



SRCDC MBAI EMPLOYEES HANDBOOK

INTRODUCTION

Greetings to all the present employees of SRCDC MBAI and welcome to the newcomers in the organization.

This HANDBOOK is designed primarily as a communication tool for employees of SRCDC MBAI. The ASSOCIATION believes that by making the rules and policies on personnel hiring, clear and readily available, it moves the organization closer to harmony and better productivity.

Along with other objectives to continuously improve our service to members, the Association also endeavors to instill professionalism and integrity in its employees that will inspire member-owner to feel proud of his organization.

1. BRIEF HISTORY AND ORGANIZATION PROFILE

The Sto. Rosario Credit and Development Cooperative (SRCDC) decided to put up its own Mutual Benefit Association in compliance to the mandate of Department of Finance under Republic Act 9520 supported with the Joint IC-CDA-SEC Memorandum Circular No. 01-2010 stating the termination of informal insurance and insurance-like activities in the cooperative. It aims to provide micro-insurance services to the poor, most especially to the members who had pinned their hopes on the cooperative as a means of financial security.

On April 17, 2007, SRCDC got the services of Risk Management Solutions, Inc. (RIMANSI) as MBA partner to give the SRCDC the knowledge on how to own and manage their own mutual benefit association. It was registered as SRCDC Mutual Benefit Association, Inc. (SRCDC MBAI) at Securities and Exchange Commission (SEC) on December 28, 2007 and was awarded by the Insurance Commission (IC) with its license to operate its own mutual benefit association on August 1, 2008.

2. BENEFITS PROGRAM

The benefits administration program of SRCDC MBAI is anchored on the principle of helping employees and their families to meet their basic economic needs. While it cannot immediately cover all employees' needs, the program aims to provide the government required benefits for workers.

The program aims to provide a benefit package comparable to other associations of similar stature to maintain a work force with high morale.

2.1 Salaries and Wages

The position and the corresponding pay grade determine the salaries.

Salaries are paid semi-monthly every 15th and 30th of the month with a prescribed cut off period every 10th and 25th of the month. However, pay out of salaries is done one day before the 15th or end of the month. Should the 15th or end of the month fall on a weekend or a Holiday, the payout is done on the last banking day prior the weekend or holiday.

2.2 Compensation for Rest Days, Holidays and Overtime

General Provision:

The SRCDC MBAI pays premium on all work performed on days identified as Holidays and Rest days as provided by the labor code.

Based on the foregoing, we can proceed to the benefits pertaining to premium pay for work performed on Regular days, Days off, Holiday, etc.

2.2.1 On regular day, the first eight hours are compensated by the regular daily rate of the employee. In excess of the first eight hours, a premium of 25% is added to the regular rate.

Sample Computation:

Employee's regular hourly rate	= P 100.00
Premium (rate x 25%)	= 25.00
Rate per hour of overtime	= P 125.00

(What the employee will see in his pay slip under "Overtime" is the whole of P125.00)

2.2.3 Employees are automatically paid their daily wage/salary on Regular Holidays. This means that they incur no deduction in pay even if they do not report for work on a Regular Holiday. However, should the Regular Holiday fall on Sunday (day-off) which is a day not counted as a working day, an extra pay equivalent to one day is given to complete the eleven (11) paid regular holidays as mentioned above.

2.2.4 If the employee, however, is required to work on a Regular Holiday, he shall receive a premium of 100% of his daily wage for the first eight hours of work. This means that he, in effect, will get 200% for that.

ample Computation:

Employee's regular hourly rate	= P 100.00
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Premium (rate x 100%)	= 100.00
Rate per hour of overtime	= P 200.00

(What the employee will see in his pay slip under "Overtime" is only the premium of P 100.00 because the regular rate for the holiday is already incorporated in the basic salary)

2.2.5 If the employee is required, however to work on a Special Holiday which is at the same time is his rest day, he shall receive a premium of 60% on top of the regular rate. In excess of the first eight hours the premium increases to 80% on top of the regular rate.

Sample Computation:

Employee's regular hourly rate	= P 100.00
Premium (rate x 60%)	= 60.00
Rate per hour of overtime	= P 160.00
(What the employee will see in his pay slip under "Overtime" is the whole of P 160.00)	

2.2.6 If the employee is required to work on Sunday or on his rest day, he/she shall receive a premium of 50% on top of his regular rate.

