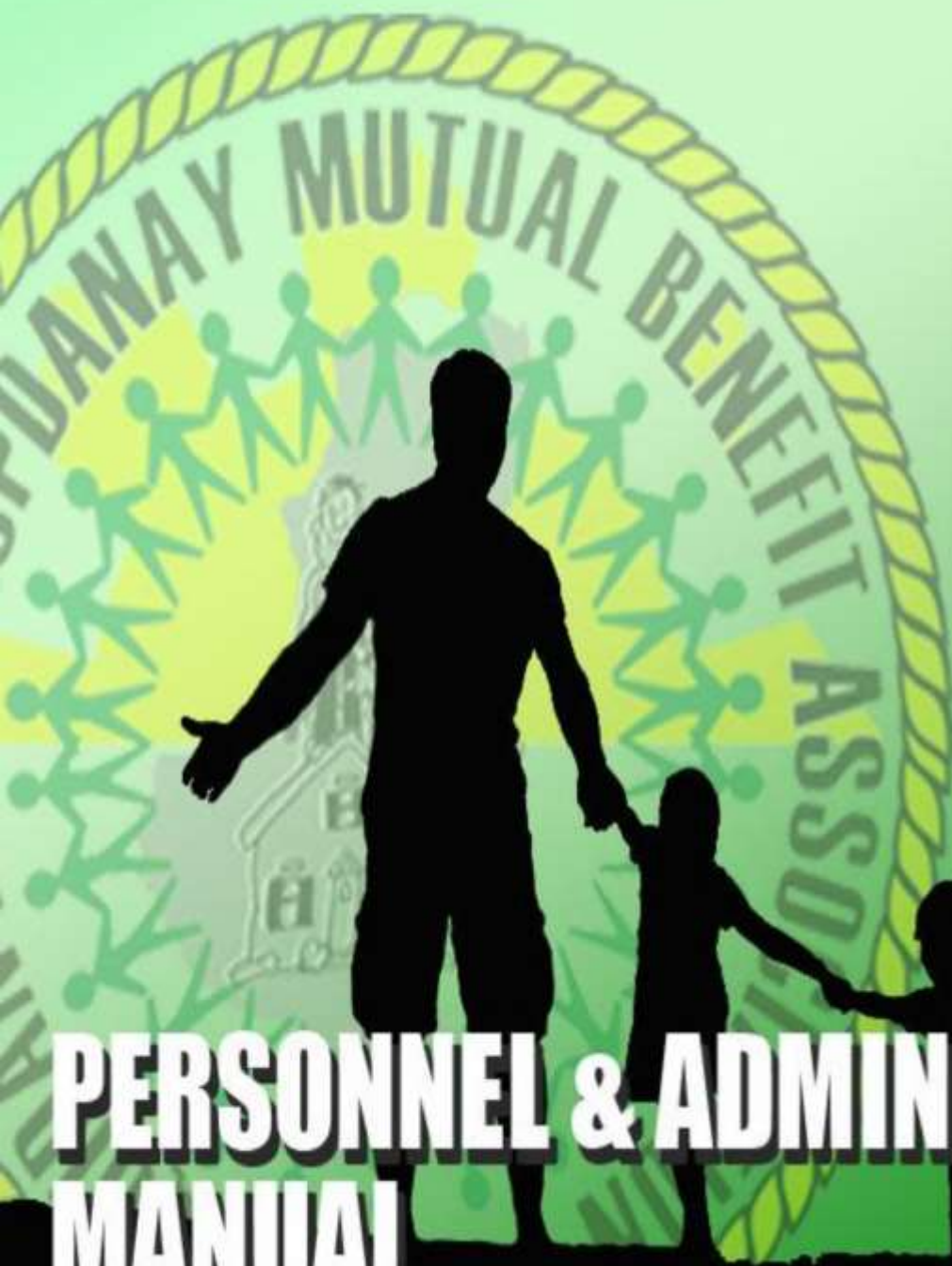


*Reaching the Unreached with Effective*

# **MICRO - INSURANCE**



**PERSONNEL & ADMINISTRATIVE  
MANUAL**

## GENERAL PERSONNEL POLICY

### EMPLOYMENT POLICY AND REGULATION

#### 1-A-1 POLICY

The association recognizes that the accomplishment of its objectives depends on the quality of its workforce. It is therefore an organizational policy to employ only persons who are qualified for the job at hand. It is also a policy to observe the laws regulating status and benefits program within the context of the Association's operation in the Philippines.

