



**PAMBANSANG PUNONGHIMPILAN TANOD BAYBAYIN NG PILIPINAS**  
(National Headquarters Philippine Coast Guard)  
139 25<sup>th</sup> St., Port Area  
1018 Manila

NHQ-PCG/CG-1

18 February 2019

**STANDARD OPERATING PROCEDURES**  
NUMBER.....04-19

**POLICIES AND PROCEDURES IN PROTECTING THE PHILIPPINE COAST  
GUARD PENSION FUND THROUGH MONITORING OF  
PENSIONERS AND PENSION CLEANSING SYSTEM**

**1. REFERENCES:**

- a. R.A. 9993 dated 27 July 2009, entitled "Philippine Coast Guard Law of 2009"
- b. Presidential Decree 1638 as amended by Presidential Decree 1650
- c. RA 9485 dtd 19 Feb 2007 entitled "Anti-Red Tape Act of 2007".
- d. RA 9225 dtd 25 Aug 2003 entitled "An Act Making the Citizenship of the Philippine Citizens who Acquire Foreign Citizenship Permanent".
- e. Article 2155 of the New Civil Code of the Philippines 4<sup>th</sup> Edition CY 2000.
- f. Article 30 of the Revised Penal Code of the Philippines.
- g. Executive Order 209 also known as "The Family Code of the Philippines".
- h. Circular Nr 05-15 HPCG dtd 03 August 2015 entitled "PCG Policy on Yearly Verifications of Pensioners"

**2. PURPOSE:**

This SOP prescribes the policies and procedures in protecting the PCG pension fund through the regular update of pensioners' status, pension caravan, deletion and restoration of pension, managing and recovery of accounts, and the administration of the manual and electronic database of PCG pensioners through regular monitoring, and other pension cleansing activities.

**3. SCOPE:**

This SOP covers the monitoring, updating, and cleansing of the PCG pensioners' list.

**4. DEFINITION OF TERMS:**

- a. **PCG Pensioners' List** - roster of pensioners maintained by the PCG Finance Center (CGFC) and the PCG Pension Gratuity Management Center (PCG PGMC).

- b. **Age of Majority** – for purposes of this SOP, the age of majority shall be twenty-one (21) years old pursuant to PD 1638.
- c. **B4 Account** – pertains to pension account with monthly deductions due to previous accountability, overpayment, and the like.
- d. **Cleansing** – the act or process of removing spurious names or claims in the PCG Pensioners' List or database.
- e. **Cross-matching** – pertains to testing compatibility records with other databases.
- f. **CRS Form Nr 4 (CENOMAR)** – Certificate of No Marriage from the Philippine Statistics Authority (PSA).
- g. **CRS Form Nr 5 (Advisory on Marriages)** – a PSA document certifying the number of times the person has been married.
- h. **Cut-off Date** – date of the suspension/deletion from the PCG Pensioners' List and Payroll.
- i. **Deletion** – process of removing pensioners from the pension payroll due to disqualification for pension.
- j. **Discrepancy** – inconsistency of information on documents and database.
- k. **Finance Center Information System (FCIS)** – PCG personnel and pensioners' financial database managed by the PCG Finance Center and the Pension Gratuity Management Center (PGMC).
- l. **Gains** – newly approved pensioners included in the succeeding monthly payroll.
- m. **Legal Guardian** – in behalf of minor aged beneficiaries duly approve by the CG Legal Service (CGLS) or the Civil Court, usually but not limited to the grandparent, stepmother, sibling of legal age, uncle or aunt, et al.
- n. **Losses** – deleted pensioners from the payroll.
- o. **Overpayment** – unauthorized persons received by the pensioner through loss of Philippine citizenship and the like.
- p. **Pensioners Management Information System (PenMis)** – a pensioners and pension database system managed by the PCG PGMC.
- q. **Pension** – a monthly gratuity provided to retired/separated PCG personnel and their legal beneficiaries.
- r. **Pension Fund** – annual approved budget for pension.
- s. **Proof of Life** – refers to the documents proving the existence of a pensioner such as new postcard-sized whole-body picture holding latest broadsheet showing headlines.

- t. **Pensioners Update Form (PUF)** – a form used for pension claims containing the pensioner's latest information.
- u. **Restoration of Pension** – reinstatement of the name of the pensioner in the PCG pensioner' list/payroll.
- v. **Survivors** – legal beneficiaries of principal pensioners as provided for in the PCG Retirement Laws.
- w. **Tag** – temporary withholding of pension account due to non-updating of pensioner's status and the like.
- x. **Transfer of Pension** – refers to processing of benefits granted to legitimate survivors/beneficiaries of retired/separated PCG personnel.