Sample Computation:

Employee's regular hourly rate	= P 100.00
Premium (rate x 100%)	= 50.00
Rate per hour of overtime	= P 150.00
(What the employee will see in his pay slip under "Overtime" is the whole of P 150.00)	

2.2.7 If the employee is required to work on a Regular Holiday, which is at the same time is his rest day, he shall receive a premium of 160% on top of his regular rate. This means that he gets a total of 260% as against his regular day's rate. In excess of the first eight hours, the premium is 50% of the Holiday rest day rate (260%) is applied.

Sample Computation: First Eight Hours

Employee's regular hourly rate	= P 100.00
Premium (rate x 160%)	= 160.00
Rate per hour of overtime	= P 260.00
(What the employee will see in his pay slip under "Overtime" is the whole of P 260.00)	

Excess of Eight Hours

Employee's holiday-rest rate = P 260.00

Premium (Holiday rate x 150%) = 390.00

Rate per hour of overtime = P 660.00

(What the employee will see in his pay slip under "Overtime" is the whole of P 660.00)

2.2.8 The SRCDC MBAI has adopted an Equivalent Monthly Rate (EMR) using 314 days. However, for purposes of computing the daily rate of the employees, the monthly rate divided by 26 days is used to increase the daily rate, which is favorable to the employee. In adopting EMR 314, the associations means to pay 304 working days and 11 regular Holidays. This also means that generally, there is no work on Sunday and that Sunday is not paid.

2.3 Policy on Wage/Salary Deduction

In general, no deduction can be effected against the salary of the employee unless authorized by Management and the employee himself.

In case of death in the family of an employee, the following shall be deducted from the salaries of other employees as their voluntary contribution: P 100.00 for direct dependents, which includes the father/mother/spouse/children. P 50.00 for indirect dependents, which includes grandfather/grandmother/brother/sister. Should an employee pass away, the amount of P 200.00 shall be deducted.

2.4 Uniforms

Uniforms are provided to regular employees not only for convenience but also for improving the image of the Association. A complete set of uniform is provided which must be worn from Tuesday to Friday. On Saturdays, employees are allowed to wear civilian clothes however, appropriate for the office.

3. Leaves

Regular employees enjoy the following leaves:

3.1 SICK LEAVE – Upon one year of employment from the period of his probation, a regular employee shall be entitled to 1.25-days leave/month or a total of 15 days sick leave credits. Unused sick leave shall be commuted to cash at the end of the calendar year.

3.2 VACATION LEAVE – This is similarly earned like the sick leave credits. Only earned leave credits can be applied against authorized absences. An employee, however, needs to accumulate more than 15 days of unused vacation leaves to commute the excess of 15 days to cash. This is to ensure that the employee even after commutation of leaves retains for him ample leave credits to avoid disruption of income.

3.3 MATERNITY LEAVE – This shall be granted to female regular employees in accordance with the SSS laws.

3.4 PATERNITY LEAVE – This shall be granted to male regular employee whose wife delivered or have had miscarriage up to 4 times only. The leave shall be for 7 working days with pay. All other provisions shall be in accordance with the law.

3.5 BEREAVEMENT LEAVE – This shall be granted to regular employees for 3 working days in times of death of immediate family member that includes father/mother/spouse/children.

3.6 BIRTHDAY LEAVE – A regular employee shall be granted with 1 day leave on his natal day. Should the date fall on holiday or day-off, the leave shall be availed on the date prior or after the holiday/day-off.

3.7 PARENTAL LEAVE – This shall be granted to solo parents that meet all the requirements being set forth under Republic Act No. 8972 (Solo Parents' Welfare Act of 2000). The leave shall be for 7 working days with pay and shall not be convertible to cash. All other provisions shall be in accordance with the law.

3.8 FILING OF LEAVE

3.8.1 Vacation leave application shall be filed 3 days in advance from the intended date of leave. One-week notice is required if the leave shall be for one week or more.

3.8.2 Sick leave information shall be filed by the employee thru phone or by representative on the first working hour of the day of absence. Should the sick leave last 3 days or more, a medical certificate needs to be issued by a doctor.

3.8.3 Maternity leave shall be filed at least 15 days before the expected date of delivery for purpose of turning over job responsibilities.

3.8.4 Paternity leave shall be filed one week prior the expected delivery date of the wife or during the first working hour in case of miscarriage

provided that he shall file his leave form together with the proof of confinement as soon as he returns to work.