#### 1-A-2 DEFINITION OF TERMS

Association means Quidan Pag-inupdanay Mutual Benefit Association, Inc. (Quidan Pag-inupdanay MBA)

Employee means all persons including probationary employees in the active payroll of the Association.

#### 1-A-3 CLASSIFICATION OF EMPLOYEES

The classification given below should be used in the association's communications.

Regular - the employee is hired for an indefinite period to do a job directly related to the association's principal goals

Temporary – the employee is hired to do a job related to the association's principal goals but the job is of short duration or is predetermined at the time of hiring.

Casual/Contractual – the employee is hired to do a job not related to association's principal goal.

#### 1-A-4 TENURE OF OFFICE

Regular employees enjoy security of tenure, that is, they may be separated from service only for causes authorized or prescribed by law.

Temporary employees are separated from service at the expiration of the specified period of work, or prior to such expiration, for cause not prohibited by law.

#### 1-A-5 BENEFITS

Regular employees are entitled to the appropriate employment benefits that are extended by law as well as those voluntarily granted by the association. The voluntary benefits are benefits to be determined by board. These voluntary benefits granted by the association do not create demandable obligations against it and considered to the extent applicable, creditable payments for benefits granted by law. Therefore, none of the voluntary benefits shall give rise

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to any demandable obligation or right on the part of the employee to insist upon continuance of the grant of any of the voluntary benefits.

Statutory benefits are those granted by law are to be enjoyed by the qualified employee in accordance with applicable government regulation.

#### 1-A-6 EMPLOYMENT STATUS

##### Training and Probationary Period:

All initial appointment of regular employees are for three months probationary period. If it should appear that the employee is obviously incompetent to do the job which he/she is hired or for some other reason is unfit to become the association's employee, the probation may be terminated sooner than the end of three months probationary period. In either case, the salary to be paid is up to the last actual working day of the employee.

When a unit head initiates the termination of employment of a probationary employee, the Administrative and Finance Head and the Head of Office must be informed before any final action is taken.

The terminated employee cannot draw the last pay due him/her until clearance from financial and property liabilities with the association.

A regular employee who applies and is selected for a higher position may or may not be reverted to training, a probationary status depending upon his/her qualification and aptitude for such higher position as determined by the Board.

#### 1-A-7 MODE OF PAYMENT

All employees are paid their corresponding salaries on a semi-monthly basis.

Salaries are paid for actual work done. Absences not covered by duly approved requests for leave with pay, shall not entitle an employee to salary during the period of absence.

#### Section 1-B VACATION, SICK AND BEREAVEMENT LEAVES AND OTHER ABSENCES

##### 1-B-1 POLICY

Vacation Leave is granted to give the employee respite from the rigors of the job and maintain the physical and mental capacity for peak performance.

Sick Leave with full pay is granted to relieve the employee of financial worries at the time that he/she needs rest and treatment.

##### 1-B-2 VACATION LEAVE

Vacation leave request must be filed one (1) week before the scheduled vacation.

Vacation leave shall not be cumulative (i.e. carried forward from year 1 to another) nor shall unused vacation be converted to cash. Credits are based on length of service to wit:

Length of Service	No. of working days entitled/year
Three (3) months or Less	0
3 months to 1 year	5.5 days
More than 1 year	15 days

**1-B-3 SICK LEAVE**

Employees shall be granted sick leave with full pay according to the following length of service as a regular employee, to wit:

Length of Service	No. of working days entitled/year
3 months or less	0
More than 3 months to 1 year	7.5 days
More than 1 year	15 days

Sick leave request must be filed within three (3) days upon return to office.

Sick leave credits can be accumulated and is not convertible to cash.

**1-B-4 BEREAVEMENT LEAVE**

In case of death of an immediate member of the family, an employee shall be granted bereavement leave of five (5) working days with pay. To avail of such leave, the employee must file written application through his/her supervisor in case of death of the father, mother, child, wife or husband of a married employee, or father, mother, brother or sister if the employee is single.

**1-B-5 ABSENCE WITHOUT LEAVE**

In every case where the employee is absent for three (3) days without having filed a leave request or informed the office, the employee is considered AWOL (Absent Without Leave).