5. **POLICIES:**

a. **Legal Beneficiaries shall mean:**

- 1) Surviving Spouse – married to the deceased prior to the latter's retirement/separation from the PCG-DOTr service and not legally separated by judicial decree from the deceased issued on grounds not attributable to said spouse.
  - 2) Surviving Children – below 21 years old and unmarried of PCG personnel born of his/her marriage contracted prior to his/her retirement/separation from the service, and children, adopted or acknowledged, while the deceased parent was still on active PCG service.
  - 3) In default of those mention in 1 & 2 above – surviving, legitimate, adopted or acknowledged natural children, who have not reached 21 years of age, or in their absence, surviving parent or parents, or in default thereof, his/her surviving unmarried brothers and sisters.
- b. PCG pensioner's found to be dead, have reached the age of majority or contracted marriage at 18 before reaching 21 years old (for minor beneficiaries), have remarried (for spouse beneficiary) shall be deleted immediately in the PCG pensioner's list by the PCG PGMC after receipt of sufficient documents and result of investigation.
  - c. Deleted principal pensioner's, due to loss of Philippine citizenship may be restored after reacquisition of the Philippine citizenship.
  - d. The inability of the Principal pensioner who loses his/her Philippine citizenship, to re-acquire the same before death shall disqualify his/her beneficiaries for transfer of pension.
  - e. The accumulated pension payment during periods of loss of citizenship shall be repaid by the restored pensioner pursuant to Article 2155 of the New Civil Code of the Philippines stating that, "*if payment is made by*

*reason of mistake in the construction or application of law, an obligation to return it arises on the part of the recipient”.*

- f. The PCG shall enforce the provisions of applicable laws that, if payment is made by reason of mistake in the construction or application of law, an obligation to return it arises on the part of the recipient as per Article 2155 of the New Civil Code of the Philippines.
- g. Overpayments shall be recovered from the monthly pension of not more than 50% for loss of Philippine citizenship and 20% for incorrect computation and payment of pension pay under *Comptroller Letter Number 2002-07 dated 28 Oct 2002*.
- h. The PCG PGMC shall have the primary authority to initiate monitoring of existing pensioner's, pension caravan, updating pensioner's status, deletion and restoration of pension, and management of PCG Pensioner's list/database. In case of minor beneficiaries, their names shall properly be indicated as pensioner's in the database/list and not the guardian's name.
- i. On his/her birth month, the pensioner shall update his/her status at the PCG PGMC through personal appearance, or submission of proof of life, or online updating. Failure to do shall prompt the PCG PGMC to tag/hold the pensioner's monthly pension and notify him/her through mobile/telephone call (if contract numbers are available) or SMS (text)/registered mail to update his/her status within two months upon receipt of the notification.
- j. Online updating of pensioner status and other necessary means shall be developed and institutionalized to cater the PCG pensioners whose places of abode are quite distant from NHQ-PCG, Port Area, Manila. This is in line with the reengineering of systems and procedures in the delivery of the government service to the public per *Section 5 RA 9845 or the Anti-Red Tape Act of 2007*.
- k. Restoration of pension shall be processed immediately after the requirements have been complied with and submitted by the tagged/deleted pensioners.
- l. The PCG Pensioner's List shall be cross-matched with records from the DCS for HRM, CG-1, PCG Pension Gratuity Management Center (PCG PGMC), Coast Guard Finance Center (CGFC), Coast Guard Adjutant Office (CGAO), Authorized Government Servicing Banks (AGSB), and the Philippine Veterans Affairs Office (PVAO) on an annual basis. Coordination with the Philippine Statistics Authority (PSA), Bureau of Immigration and Deportation (BID), Department of Foreign Affairs (DFA), and other government agencies shall be done when the need for information cross-matching arises.
- m. All collections from recovered pension and unclaimed or dormant pension funds, due to loss of Philippine citizenship, overpayment of unreported death with no qualified beneficiary/ies, payment to unauthorized beneficiary/ies, and over payment of miscomputed pension collected shall be deposited in the authorized government servicing banks. The deposit slip shall be for the account of the Bureau of Treasury (BTr).



- n. Personalities and Institutions engaged in fraudulent acts or falsification, and the like shall be apprehended and sued in accordance with the provisions of the Revised Penal Code of the Philippines and other pertinent laws.
- o. An updated PCG Pensioners List ending 31 Dec of the preceding year shall be submitted to CG-1 for records purposes.
- p. Such other policies deemed beneficial to both the government and the pensioners may be inserted in the future.