3.8.5 Paternal leave shall be filed one week prior to expected date of leave. The date of leave shall be at reasonable time without jeopardizing the flow of office operation.

3.8.6 *Not observing the rule on filing of leaves is subject to disciplinary action or may be considered a leave without pay.*

4. MEDICAL ALLOWANCE

Medical allowance shall be provided to the employees to help defray the cost of medicines or consultations. Provided that from this allowance, the cost of the annual medical check-up required of the employees shall be charged. Unused medical allowance is not commutable to cash.

5. BONUSES AND OTHER ALLOWANCES

Christmas bonus and performance bonus are given to employees the rates of which are determined by the Board and subject to the achievement of financial targets.

Food allowance in the amount of P 50.00 is given to supervisory employees if they rendered service in excess of 8 hours and allowance of P 300.00 if they work on rest days/non-working days for at least 3 hours.

Per diems/allowance are given to employees who are attending seminar within or outside Bulacan. A P 300.00/day allowance is granted on seminars attended within Bulacan and P 500.00 if outside Bulacan. Seminars organized by the office within Bulacan during office hours have no allowance but actual expenses of transportation are paid.

6. FIDELITY BOND

All employees handling cash are covered with fidelity bond the premium of which are paid by SRCDC MBAI.

7. RETIREMENT

SRCDC MBAI maintains a retirement plan for its employees on top of the SSS mandated retirement plan.

7.1 Normal Retirement – The normal retirement age is when the employee reaches age 60. Computation of the benefit will be 100% of his present salary rate at the time of retirement times the number of year of service.

The request for extension shall be on a yearly basis, provided further, that when an employee is under the extended service, he shall no longer be entitled to Merit Increase.

7.2 Compulsory Retirement – An employee reaching the age of normal retirement may request for an extension of service up to age 65. Upon reaching the age of 65, the employee shall be compelled to retire from service. Benefits of the retiring employee shall be computed at 100% of his last salary times the number of years of service.

7.3 Death and Disability Provisions

7.3.1 In the event of death of an employee, his beneficiaries shall be entitled to a death benefit computed in accordance with the normal retirement benefit formula which shall be an amount equal to 100% of his latest monthly basic salary for every year of credited service.

7.3.2 An employee who is separated from employment on account of total and permanent disability shall be entitled to a benefit equivalent to one half month salary for every year of service or to a benefit computed in accordance with the formula provided for normal resignation/optional retirement, whichever of the two is higher and beneficial to the employee.

8. 13TH MONTH PAY

50% of the 13th month pay due shall be given not later than the end of April and the remaining 50% not later than the 31st of October of the particular year. The 13th month pay shall be computed based on the latest salary of employee with a working formula as follows:

Total basic pay earned

12

Provided, however, that suspension, prolonged sickness through SSS and Maternity leave shall be deducted or it shall be pro-rated according to number of months actually served.

Provided further that a regular employee has served at least six months within the calendar year, deduction on account of the abovementioned leave shall no longer apply except for suspension.

9. EMPLOYEE DEVELOPMENT AND TRAINING

SRCDC MBI endeavors to provide its employees continuous development and training to upgrade skills and professional expertise in insurance management. Recommendation for outside training shall be made by the management and approved by the Board of Trustees.

10. RECREATIONAL ACTIVITIES

All work and no play makes one a dull person. To this end, SRCDC MBI endeavors to provide activities to employees that will promote camaraderie and sportsmanship and improve good health among employees. A summer outing for employees and their families usually provide opportunities for socialization with committee and officers as well as the yearly Christmas party that allows them to feel the spirit of the season.

11. SSS / PAG-IBIG / PHILHEALTH AND OTHER STATUTORY BENEFITS

Through the SRCDC MBI, employees can avail of the SSS, PAG-IBIG and PHILHEALTH benefits as well as other government statutory benefits for employees.

GENERAL INSTRUCTION

12. ORIENTATION

When you accepted a job with SRCDC MBI, you have entered into a contract of employment. Like any other contract, your employment brings with it certain obligations and privileges. All of these shall be discussed to you during your employment, including your duties and responsibilities and other information concerning operations, which shall be scheduled by the HRD. Detailed discussion with regards your tasks and functions shall be discussed to you by the concerned Supervisor/Manager. Take these opportunities to clarify matters to avoid misinterpretation.