In all cases of AWOL, the entire period of absence is without pay even if the employee has vacation or sick leave credits to which the absence would have been charged.

Aside from suffering pay deduction, the employee on AWOL may also be subjected to disciplinary action or termination.

**Section 2-A**

## EMPLOYMENT RECORDS

### 2-A-1 POLICY

Employment in the association should be properly documented and for this purpose, each employee has an Individual Personnel File or 201 file. The 201 is confidential and it is the responsibility of the Administrative Officer who acts as the Human Resource Development Officer not only to keep them complete and up-to-date but also safeguard their confidential nature.

## Section 2-B

## SALARY ADMINISTRATION

### 2-B-1 POLICY

To attract and retain highly qualified and competent employees, it is the policy of the association to pay the employees at rates competitive with the other similar association in the country.

### 2-B-2 GUIDING PRINCIPLE

Salary administration in the organization is guided by the following principles.

Individual employees are rewarded according to the responsibility they carry, the contribution they make, and the performance they demonstrate.

There is no discrimination because of race, creed, sex or age.

Philippine laws on wages are observed.

### 2-B-3 THE SALARY SYSTEM

Base salary is the fixed compensation regularly paid to an employee for services rendered or to be rendered, excluding cost of living allowance, bonuses, incentives, and other regular or special payments.

Salary increases based on performance are determined by the Remuneration Committee for approval by the BOT. The increase are normally given at intervals of one year with due regard to the performance rating reports as recommended by the supervisor and noted by the head of office.

The association's salary scale is kept under the continuing review by the Remuneration Committee to be approved by the Board of Trustees, to effect changes to maintain its competitive standing in the light of cost of living and other developments affecting the association's positions relative to comparable employment elsewhere.

### 2-B-4 PERFORMANCE RATING

The main basis for salary adjustment and promotion is performance and potential. A salary adjustment due to performance is granted selectively as demonstrated by continued good or better service to the association.

Seniority in service does not automatically entitle an employee to salary increase.

The performance of all employees is rated by their respective supervisors quarterly. Such ratings are recorded on the appropriate forms in the manner prescribed by the Performance Rating System of the association.

Unsatisfactory rating for two (2) consecutive rating periods will cause termination of the employee.

#### Section 3-A

#### STAFF DEVELOPMENT PROGRAM

##### 3-A-1 POLICY

The association will develop and trained personnel in advance to its association needs to the maximum degree practicable.

##### 3-A-2 DEFINITION OF OBJECTIVES

A. The Development Program is training and planned professional development of all employees to aid them in their present jobs. Aside from the programmed trainings, they are required to attend , together with the members of the Board of Trustees ,all mandatory trainings as prescribed by the Insurance Commission. These trainings include the Governance Training and the Anti Money Laundering Seminar.

B. The Employee Development Program has the following objectives:

1. To develop or improve the efficiency, competence and productivity of employees.

2. To create in time a reservoir of qualified and experienced personnel from which capable and promising workers can be selected to fill higher or more responsible position to improve the employee's attitude towards his/her job, fellow workers, supervisor and the association as a whole.

##### 3-A-3 SERVICE OBLIGATION

One (1) to three (3) months training – 6 months service obligation

More than three (3) months to six (6) months training – 1 year service obligation

More than one(1) year but less than two (2) years training – 2 years service obligation

Two (2) years training – 4 years service obligation

#### Section 4-A

## PROMOTION, TRANSFER AND DEMOTIONS

### 4-A-1 POLICY

Upon the recommendation of the management to the BOT , vacant position shall be filled up as much as possible by promotion or transfer from within the association.

Although it is the association's intent to help employees succeed, those who are not able to perform in their present position may be demoted or separated following the procedures prescribed by the Department of Labor and the Association.

### 4-A-2 DEFINITIONS

- a. Promotion is the movement of an employee from lower to higher level position. Promotion normally carries with it an increase in pay.
- b. Transfer is the movement of an employee from one position to another of equivalent level whether in the same or different unit; transfer does not entail a change in salary.
- c. Demotion is the movement of an employee from one position to another of a lower level. Demotion may or may not result in decrease of salary unless the employee ask for the demotion.

