

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement made and entered into, between:

The **DEPARTMENT OF LABOR AND EMPLOYMENT REGIONAL OFFICE NO. VI (DOLE RO VI)**, a government office existing by virtue of the laws of the Republic of the Philippines with principal office address at Swan Rose Building, Commission Civil Street, Jaro, Iloilo City, represented herein by its Regional Director, **PONCIANO M. LIGUTOM**, and herein referred to as **DOLE-RO VI**;

-and-

The _____, a _____, with principal addresses at _____ represented herein by its Chairperson, _____, herein referred to as the **PROPONENT**.

WITNESSETH

WHEREAS, the current Administration has directed all Cabinet members to immediately implement poverty reduction projects in all regions;

WHEREAS, the Department of Labor and Employment (DOLE) is mandated to promote gainful employment opportunities, develop human resources, protect workers and promote their welfare, and maintain industrial peace;

WHEREAS, the DOLE-RO VI endeavors to contribute to reducing poverty and vulnerability to risks of the poor, vulnerable, and marginalized workers by providing them access to livelihood undertakings;

WHEREAS, the DOLE-RO VI will provide a capacity building facility on livelihood and entrepreneurial ventures for the workers in the informal economy and the vulnerable groups of workers such as parents of child laborers, women, youth, persons with disabilities, indigenous peoples, among others, under the DOLE LIVELIHOOD (KABUHAYAN) PROGRAM, pursuant to the provisions of DO No. 137-14, series of 2014;

WHEREAS, the DOLE-RO VI has been given the responsibility to implement the DOLE Livelihood (Kabuhayan) Program for _____.

1. Livelihood/Enterprise Formation

Enable the unemployed poor, seasonal and low-wage workers to start individual livelihood or collective enterprise undertakings with the goal of moving them out of poverty and making them productive,

2. Livelihood/Enterprise Enhancement

Enable the existing livelihood undertakings of self-employed workers to grow into viable and sustainable businesses that provide income at least at par with the minimum wage earners. For the low-wage workers, it will give them the opportunity to augment their income.

3. Livelihood/Enterprise Restoration

Enable the re-establishment of lost livelihood of self-employed and low-wage workers, due to various risks such as economic crisis, natural disasters and armed conflict.

4. Community/Group Enterprise Development

Enable the existing livelihood projects of groups of beneficiaries in barangays to be transformed into community enterprises which are legitimate economic activity that will serve as a stable source of income for its members, which will eventually generate employment in the community. The community should have access to adequate, if not abundant, source of raw materials and has existing skills necessary for its products or services.

WHEREAS, DOLE-RO VI shall implement the foregoing livelihood intervention in the Municipality/ies of _____, Province of _____, in partnership with _____ as Accredited Co-Partner;

WHEREAS, this partnership is vital to ensure the successful implementation of the said projects and achieve their desired social outcomes;

WHEREAS, the PROPONENT has been accredited by The Department of Social Welfare and Development (DSWD) to be capable and experienced in implementing the proposed project of _____, particularly the _____ located in _____.

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties hereto have agreed to enter into this Memorandum of Agreement under the following terms and conditions:

1. RESPONSIBILITIES OF THE PARTIES:

A. The DOLE-RO VI shall:

1. Provide the fund assistance to the PROPONENT for working capital of the approved project to be used exclusively for the implementation of the project. Funding assistance may be released in full or in tranches depending on the nature and the need of the project. For releases in tranches, schedule and amount of releases shall be in accordance with related provisions in COA Circulars 2007-001;
2. In case fund assistance includes allocation for acquisition of equipment, purchase the necessary equipment indicated in the approved project proposal through competitive public bidding and compliance with government accounting and auditing rules and regulations. DOLE-RO VI shall own the equipment and release the same to the PROPONENT who shall acknowledge receipt thereof through a Memorandum of Receipt for Equipment. The DOLE-RO VI, together with the PROPONENT, shall conduct regular inventory of the equipment to determine their physical condition;
3. Provide orientation/briefing to PROPONENT prior to issuance of fund assistance to ensure that both the technical and administrative concerns relative to the Project are adequately addressed;
4. Provide technical assistance to the PROPONENT whenever necessary or as may be requested;