12.1 Work Schedule

All SRCDC MBI employees shall observe the 8:00 AM – 5:00 PM work schedule unless specifically changed for particular employees. The 15 minutes break-time (morning and afternoon) and 1 hour lunch break shall be observed.

Should employees want to go out for snack, they shall log-out and log-in with the logbook in the guard's station. Those who shall go out for lunch shall punch-out their cards, upon leaving and punch-in upon returning in the afternoon.

12.2 Time Cards

All employees should use the bundy clock when they time-in or out for work. Time cards must be signed by the employees on the space provided to attest to the veracity of the record time. Should the employee fail to sign his card, the accounting Dept. shall not compute his salary for the period.

Employees are not allowed to remove time cards from the rack unless authorized by the manager or the concerned supervisor. Corrections in the time cards shall be done only by the manager or by Supervisor who must countersign the changes done.

12.3 Travel Pass

Employees who wish to go out of the office other than during coffee breaks or lunch time must first secure a travel pass from his supervisor so that whereabouts of employees are well accounted for. Unauthorized departure from the work post or the office premises is sanctioned under our Code of Discipline.

12.4 Punctuality

Our organization set-up is such that the completion of work of one employee needs the coordination and cooperation of the other. It is a must therefore that everybody is in his workstation at the start of the business hours. Employees are given 5 minutes allowance, meaning, punching-in up to 8:05 AM and 1:05 PM is not considered tardy. Detailed discussion regarding rules on tardiness is included in our Code of Discipline.

12.5 Overtime

In the interest of our cost-consciousness and efficiency, overtime must be kept to a minimum. No overtime work shall be rendered unless approved beforehand by the supervisor. Employees who incurred undertime or has not completed 8 hours work shall not render overtime. The minimum amount of overtime to be filled is 30 minutes.

12.6 Undertime

Undertime is when employees are not able to complete 8-hour work requirements. Undertime should be filled and must be approved by supervisors. Failure to notify in advance shall be construed absence or tardiness.

12.7 Work Suspension

When work is suspended due to management declaration of half-day/undertime caused by reasons like weather disturbance/flood/earthquake and others, employees are paid their complete salary for the day. Provided that those who do not report for work on such day (Absent/VL/SL) shall be charged whole day against leave credits or from their pay in case the absence is leave without pay.

12.8 Absences

Absence can be applied against your leave credits, provided however that you observe the rule regarding notification for Vacation leave and Sick leave discussed in this handbook. Non-compliance with the rule on leave notification is sanctioned under our Code of Discipline and may render the leave without pay.

12.9 Uniforms

Proper dress code and uniforms must always be observed. SRCDC MBI provides uniform for regular employees and consequently, employees are expected to wear them accordingly. Employees who by nature of their work are exempted to wear the prescribed uniform must, however, always wear clothes that are also presentable and fitting their situation.

Slippers, rubber shoes and sleeveless clothes are prohibited at all times.

Female employees who are at least 3 months pregnant are excused from wearing the prescribed uniform.

Floods in the vicinity of the office are not an excuse for wearing slippers. While in the office, proper dress code must always be followed.

12.10 Proper Office Decorum

It is not only adornment, but also people that give dignity to the place.

The office shall be maintained always as a place conducive to working and as an environment of decent and professional people. Proper office decorum and practices must therefore prevail in the workplace.

12.11 Identification Card

All employees regardless of their employment status shall be issued an identification card. Wear this at all times within office premises. Your ID will be valuable anytime that your identity has to be confirmed and verified.

12.12 Consideration of Property

The company equipment and furniture are assigned codes identifying the end-user. Transfers/exchanges of equipment and furniture therefore are not allowed unless with proper authorization.

In case of damage or loss due to negligence, employee concerned shall be held liable, to a maximum of the replacement value.

12.13 Housekeeping

It is always nice to work with clean environment. Employees must endeavor therefore to follow the 5 S program in Cleanliness.

12.14 Health Concern

Annual medical examination shall be required to ensure the good physical condition of each employee. It is necessary to determine if the employee is still fit in his job. The cost of medical check-up shall be charged to the provided medical allowance.

Unannounced and random drug test shall be also conducted among each employee to avoid drug menace in the workplace. Any employee who is tested positive for drugs shall not be terminated provided he submits voluntarily for rehabilitation for a period of six months. The rehabilitation cost shall be shouldered by the employee.

Provided, that if the employee has undergone rehabilitation and afterwards tested positive again for drugs in another random testing, he shall be terminated after due proceedings.

