties arising out or in connection with this Agreement, which is not settled, between the parties shall be elevated initially to **GPBP-DILG Fund Steering Committee**.

### Article III TERMINATION OR SUSPENSION

**Section 3.1** The **DILG** reserves the right to:

- a. Terminate/Cancel the implementation of the subprojects in following instances:
- **Implementing Partner** non-compliance to prescribed processes, standards and requirements
  - Occurrence of fraudulent practices
  - Occurrence of *force majeure* where it becomes improbable for the projects to continue to be carried out

In such case that the subproject/s are partially or fully cancelled due to the fault of the **Implementing Partner**, the **Implementing Partner** shall be obliged to return the spent amount and the



unexpended balance of the released portion of the funds of the pertinent portions related to the cancelled component.

b. Suspend/Withhold the release of the final tranche in the following occurs:

- **Implementing Partner** is performing unsatisfactorily in the implementation and execution of the project or in the event that substantial slippage in implementation is incurred.
- Extraordinary conditions such as *force majeure*, fortuitous events and the like which shall make it necessary to suspend the implementation of the project.

c. File the appropriate civil, criminal and/or administrative case against the concerned local public official/s for acts or omissions in relation to the performance of its duties under this Memorandum Circular.

**Section 3.2** **Implementing Partner** will be given one month to resolve the issue, improve performance or remedy the situation. However, termination will be resorted to only, if **Implementing Partner**, having been duly notified, do not make any effort to institute measure that will address issues at hand.

#### Article IV

#### ANTI-GRAFT AND CORRUPTION PRACTICES ACT

**Section 4.1** 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.

#### Article V

#### EFFECTIVITY OF THE AGREEMENT


**Section 5.1** 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 Management of the GPBP-DILG Fund, unless sooner terminated.

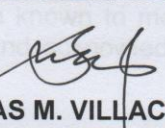


IN WITNESS WHEREOF, the Parties hereto, acting through their representatives thereto authorized, have caused this Agreement to be signed in their respective names in \_\_\_\_\_, Philippines on \_\_\_\_ day of \_\_\_\_\_ 201\_\_\_\_.

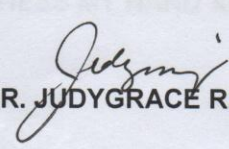
PROVINCE/CITY/MUNICIPALITY of  
JAGNA

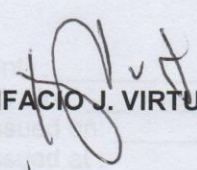
DEPARTMENT OF THE INTERIOR  
AND LOCAL GOVERNMENT

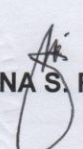
  
ATTY. FORTUNATO R. ABRENILLA  
Governor/ Mayor

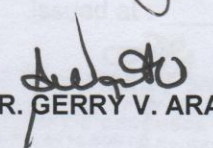
  
MR. ANANIAS M. VILLACORTA  
DILG Regional Director

WITNESSES

  
ENGR. JUDYGRACE R. DOMINGUEZ

  
HON. BONIFACIO J. VIRTUDES, JR.

  
ENGR. JOSEFINA S. RANOA

  
ENGR. GERRY V. ARANETA







## ACKNOWLEDGMENT

Republic of the Philippines)

Province of Bohol, Mun. of Jagna S.S.

**BEFORE ME**, a Notary Public for and in the Province of Bohol, this 24th day of July, 2014, personally appeared the aforementioned persons with ID number \_\_\_\_\_ issued at \_\_\_\_\_ dated \_\_\_\_\_, both known to me to be the same persons who executed the foregoing 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 twenty six (26) pages including this page where the acknowledgement 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. 95 :  
Page No. 10 :  
Book No. 2 :  
Series of 2014 .

LUZ B. ZAMORA-VIRTUDAZO, R.  
NOTARY PUBLIC  
UNTIL DECEMBER 31, 2014  
ROLL No. 61763; PTR No. 5212434.01-03  
IBP No. 909766; TIN 906-415-406  
JAGNA, BOHOL

WITNESSETH

WHEREAS, the E.O. No. 43, Series 2011, organizing the Human Development and Poverty Reduction Cluster (HDP-RC), among others, with mandate of implementing Bottom-Up Budgeting (BUB) to ensure the inclusion of the funding requirements for the development needs of focus cities and municipalities in the budget proposals of

WHEREAS, Chapter XIV-B 1.g, Implementation of Various Programs/Projects for Local Government Units, Provision for Potable Water Supply under Republic Act 10357 (FY 2013 General Appropriations Act);

WHEREAS, Chapter XIV, 208310001- Provision for Potable Water Supply, Local Agencies, and Other Projects under Republic Act 10357 (FY 2014 General Appropriations Act);

WHEREAS, the Joint Memorandum Circular No. 3, series of 2012, among DBM, DILG, DSWD and NAFIC, providing Policy Guidelines and Procedures in the Implementation of Bottom-Up Budgeting (BUB) for FY 2014 Budget Preparation;