5. Monitor and inspect the project implementation of the PROPONENT on a regular basis; verify the financial records and reports of the PROPONENT;
6. Adhere to the accounting and auditing requirements of fund transfers to the Proponent per COA Circular 2007-001 and 2012-001 such as, among others, maintenance of subsidiary ledger of cash transferred pertaining to the project, drawing Journal Vouchers to take up financial reports of PROPONENT as well as taking up liquidation and COA CSBs issued;
7. Demand the refund of unused funds or savings after project completion and the refund of any disallowed amount as a result of financial audit by the DOLE-RO VI and/or the Commission on Audit, as well as issue an Official Receipt (OR) for unexpended balance and the refunded disallowance remitted by the PROPONENT;
8. Issue Certificate of Acceptance upon satisfactory completion of the project and the acceptance by its ultimate beneficiaries and take up the credit to the PROPONENT's accounts; and
9. Institute appropriate actions against the PROPONENT which may include, among others, suspension or termination of the project in case of violation of the provisions of this MOA and/or legal action for misuse of approved and released funds, the legal costs of which shall be shouldered by the PROPONENT.
10. Repossess the equipment, tools & jigs acquired through the grants in the event of mismanagement or violation of the conditions of the agreement.

B. The PROPONENT shall:

1. Implement the approved livelihood project above-mentioned appended hereto as Annex "A", which forms an integral part of this Agreement, in accordance with the approved project objectives, standards, systems and procedures for project implementation, time schedule, as well as approved project cost estimates as reflected in the item Total Project Cost in the herein proposal;
2. Procures the necessary working capital indicated in the approved project proposal which may be in the form of raw materials, equipment, and tools and jigs through competitive public bidding and compliance with government accounting and auditing rules and regulations;
3. Provide funds as ACP's equity or counterpart which is equivalent to at least twenty percent (20%) of the total project cost for the supervision and monitoring of the project or for other needs related to the project;
4. Adhere to the DOLE Livelihood Program guidelines and procedures as stipulated in DO No. 137-14, series of 2014 and other relevant government regulations;
5. Deposit the check received for the purpose to the authorized depository bank of the Proponent. It shall issue corresponding Official Receipt (OR) to acknowledge funds received from DOLE-RO VI;
6. Keep the DOLE-RO VI informed at least three (3) working days before the actual date of implementation of the project/s of the City/Municipality/Barangay, as well as the major phases of implementation;
7. Utilize the amount received from DOLE-RO VI solely for the above-mentioned approved project/s and/or for the purpose and line items as specified in the approved project proposals;
8. Shall not use the funds received from DOLE-RO VI for payment of additional compensation or in the creation of new positions or augmentation of salaries of

regular personnel of the Proponent, or for other benefits in the form of allowances, incentive pay, bonuses, honorarium or other forms of additional, and for purchase of motor vehicles;

9. Any staff hired for the project shall be considered the staff of the Proponent and not of DOLE-RO VI, hence, payment of salaries of the same shall not be sourced from the DOLE-RO VI funds.
10. Shall not use funds for money market placement, time deposit and other forms of investments not related to the project;
11. Return to DOLE-RO VI any unused funds or savings immediately after project completion and any disallowed amount as a result of financial audit by the DOLE-RO VI and/or the Commission on Audit;
12. Allow access to or make available all records and facilities pertaining to the project for the visitorial audit and examination of the DOLE-RO VI and/or COA authorized representative/s;
13. Advise and secure written approval from the **DOLE-RO VI** any major changes/deviations from the approved project proposal;
14. Post-performance security acceptable to DOLE-RO VI for its accountable officers; copy of which shall be submitted to DOLE-RO VI (subject to verification);
15. Ensure that streamers/banners used in the training (if provided) and signage in the project site shall include the following information to properly inform the public of the project:

Sponsor : DEPARTMENT OF LABOR & EMPLOYMENT RO No. VI
Name of Project :
Proponent : _____ (state other Co-Partner as applicable)
Beneficiary :

16. Ensure that the packaging of the produce of the project shall indicate that it is a DOLE-RO VI assisted project;
17. In case fund assistance includes allocation for acquisition of equipment, use the training equipment acquired by DOLE-RO VI exclusively for the implementation of the approved project proposal and be responsible for the project storage and maintenance of the equipment, the cost of which shall be part of the PROPONENT'S equity. It shall secure written approval from DOLE-RO VI for transfer of any equipment from the project site to another location. It shall return the equipment in its normal state of efficiency to the DOLE-RO VI after the implementation of the training program, unless other written agreement is reached to the contrary by herein parties. In case of loss, damage or deterioration, the PROPONENT shall be liable for its money value;
18. Keep and maintain separate COMBO/Savings Account and financial accounting records/subsidiary records for funds received from DOLE-RO VI in accordance with generally accepted accounting principles. Funds shall not be mingled with other funds owned and controlled by the PROPONENT. It shall also maintain a separate record for counterpart contributions/funds such as, but not limited to costs of personnel, office supplies, office space, program funds, which shall be incorporated in the progress/final reports to be submitted to DOLE-RO VI;
19. Submit to DOLE-RO VI the required monthly and terminal financial reports within sixty (60) days after completion of the project (Report of Checks issued and Report of Disbursements) and physical status reports in prescribed forms with required evidences like the payroll, invoices, pictures, certificate of project completion and acceptance of the project by the beneficiaries supported by

attendance sheets (to include name, complete address and signatures), as well as financial statements which should be duly audited and certified to by an Independent Certified Public Accountant;

20. Submit monthly progress report on the implementation of the project.

21. Utilize the Project Management Team to oversee and regularly monitor the projects.

II IMPLEMENTATION AND MONITORING OF THE PROJECT

The duration of the implementation of the project covered by the Agreement shall be within one (1) month but not to exceed three (3) months from the release of the fund assistance subject to adjustments upon written request of the DOLE-RO VI. Monitoring of the project covered by this Agreement shall be three (3) year.

III MODIFICATION/AMENDMENT AND EFFECTIVITY

- a. Any modification/amendment to this Agreement shall be subject to the mutual consent of the parties hereto;
- b. In case of unauthorized deviations or alterations in the implementation of the approved project proposal, the **PROPONENT** shall be obliged to return the whole amount without need of prior demand from DOLE-RO VI. Unauthorized deviations or alterations shall also give the **DOLE** the right to stop payment of the check and/or succeeding releases covering the amount of grant.
- c. In case of authorized deviations, the DOLE-RO VI shall have the discretion to reduce the amount in proportion to the projected expenses reflected in the original project proposal; and
- d. This Agreement takes effect upon signing of the parties hereto and shall remain in force until the duration of the project in accordance with Section II of this MOA.

IN WITNESS WHEREOF, the parties through their representatives, have hereunto affixed their signatures this _____ day of _____, 201_.

**DEPARTMENT OF LABOR
AND EMPLOYMENT RO VI:**

By:

By:

Regional Director

Signed in the Presence of:

CERTIFIED FUNDS AVAILABLE:

Accountant

ACKNOWLEDGMENT

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

BEFORE ME, in the City of _____, this _____
day of _____, 201_, personally appeared the following:

NAME	VALID ID's /TIN
_____	_____
_____	_____

all known to me and known to be the same persons who executed the foregoing instrument and acknowledgement before me that the same is their free and voluntary act and deed as well as those of the entities they represent.

Said instrument refers to a Memorandum of Agreement consisting of ____ (____) pages including this page of acknowledgment, signed by the parties and their witnesses and sealed with my notarial seal.

NOTARY PUBLIC

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