**6. NOTIFICATION:**

Existing pensioner's shall be notified by the PGMC and the CGAO through letter two (2) months prior to their contingency. Subsequently, the pensioners shall be informed of the next Yearly Verification of Pensioner (YVOP) schedule through the Notice of Schedule of the YVOP form. Prospective pensioners shall be informed of their schedule of confirmation through the check voucher or payment notice.

**7. PROCEDURE/ COMPLIANCE PERIOD OF PENSIONER:**

**a. Updating/Verification of Pensioner's Status**

Updating of status as PCG pensioner shall be done annually during the birth month of the pensioner 70 years old and below and semi-annually for pensioners 71 years old and above through the following options:

- 1) Personal appearance at the PCG PGMC and the CG Finance Center to present themselves either to the NHQ-PCG CGAO, or nearest HCG Districts or CG Stations/ Sub-Station for YVOP during their month of contingency: i.e. for CDD pensioners, month of disability; for death/survivorship pensioners, month of PCG personnel's death; for retiree pensioner, month of retirement with the following requirements:
  - (a) PCG Pensioner's ID;
  - (b) New photo taken by PAO, PCG;
  - (c) In case of change of address/contract number, accomplish and submit PCG PGMC Form 1-2
  - (d) Latest PSA CRS Form Nr 4 or 5 for beneficiary pensioners
  - (e) Pensioners who are unable to report personally due to the following conditions shall submit the required documents with proof of life either through their representatives or through email to the NHQ-PCG, or nearest HCG Districts, or CG Stations and Sub-Stations:
    - i. Pensioner is either wheelchair-borne, in respiratory distress, with IV fluid or other debilitating conditions; or

- ii. Pensioner is confined in institution such as retirement home, nursing facility, hospital, correctional institution, penitentiary, rehabilitation center; or
- iii. Pensioner is residing abroad

**b. Updating Beneficiaries Status**

- (1) Survivorship pensioners who are widow or widower, or qualified children that are of legal age of the deceased PCG personnel/retiree are required to submit original PSA copy of their CENOMAR (Certificate of no Marriage).
- (2) Guardians of the survivorship pensioners who are qualified children that are not of legal age are required to present their wards in persons.
- (3) Guardians of the survivorship pensioners who are mentally incapacitated need not present the latter. Instead, they need to present a photo where the ward carries a recent newspaper with its date clearly indicated.

**2) For non-appearance:**

**(a) Local:**

- i. Proof of life (Postcard-sized whole-body picture holding latest broadsheet such as The Philippine Star, The Manila Bulletin and The Philippine Daily Inquirer showing headlines to be submitted at the nearest Headquarters Coast Guard District, Station and Sub-Station or via email address to PCG PGMC at 139 25<sup>th</sup> St., Port Area, Manila or online updating through webcam/skype)
- ii. PCG Pensioner's ID (Photocopy)
- iii. In case of change of address/contact number, accomplish and PCG PCMC Form 1-2
- iv. Latest PSA CRS Form Nr 4 or 5 for beneficiary pensioners

**(b) Abroad:**

- i. Proof of life (Postcard-sized whole-body picture holding latest broadsheet to be submitted via mail address to PCG PGMC at 139 25<sup>th</sup> St., Port Area, Manila or online updating through webcam/skype)
- ii. Latest Passport (Photocopy)
- iii. PCG Pensioner's ID (Photocopy)
- iv. Latest PSA CRS Form Nr 4 or 5 for beneficiary pensioners

(c)

- i. The conduct of Fact Pensioner's Existence (FPE) shall be mandatory for local resident retiree / death pensioners whose compliance is made through a representative or via email at [cgao@coastguard.gov.ph](mailto:cgao@coastguard.gov.ph)
  - ii. For local residents CDD pensioners whose compliance is through representative or via mail, the conduct of Medical Fieldwork Services (MFS) shall be done by the Field Station personnel who are either assigned by their respective Headquarters, Coast Guard District Commanders (HCGDC), or as recommended by his/her CG Station Commanders upon approval of the HCGDC.
- 3) Online updating shall be facilitated by PAO personnel. The pensioner on his/her birth month has to send an email at [cgfc\\_ipms@coastguard.gov.ph](mailto:cgfc_ipms@coastguard.gov.ph) with subject "Updating the Pensioner's Status", requesting for online updating appointment.
- (a) The email request shall include the pensioner's full name, serial number, contact numbers, email address, and his/her raw image photo.
  - (b) PCG PGMC shall provide feedback to the email request for online updating within ten (10) days from receipt of the request specifying an appointment date for online validation.
  - (c) On appointment date, validation of pensioner's status for updating shall be made through webcam/online appearance and interview with prepared set of questions.