## **ADMINISTRATIVE AND ADDENDUM TO PERSONNEL POLICIES**

### **I: Personnel Policy and Regulations**

#### **Policy**

The Association recognizes that the accomplishment of its objectives depends on the quality of its workforce. It is therefore an organizational policy to employ only persons who are qualified to the job at hand. It is also a policy to observe the rules regulating the status and benefits program set forth by the organization.

#### **Definition of Terms**

Association means Quidan Pag-inupdanay Mutual Benefit Association, Inc (Quidan Pag-inupdanay MBA).

Personnel mean all persons including trainees, probationary employees in the active payroll of the association.

#### **Classification of Personnel**

The classification given below is to clarify the status of employment.

*Regular* - the personnel is hired for an indefinite period to do a job directly related to the organization's principal goals. He/She had been in the organization for more than six (6) months and had satisfactorily completed the maximum of three (3) months trainee and three (3) months probationary period.

*Probationary* - the personnel is considered probationary after completion of maximum of three (3) months training. His/Her regularization will be based on the performance evaluation results.

*Trainee* – On-the-job training and actual field exposure of the program of the organization of qualified applicants.

#### **Personnel**

##### *Staffing*

Approved Plantilla for Quidan Pag-inupdanay MBA.

Position	Level 1	Level 2	Level 3
Executive Director	25,000	28,000	33,000
Unit Head-Admin & Finance Officer; Claims Head; Underwriting Head	18,000	20,000	22,000



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Bookkeeper-General	5,800	6,500	7,700
Admin Assistant	5,800	6,500	7,500
Encoder	5,800	6,500	7,700

*Duties and Responsibilities*

*Hiring*

Qualification

Male or female preferable single

Between the ages of 18 – 37

At least 2<sup>nd</sup> year college

With good moral character

Application

Applicants to submit the following documents

Application Letter

Bio-data/Resume

Transcript of Records

Certificate of good moral character

applicant to be subjected to panel interview

Qualified applicants to attend a 2 day orientation

Upon regularization, all qualified applicants to submit the following:

- Police Clearance
- NBI Clearance
- Result of Drug Test ???
- SSS No.
- Tax Identification No. (TIN)
- Doctors Certificate/Physically Fit
- Duly accomplished MBA Application Form & Attachment (Birth Certificate, Marriage Contract, Birth Certificate of dependents)

On-the-job Trainings

Two (2) weeks field exposure

Two (2) days synthesis/orientation prior to actual job as trainee

Three (3) months trainee

P 1,500.00 - basic pay

500.00 - travel allowance

- with MBA coverage

4. Probationary Period

- After three (3) months as trainee
- Satisfactory Performance
- Recommended by the immediate supervisor/BM
- Compensation
  - P 3,000.00 - basic pay
  - 1,000.00 - travel allowance (subject for liquidation)
  - with MBA coverage

5. Regularization
  - Minimum of Six (6) months trainee & probationary service
  - With satisfactory performance rating
  - Recommended by the immediate supervisor/BM

#### *Promotion*

At least Six (6) months in the position

With 2 Satisfactory Rating in the Performance Evaluation

Recommended by BM/AM/OM

Subjected to the deliberation and approval of the Recruitment/Promotion Board/Committee

#### *Resignation*

Requirements

Resignation letter will be submitted 1 month prior to effectivity of resignation

Duly accomplished and notarized quit claims

Accomplished clearances

Resignation letter will pass through the BM, AM, OM and to HO for approval

Approval/Acceptance of resignation by PI

#### *Firing/Termination*

Grounds for termination:

- 2 consecutive poor performance rating
- Malversation of funds
- Non-remittance of payments/collection
- Unauthorized collection from clients
- Tampering of official receipts/documents
- "Ride-on" to client's loan
- Management loss of confidence
  
- Sanctions:
  - Suspension of at least one (1) week depending on the degree of violation
  - Memo will be issued to this effect and staff is required to submit An explanation on the "case" filed.
  - A committee will conduct an investigation as to the merit of the Case within 15 days from date o?????
    - If result of investigation proves the violation, he or she will be referred to the BOT for appropriate decision.
    - Proceeds of the staff benefits /leave credits will be used to pay Off his/her obligations

#### *Staff Records -201 File.*

The association should establish a 201 folder for each personnel. The folder consists of the following records of the staff:

- Application Form  
Biodata/Resume  
PI Standard CV  
Service Contract/Branch Assignment  
SSS, Pag-ibig, Philhealth, TIN and other pertinent documents  
Memo's to staff Performance  
Evaluation Sick/Vacation Leave  
Application Summary of  
Employment

*Payroll*

Schedule of Pay-out -           Every 5<sup>th</sup> for the 1<sup>st</sup> Queincena  
  Every 20<sup>th</sup> for the 2<sup>nd</sup> Queincena

If the schedule date falls on a weekend, pay-out will be on Friday before the schedule date.

