

Department of Transportation and Communications  
**PUNONGHIMPILAN TANOD BAYBAYIN NG PILIPINAS**  
(Headquarters Philippine Coast Guard)  
139 25<sup>th</sup> St., Port Area  
1018 Manila

HPCG

17 December 2013

STANDARD OPERATING PROCEDURE )

NUMBER 07-13

**PCG MUTUAL ASSISTANCE SYSTEM (MAS)**

1. GENERAL

The PCG Mutual Assistance System (MAS) is a system that intends to support members in their financial needs. The support being given is outside the regular benefits being enjoyed by PCG personnel.

2. PURPOSE

This publication prescribes the policies and procedures in the management of the PCG Mutual Assistance System.

3. OBJECTIVE

- A. To provide immediate financial assistance in case of death of any of its members or their direct dependents in order to assist in alleviating the financial burden of the survivors.
- B. To provide financial support to members through low-interest loans.

4. MEMBERSHIP

- a. All officers, non-officers, and non-uniformed personnel in the roster of the PCG as of 31 December 1996 are considered lifetime members of the system.
- b. All other Coast Guard uniformed and non-uniformed personnel who will be assigned/employed with the PCG after 31 December 1996, who have contributed FIVE HUNDRED PESOS (Php 500.00) are entitled to the benefits of the MAS effective up to their retirement only.
- c. All those who will pay after 31 December 2001 are regular members, whose membership to the MAS will be effective up to their retirement only.
- d. All Coast Guard uniformed and non-uniformed personnel assigned/employed with the PCG on 01 July 2011 shall contribute ONE THOUSAND PESOS (Php 1,000.00) and shall be entitled to the benefits of the MAS as regular members effective up to their retirement. (Ref: BR Nr 0213-06 "Increase of Contribution for the New Members of PCG MAS")

5. BENEFITS

- a. The MAS shall provide a death benefit in the amount of TWENTY THOUSAND PESOS (Php 20,000.00) to the beneficiary of the deceased member and the amount of FIVE THOUSAND PESOS (Php 5,000.00) in case of death of any direct dependent of a member effective upon the approval of this SOP. Direct dependent for this purpose shall include the legal spouse and children eighteen (18) years of age and below of married members and the parents of unmarried members. Provided however that the Commandant, PCG, upon the recommendation of the Board of Directors may increase or decrease said amount based on the financial stability of the MAS.
- b. All members in the active service may apply for a multi-purpose loan with the maximum amount of FIFTY THOUSAND PESOS (Php 50,000.00) payable within TEN (10) months with a built-in interest of 10%.
- c. A PCG MAS member shall not be allowed to apply for loan six (6) months prior to retirement. A retiree-lifetime member can only apply for loan upon the start of his pension, i.e. three (3) years from retirement.
- d. For this purpose, fifty percent (50%) of the MAS fund shall be allotted for loans.
- e. Newly commissioned, enlisted, or hired personnel who die prior to payment of membership fee shall not be entitled to any benefits of the MAS. However, those who have paid an initial installment of the membership fee are entitled to the benefits of the MAS.
- f. At the end of every year, the Board shall deliberate on the feasibility of providing incentives for all members of the MAS depending on the financial status of the PCG MAS funds.
- g. A PCG MAS member can only re-loan once. The member can apply for a new loan only after a lapse of six (6) months from the date of his last re-loan.
- h. A PCG MAS member applying for a loan shall be required to submit the following:
  - i. Promissory note duly executed by the member/debtor and his/her co-maker who shall severally promise to pay the principal amount borrowed plus interest;
  - ii. Undertaking duly executed by the member/debtor that in case of death, the PCG MAS shall be allowed to deduct the unpaid amount of the loan including its interest from his death/survivorship benefits prior to distribution to his/her heirs or survivors.
- i. In the application for loan, collateral allowances such as but not limited to hazardous duty pay, flying pay, sea duty pay, instructor's duty pay and magna carta benefit shall be excluded in the computation of the Net Take Home Pay (NTHP) of the member/debtor based on the current/prevaling General Appropriations Act (GAA).