## **b. Database Sorting and Analysis**

### **1) PCG PGM Center, Information System**

- (a) Encoders shall ensure the completeness of pensioner's data in the PGMC, Information System
- (b) CGAO shall sort the PCG Pensioner's List by birth year to ensure that child beneficiaries paid with monthly pensions have not yet reached the age of majority.
- (c) Pensioner's, 70 years old and above, shall be sorted and monitored periodically i.e every six (6) months.

### **2) PCG Finance Center, Information System**

- (a) Encoders shall ensure the completeness of pensioner's and financial data in the PCG Finance Center, Information System (FCIS).

(b) Pensioner's, 70 years old and above, shall be sorted and monitored periodically i.e every six (6) months.

(c) Data on PCG FCIS shall be consistent with PCG PGMC, Information System

**c. Pension Caravan**

1) In coordination with the HCG Districts, Stations, Sub-Stations, the CGFC and the PCG PGMC Field Station Personnel shall conduct pension caravan to localities to personally verify the existence of PCG Pensioner's.

Upon receipt of report for pension disqualification such as death, remarriage, age of majority, loss of Philippine citizenship, the pension account of subject pensioner's shall be tagged/held. Subsequently, their pension shall be changed to local pickup temporarily.

2) The PCG PGMC shall determine and approve localities where pension caravan is to be held on annual basis.

**d. Tagging/Holding the Pension**

1) Tagging or holding the pension shall only take effect upon recommendation of the PGMC for approval of the Commandant, PCG.

2) Pensions shall be tagged for the following reason:

(a) Non-updating

(b) Pensioner reported as unauthorized;

(c) Failure to reply confirmation letters from the PCG and government auditing officers such as DBM and COA;

(d) Incorrect address; and

(e) Receipt of report from LBP for non-updating of pensioners.

3) Once validated as authorized, tagged pensions shall be immediately lifted and pensioners paid of his/her monthly pensions. Unauthorized pensioners shall be deleted in the PCG Pensioners' List and referral to CGLS for filing of appropriate charges.

4) The PCG Finance Center shall provide PCG PGMC list of tagged pensioners, with complete address and pension details, who have unclaimed monthly pension checks for at least six (6) months.

5) PCG PGMC shall notify tagged the pensioners through registered mail and other means of information, and for the subject to reply



within two (2) months. Failure to do so will cause their deletion from the PCG Pensioners List.

- 6) Pension shall be paid to the pensioner's upon appearance or presentation of proof of life to PCG Districts, Stations, Sub-Stations, the PGMC and the CGFC within the prescribed period.
- 7) If no response from the tagged pensioner or non-appearance for three (3) months, the CGFC shall deposit the unclaimed checks to LBP for the account of the BTr. Subsequently, the name of pensioner shall be deleted from the pension payroll as authorized by the PCG PGMC.

**e. Deletion of Pensioner**

- 1) Principal pensioners shall be deleted in the PCG pension payroll for the following reasons:
  - (a) Upon death
  - (b) Loss of Philippine citizenship
  - (c) Conviction of a crime with penalty of more than six (6) years imprisonment pursuant to Article 30 of the Revised Penal Code of the Philippines
- 2) Beneficiary pensioners shall be deleted in the PCG pension payroll for the following reason:
  - (a) Upon death
  - (b) Remarriage
  - (c) 21 years of age for child beneficiary or contracting marriage at 18 years of age before reaching 21
- 3) Deletion of pensioners in the PCG pension payroll shall only be made upon authority from the PCG PGMC.

**f. Restoration of Pension**

- 1) PCG PGMC shall restore deleted pensioners within two months upon validation of the submitted requirements.
- 2) PCG PGMC shall issue authority to CGFC to restore monthly pension.
- 3) CGFC shall execute payment of the restored monthly pension. The corresponding arrears for the current year and prior years shall be paid upon availability of funds.