Billing statement for all deductions must be received by the payroll officer on the morning of the 25<sup>th</sup>. Loans availed after the payroll preparation (26<sup>th</sup>), deduction will be included in the next month schedule. There should be no deferment in deductions.

Staff who availed loans from SSS, Pag-ibig shall furnish the office a Copy of disbursement vouchers to effect the deductions in salary. It should be submitted within a week after the release.

Salary advances for emergency cases involving his extended family should be allowed provided the amount should not exceed his/her 1 month net-take-home-pay. The whole amount is payable/deducted from his/her salary the following month.

**Staff Benefits**

1. All regular staff is allowed to a 1.25 days vacation leave & 1.25 days sick leave per month. A cumulative of 15 days sick leave and 15 days vacation leave.
  2. Only unavailed sick leave will be considered as leave credits earned. At the end of the year unavailed vacation leave is forfeited.
  3. All leave of absence should be programmed except for emergency and sick leave. A week notice is required.
  4. Maximum allowable vacation leave (straight) is 3 working days subject to the approval of the immediate supervisor. More than 3 days leave should be approved by the Head of Office
  5. Unprogrammed leave should be considered sick leave, and personnel should inform the office of the leave or else he or she will be considered AWOL.
- Consecutive sick leave of more than three (3) days requires a medical certification from attending physician.

**Emergency Loan**

1. The following "emergency" cases will be prioritized:

- Hospitalization of staff and immediate family members (If single: immediate parents/legal dependents; If married: Legal spouse, children)

- Child Delivery
- Medical Check up/Consultations
- Damages to properties caused by disasters (earthquake, floods, fires, etc.)

2. The following loan amounts can be made for the “emergency” cases defined in no. 1:

For cases of hospitalization: 5,000 upon confinement and 75% of the total hospital bills or P20,000 or whichever is lower

For child delivery: P5,000 upon confinement (e.g. CS child delivery) and 75% of total hospital bills or P20,000 or whichever is lower

For medical check up/consultations ( includes laboratory exams and medicine): 75% of total bills and not exceeding P 5,000.

For damages to properties caused by disasters; loan amounts will be decided on a case to case basis, depending on the extend/degree of damages

The following loan amortization schedules will be observed:

- |                               |                    |
|-------------------------------|--------------------|
| -Loan amount of 5,000 & below | - 3 months to pay  |
| -Loan amount of 10,000        | - 6 months to pay  |
| -Loan amount of 15,000        | - 9 months to pay  |
| -Loan amount of P20,000       | - 12 months to pay |

Death Aid and Cash Advances for Weddings

Upon the death of the member of an applicant’s immediate family ( If single: parents and other legal dependents; if married: legal spouse and family aged 180 years old and below), s/he is entitled to a P10,000 death aid and socialized contributions.

For weddings: S/he can apply for 10,000 maximum cash advance payable within 12 months.

Procedures for Emergency Loan Applications:

Loan applications should be made through the Admin Officer. In case of urgent cases and written applications will have to follow.

Loan applications will have to be endorsed by applicant’s immediate supervisor (e.g. branch manager, area manager & operations manager)

Release of loans applied for will only be released upon approval by concerned Executive Directors

**II: MANDATORY CONTRIBUTION**

**SSS**

**1.a Contribution**

All staff is subject to SSS, Philhealth and EC Contribution. For appropriate contribution of employee/employer (refer to SSS table). Contribution is based on basic salary. Contribution shall be reflected in the payroll every month. Submission of schedule will be on or before 15<sup>th</sup> day of the month.