6. PROCEDURE

- a. The surviving beneficiary is the person entitled to receive the benefits in case of death of a member. For the purpose of this SOP, the beneficiary of

- a married member shall be the surviving spouse. In the absence of a surviving spouse or parents as the case may be, the beneficiary shall be the next of kin or relative as provided in the order of succession in the New Civil Code.
- b. In case of death of a direct dependent, the beneficiary is the member. In case of death of a direct dependent of two (2) or more surviving beneficiaries who are members of the PCG MAS, only one (1) member who first filed with the PCG MAS Remittance Officer is entitled to receive the benefits provided in 5a hereof.
  - c. Claims for benefits shall be filed to the Office of the Command Master Chief Petty Officer in coordination with the MAS Fund custodian for processing/verification of the legality of the claim.
  - d. A disbursement voucher shall be prepared and signed by the Command Master Chief Petty Officer.
  - e. Supporting documents:
    - 1. Certified true copy of the Death Certificate from the Local Civil Registrar.
    - 2. Marriage contract in case of death of a member and a Birth Certificate in case of death of dependents, or both as deemed necessary.
    - 3. Certificate of Affinity to rightful claimants that are related to the member.

## 7. MANAGEMENT

- a. The Board of Directors, composed of a least eight (8) members, shall exercise the corporate power of the MAS. The Chief of Coast Guard Staff, PCG shall be the Chairman of the Board, and the other member are: Deputy Chief of Coast Guard Staff for Personnel, CG-1, Deputy Chief of Staff Coast Guard for Comptrollership, CG-6, Commander, Coast Guard Legal Service, Commander, Coast Guard Finance Center, Command Master Chief Petty Officer, Head of the Civilian Affairs Branch and the Coast Guard Adjutant. Provided that the Commandant, PCG may appoint additional members as deemed necessary.
- b. The Chairman shall preside over all meetings of the Board to ensure that its proceedings are made in the prescribed manner and that all Board decisions are made in consonance with this SOP. In the absence of the Chairman, the Vice Chairman will preside.
- c. The Treasurer who shall be the principal custodian of funds, will have the following duties:
  - 1. Responsible for the safekeeping and accounting of the MAS funds.
  - 2. Make the withdrawal of benefits of all authorized disbursements including approved loan amounts to the loan manager.
  - 3. Publish a quarterly report of the financial status of the MAS.
- d. The Chairman of the Board shall appoint the Loan Manager who shall receive, process and recommend the approval of loan applications. The Loan Manager will likewise maintain a record of all loan applications and

the payments made by the applicants through the Coast Guard Finance Center.

- e. The Command Master Chief Petty Officer, PCG will be the Remittance Officer who shall be responsible for the remittance of benefits to members and maintain a cashbook for the disbursement.
- f. The funds of the MAS may be deposited at the PNSLAI, AFPSLAI, PCGSLAI and Land Bank, South Harbor Branch. The Chairman, Vice Chairman, Treasurer and Loan Manager, PCG shall be the signatories for checks and withdrawals from the bank accounts of the MAS.
- g. Two (2) Fund Custodians of the MAS funds for loans and mutual assistance purposes shall be designated and will be under the supervision of the Loan Manager. The designated Fund Custodians shall each receive a monthly cash incentives amounting to Three Thousand Pesos (Php 3,000.00).
- h. In addition to the Board of Directors, the PCG Accountant and one (1) other PCG uniformed or non-uniformed personnel who is a Certified Public Accountant or at least with Accounting background shall be designated as PCG MAS Accountants to audit, manage and evaluate the financial status of the PCG MAS funds.
- i. There shall be a PCGMAS website to share information and keep the members abreast on matters pertaining to PCGMAS. Moreover, there shall be a designated Website Maintenance Operator who shall perform all the activities needed to ensure the operational integrity of the website. The designated website maintenance operator shall receive a monthly cash incentive of One Thousand Pesos (Php 1,000.00).
- j. A Death Benefit Claims Processor shall be designated to process the claims for death benefit of the PCGMAS members. The said claims processor shall receive a monthly cash incentive of One Thousand Pesos (Php 1,000.00).