All other provisions shall be in accordance with the "Dangerous Drug Act" without prejudice to the existing provisions in the Code of Discipline regarding drug related problems and violations.

12.15 Security and Safety

Please follow the security and safety measures of the association, as these are intended to protect the property and the lives of the employees.

12.15.1 Please don't leave anything valuable in your drawers. Lock your drawers before leaving the office.

12.15.2 Unplug all equipment when you leave your workstation at the end of the day.

12.15.3 Report faulty wiring or any defective equipment.

12.15.4 Carrying of firearms or other deadly weapons inside the office premises is prohibited except for the security personnel who is on-duty.

12.15.5 There are employees who are specifically assigned to close the office at the end of the day. Should you be the last person to leave, check first that the assigned person is around. Never leave the office without making sure that somebody will close the office.

12.16 Secrecy and Confidentiality

Discretion must always be observed. Treat the transaction of our members with confidentiality. While the association, in principle, must be an open book to members, it would be in order that inquiries are coursed through the proper authorities. Uninhibited discussions either by phone or in person about problems with members/officers and co-employees must be avoided. We have proper channels and forums for complaints and problems.

12.17 Bulletin Board

Bulletin boards are provided within the office premises to keep employees abreast of the latest policies and events. Employees are encouraged to go over them every now and then as there may be some information that you ought to know.

Nobody is allowed to post or move anything posted in the bulletin boards without authority from the Manager. Removing or posting without permission is subject to disciplinary action.

12.18 Advance Notice of Resignation

Regular employee who wishes to resign has to notify the office in advance, at least thirty days prior the date of resignation. The thirty days count shall start from the date the superior or the manager duly receives the notice. SRCDC MBAI may hold the employee liable if the rule is not observed.

12.19 Separation Clearance

An employee who is about to be separated from service shall be required to obtain clearance from all accountabilities. Payment of separation benefits or any financial claims due the employee shall not be done unless

he is cleared of all accountabilities from all the section/department of the cooperative.

12.20 The Code of Discipline

The Manager will provide you with a copy of the Code of Discipline of the Association. Please read it and know our organization rules and regulations by heart. This will help you maintain healthy relations with your co-employees and superiors.

12.21 What to do when you have a problem

In an organization, it is natural to encounter or experience misunderstanding and miscommunication. Many of these concerns may involve policy interpretations. In most instances, the most effective way to deal with such problems is for the employee to discuss the matter with his immediate superior. Your Supervisor or Manager is in the best position to help.

If after exhausting the above process, the problem is not resolved to your satisfaction, you may elevate your grievance to the manager and they shall willingly assist you in taking your problems to higher-level management.

12.22 The Human Resources Department

Employees should continuously communicate with the manager/supervisor after employment and after becoming a regular employee. You will be provided this handbook and a Code of Discipline at the start of your employment, but everything may not however be covered in these documents. It is recommended therefore, that should you be in doubt or would like to know additional information, the manager will be most willing to help you with them.

13. PERFORMANCE MANAGEMENT PROGRAM

To improve job satisfaction and employee morale, to provide supervisor with systematic guide for planning, training, data gathering for purposes of wage adjustments, promotions, transfers, and disciplinary action, the SRCDC MBI performance management program is being implemented.

13.1 Annual Performance Evaluation

Regular employees shall undergo performance evaluation annually. The appraisal period would be from June to May of succeeding year (12-month

period). The program is a year-round monitoring and the program has three phases:

13.1.1 Expectation Planning

This is a meeting conducted by the Supervisor with his subordinate to determine and discuss the objectives for the performance period. This is usually done at the start of the period.

13.1.2 Progress Review

This is a quarterly meeting of the Supervisor and his subordinate to check whether job objectives are being realized. Adjustments on objectives, if needed, are agreed upon during the review. This is also the occasion when Supervisors provide counsel and where the employee may raise problem in their jobs.

13.1.3 Performance Appraisal

This is the phase of the program where the Supervisor summarizes the rates of performance of the employee vis-à-vis the pre-set job objectives.

13.2 Merit Increase

For purpose of merit increase, only employees who receive Outstanding and Very Satisfactory Performance rating are entitled to merit increase.

13.3 Evaluation of Employee on Probation

Evaluation of probationary employee is done on the 3rd month or 5th month of the probation period. At the least, satisfactory performance rating must be obtained as pre-condition to regular appointment.