Forms to be used are as follows:

E-4 change of the ffg. Civil Status Correction of name & date of birth Additional/new dependents	<i>Photocopy of marriage contract (latest original copy) Birth or Baptismal certificate Birth Certificate of dependent Accomplished form written in black ink with 2 valid ID's</i>	<i>Staff</i>
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*UPDATED AS OF: 07-26-06*

**1.2. SSS Loan**

An employee who has at least 36 monthly contributions may qualified to apply loan with the following procedures as follows:

- Applicant must accomplish form ISL- 101
- Computation of staff monthly net pay shall not be less than at 30% on take home pay
- Photocopy of SSS ID
- Approval by the institution's authorized signatory

**1.3. SSS Maternity**

Accomplish SSS maternity notification form ( MAT -1) in 3 copies.  
Accomplished form will be submitted to SSS Office within 3 months from the date of inception attached the ultra sound result & photocopy of digitized ID.  
Upon stamp received by the SSS, the complete documents will be forwarded to the Administrative Unit.  
The employee shall file a leave form covering the maternity period either 60 or 78 days.

After delivery the following documents has to be submitted to Admin and Finance Officer:  
A normal delivery has to submit the certified thru copy of child birth certificate duly registered with the local civil registrar while

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Cesarian delivery has to submit the operating room record or surgical memorandum duly certified by the hospital where the staff was confined and a certified thru copy of a child birth certificate duly registered with local civil registrar.

The Finance Officer will then compute maternity benefits.

All reimbursements shall only be disbursed upon the completion of documents. This is to ensure that the reimbursee will process the required documents.

#### **4. PAG-IBIG**

##### **4.a. Contribution**

Employee shall contribute a minimum of P100 and maximum of 200.

Employer's counterpart on contribution shall be equal to the employee contribution.

Contribution shall reflect in the payroll every month.

Pag-ibig fund receipts shall be filed with the schedule of remittance.

Remittance shall be on or before 10<sup>th</sup> day of the month.

##### **4.b. Loan**

Loan Amount - member is entitle to avail loan depending on the number of contributions made based on the following schedule:

No. of Contribution	Loan Amount
24-59 months	Up to 60% of Accumulated Cont.
60-119 months	Up to 70% of Accumulated Cont.
At least 120 months	Up to 80% of Accumulated cont.

Loan will be amortized over a period of 24 month with a grace period of 2 months for local accounts & 5 months for centralize account.

Loan payments will be remitted on or before the 15<sup>th</sup> day of each month beginning the 3<sup>rd</sup> month following the date as indicated in the disbursement voucher or check for local accounts.

Loan (i.e MPL) can be renewed upon payment of at least six (6) months amortization. The outstanding balance together with the accrued interest, penalties will be deducted from the proceeds of the new loans.

#### **5. Withholding Tax and Registration**

BIR Annual Registration on or before January 31.

Remittance of tax withheld is on or before 10<sup>th</sup> day of the following month.

December tax withheld can be remitted up to the 25<sup>th</sup> day of January.

Deadline for filing of information of tax withheld on compensation and final withholding tax together with the alphabetical list of employees/payees for calendar year is on 31<sup>st</sup> day of January.

#### **6. Office Hour and Attendance**

All staff are required to work 40 hours a week

Official time of office is 9:00am to 6:00pm  
All staff shall have a Daily Time Record (DTR)

### **III: REPORTS**

All staff are required to submit Monthly Report which due every 15<sup>th</sup> day of the month. The following are reports per unit:

MFI Branch/Institution:

Summary of Remittance

Summary of Payment

Vouchers-(proof of claims)

List of resigned members

List of recognized members

Accomplished Application Form

“Check” representing total remittance

MBA Unit/Staff

Claims Unit – reports should include

Number of Claims;

Amount of Claims;

Number of Claimants;

Number of Claims Filed;

Number of Claims Paid; Claims Denied.

*These reports should be categorized according to type of claim (Life, MVAH and TPD).*

*Claimants should also be classified as to member and beneficiaries and must be identified as to male and female.*

*This unit will also report as to number of member who withdrawn their equity with the association (50% of the total contribution)*

Underwriting Unit

Members enrolled for the period

Resigned members

No. of Insured

Finance and Admin

Financial Statement (to include Statement of Assets and Liabilities; Income Statement and Cash Flow Statement) with corresponding attachment

Status of Retirement and Savings Fund

LRF Status

Management Information System (MIS)

Received Application

Certificate Generated; Corrected and Distributed

Members Recognized above 60 yrs old

Double Membership

Premium encoder

Balances of members premium encoded