#### **g. Recovery of Pension Overpayment**

- 1) Overpayments are recovered from pensions paid during pensioner's loss of Philippine citizenship, death, miscomputed pensions, and other unauthorized receipt of pensions. The pensioner shall be informed through a letter regarding pension recovery.
- 2) PCG PGMC shall process the DVs (Disbursement Vouchers) and conduct audit in order to identify the status and the exact amount to be deducted from the overpaid PCG pensioners.
- 3) CGFC shall prepare the pension payroll, correct the monthly pension of overpaid pensioners in the payroll, and prepare the DVs and the Modified Disbursement System (MDS) Check for B-4 Account. If overpayment is paid in cash, Official Receipt (OR) shall be issued to the pensioners/beneficiaries.
- 4) Upon validation of the deposit slip by the LBP, the CGFC shall prepare and submit Report of Collection to the PCG PGMC and CG-6.
- 5) PCG PGMC shall send letters to the concerned pensioners informing them the gross monthly pensions, corrected amount supposedly received by them, and the total deductions to be effected on a monthly basis until fully paid. Copy furnished DCS for Comptrollership, CG-6 thru the Accounting Office.
- 6) The DC of CGS for Comptrollership CG-6 thru the Accounting Office shall record the transaction on collection of overpayment and maintain a separate subsidiary ledger pertaining to overpayment of pension.

#### **h. Management of Pension Recovery Savings Account**

- 1) Collected pension overpayments shall be deposited at Land Bank of the Philippines by CGFC under PCG Pension Recovery Savings Account.
- 2) The deposit slip shall be for the account of the Bureau of Treasury (BTr).
- 3) PCG shall follow the guidelines indicated in the *DBM Circular Number 99-2 dated 15 January 1999*, Subject: Revised Procedures in the Payment of Accounts Payable on the utilization of the PCG Pension Recovery Savings for payment of Prior Years claim.

### **8. RESPONSIBILITIES:**

#### **a. PCG Pensioners**

- 1) PCG Pensioners shall update their status at the PCG PGMC as follows:

(a) For below 70 years old - once a year on their birth month.

(b) For 70 years old and above – every six (6) months.

(c) Receiving pensions through LBP – every six (6) months.

2) Latest broadsheet shall be used by PCG pensioners for their whole-body photo as regards submission of proof of life.

**b. PCG PGMC**

1) Shall process and recommend tagging, deletion and restoration of pension.

2) Shall monitor status of existing pensioners and conduct pension cleansing regularly.

3) Shall communicate with pensioner's regarding tagging and deletion of pension accounts, restoration of pensions, and recovery of overpayment.

4) Shall approved and provide the monthly gains, losses and recovery report.

5) Shall conduct regular information drive to PCG pensioner's for proper updating procedures and others matters pertaining to pension.

6) Shall ensure completeness of the PCG Pensioners' data.

7) Investigate and file appropriate charges against persons violating the provisions of *RA 340*, *PD 1638* and other pertinent laws.

8) Shall manage the PCG PGMC, Information System.

**c. NHQ-PCG Accounting Office**

Shall record the transaction on collection of overpayment and maintain a separate subsidiary ledger pertaining to overpayment of pension.

**d. CGFC**

1) Shall prepare the pension payroll, correct the monthly pension of overpaid pensioner's in the payroll, and prepare the DVs and the MDS Check for B-4 Account.

2) Shall issue Official Receipt (OR) to the pensioner if overpayment is paid in cash.

3) Shall coordinate with PCG PGMC regarding the conduct of pension caravan and tagging of pension accounts.

- 4) Shall prepare and submit Report of Collection to the PCG PGMC and NHQ-PCG Accounting Office.
- 5) Shall provide record of actual pension payments to the PCG PGMC.
- 6) Shall manage PCG FCIS.

**e. CGAO**

- 1) Shall assist the PGMC in the notification and facilitate in the implementation of existing yearly verification of pensioners' prior their month of contingency.
- 2) Shall be in-charge of the safekeeping of YVOP documents, its update and ensure the integrity of the PCG pension payroll and the PCG Pensioners' List.

**9. RESCISSION:**

The provisions of Circular Nr 05-15 HPCG dated 03 August 2015 Subject: "PCG Policy on Yearly Verifications of Pensioners" and other publications inconsistent with this SOP are hereby rescinded

**10. EFFECTIVITY:**

This SOP shall take effect upon publication.

**BY COMMAND OF ADMIRAL HERMOGINO:**

OFFICIAL:

  
LIEZEL B BAUTISTA  
CDR PCG  
Coast Guard Adjutant  
18/02/19/19

**EDUARDO D FABRICANTE**  
**COMMO PCG**  
Chief of Coast Guard Staff

DISTRIBUTION:

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