## 8. OPERATING EXPENSES

The Board is authorized a monthly expenditure in the amount of FIVE THOUSAND PESOS (Php 5,000.00) to defray the operating expenses of the MAS.

## 9. RESPONSIBILITIES

- a. The Chairman of the Board of Directors shall be responsible for the effective supervision of the operation of the MAS pursuant to this SOP.
- b. The Deputy Chief of Coast Guard Staff for Personnel, CG-1 shall be the Officer of Primary Responsibility (OPR) for the overall management of the MAS.

## 10. RESCISSION


All other publications in conflict with this SOP are hereby rescinded.

11. EFFECTIVITY

This SOP shall take effect upon approval.

BY COMMAND OF REAR ADMIRAL ISORENA:

OFFICIAL:

  
RODERIK M ELIORAN  
LCDR PCG *de/11/14/19*  
Acting Coast Guard Adjutant

JOSELITO F DELA CRUZ  
COMMO PCG  
Chief of Coast Guard Staff

DEC 14 2013

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Department of Transportation and Communications  
HEADQUARTERS PHILIPPINE COAST GUARD  
(Punonghimpilan Tanod Baybayin Ng Pilipinas)  
**PCG MUTUAL AND ASSISTANCE SYSTEM**  
139 25<sup>th</sup> Street, Port Area  
1018 Manila



10 December 2013

From: Chairman, PCG Mutual Assistance System  
To: Commandant, Philippine Coast Guard  
Via: Vice Commandant for Operations  
Vice Commandant for Administration  
Chief of Coast Guard Staff

Subj: Revised SOP on PCGMAS

Ref: HPCG SOP Nr 01 dated 08 January 2002

1. Above ref pertains to the Standard Operating Procedure (SOP) which prescribes the policies and procedures in the management of PCG Mutual Assistance System (PCGMAS) that intends to support the members in their financial needs.
2. The said SOP took effect on 08 January 2002 and has not been revised since. To address the prevailing concerns and issues on matters arising from the day-to-day operations of the PCGMAS, the Board unanimously agreed to submit/propose a revised SOP on PCGMAS.
3. It is noteworthy that there were some practices of the previous PCGMAS Board which were neither sanctioned by the existing SOP on PCGMAS nor any issued Board resolutions. These practices include increase of membership fee, increase of maximum allowable loan amount, and increase of authorized monthly expenditure.
4. In order to ratify the above-mentioned acts, the Board issued resolutions for that purpose. The current PCGMAS Board likewise issued several Board resolutions to competently and efficiently manage the PCGMAS for the benefit of its members, to wit:
  - a. Opening of checking account with Land Bank of the Philippines, South Harbor;
  - b. Designation of PCGMAS fund custodians and providing incentives therefore;
  - c. Designation of PCGMAS accountants;
  - d. Providing incentives for PCGMAS members;
  - e. Frequency of allowable re-loans to members;
  - f. Availment of loan by retirees-members;
  - g. Availment of benefits in case of death of a direct dependent by two (2) or more beneficiaries-members;
  - h. Requirement of a co-maker and undertaking in the application for loan;
  - i. Exclusion of the collateral allowances in computing the Net Take Home Pay (NTHP) in the application for loan;

- j. Designation of PCGMAS website maintenance operator and providing incentives therefore; and
- k. Designation of PCGMAS death benefit claim processor and providing incentives therefore.

5. The aforementioned resolutions were incorporated in the revised SOP on PCGMAS which was duly deliberated and approved by the PCGMAS Board.

6. ITCON, the PCGMAS Board hereby recommends CPCG approval on the revised Standard Operating Procedure on the PCG Mutual Assistance System.

*Joselito F. De la Cruz*  
JOSELITO F DELA CRUZ  
COMMO PCG

17 DEC 13
DATE
APPROVED / DISAPPROVED
<i>[Signature]</i>
COMMANDANT