

1 membership, collection of contributions, and availment of benefits and
2 services. This Act also embodies the policies on fund management, programs
3 and services administration.

4 CHAPTER II

5 NATURE, SCOPE AND FUNCTIONS OF THE OWWA

6 SEC. 4. *Nature of the OWWA.* – The OWWA is a national
7 government agency vested with a special function of developing and
8 implementing welfare programs and services that respond to the needs of its
9 member-OFWs and their families. It shall have the powers to administer a trust
10 fund. Being a national government agency, the OWWA shall not fall under the
11 category of any of the following: (a) government instrumentalities with
12 corporate powers; (b) government corporate entities, (c) government financial
13 institutions; and/or (d) government-owned or -controlled corporations.

14 The OWWA shall be an attached agency of the Department of Labor
15 and Employment (DOLE). Its officials and employees are covered by the
16 Salary Standardization Law.

17 SEC. 5. *Scope.* – This Act shall apply to all OFWs who are duly
18 registered with the Philippine Overseas Employment Administration (POEA)
19 and those who will avail of the voluntary membership program of the OWWA.

20 SEC. 6. *Functions.* – The main functions of the OWWA are:

21 (a) To protect the interest and promote the welfare of member-OFWs
22 in all phases of overseas employment in recognition of their valuable
23 contribution to the overall development effort;

24 (b) To facilitate the implementation of the provisions of the Labor
25 Code and Republic Act No. 8042, as amended, concerning the responsibility of
26 the government to promote the well-being of OFWs. Pursuant thereto, and in
27 furtherance thereof, it shall provide legal assistance to its members;

1 (c) To provide social and welfare programs and services to
2 member-OFWs including, but not limited to, social assistance, education and
3 training, cultural services, financial management, reintegration and
4 entrepreneurial development services;

5 (d) To provide prompt and appropriate response to global emergency
6 or crisis situations;

7 (e) To ensure the efficiency of collections and the viability and
8 sustainability of the fund through sound, judicious and transparent investment
9 and management policies;

10 (f) To undertake studies and research for the enhancement of social,
11 economic and cultural well-being of member-OFWs; and

12 (g) To develop, support and finance specific projects for the welfare of
13 member-OFWs.

14 CHAPTER III

15 DEFINITIONS

16 SEC. 7. *Definition of Terms.* – For purposes of this Act, the following
17 terms shall mean:

18 (a) *Overseas Filipino worker (OFW)* refers to a person who is to be
19 engaged, is engaged or has been engaged in a remunerated activity in a state of
20 which he or she is not a citizen, or on board a vessel navigating the foreign
21 seas other than a government ship used for military or noncommercial
22 purposes, or on an installation located offshore or on the high seas.

23 (b) *Dependent* refers to any of the following: (1) the legal spouse
24 dependent for support upon the member or pensioner; (2) the legitimate,
25 legitimated, legally adopted child, including the illegitimate child, who is
26 unmarried, not gainfully employed, not over the age of majority, or is over the
27 age of majority but incapacitated and incapable of self-support due to a mental

1 or physical defect acquired prior to age of majority; and (3) the parents
2 dependent upon the member for support.

3 (c) *Compensation* refers to the basic pay or salary received by
4 an employee, pursuant to his or her appointment, excluding *per diems*,
5 bonuses, overtime pay, honoraria, allowances and any other emoluments
6 received in addition to the basic pay which are not integrated into the basic pay
7 under existing laws.

8 (d) *Contribution or membership fee* refers to the amount payable to the
9 OWWA by an OFW or the employer in accordance with the provisions of this
10 Act.

11 (e) *OWWA member* refers to an OFW with a paid contribution or
12 membership fee.

13 (f) *Non-active OWWA member* refers to an OFW whose OWWA
14 membership has expired.

15 (g) *Non-member OFW* refers to an undocumented OFW and who has
16 not availed of the voluntary membership of the OWWA on-site.

17 CHAPTER IV

18 MEMBERSHIP, CONTRIBUTION AND COLLECTION

19 SEC. 8 *Registration of Membership.* – Registration or enrolment of
20 members shall be in accordance with the provisions of this Act. Membership
21 in the OWWA may be obtained in two (2) ways:

22 (a) By compulsory registration upon processing of employment
23 contracts of OFWs at the POEA; and

24 (b) By voluntary registration of OFWs at job-sites overseas or at the
25 OWWA Regional Welfare Offices.

26 SEC. 9. *Proof of Membership.* – All members shall be issued official
27 receipt upon payment of the required contribution. They shall likewise be

1 issued an OWWA E-Card, identification card or other proof of OWWA
2 membership. No additional or extra charges shall be levied on members.

3 The OWWA is mandated to maintain an updated database of
4 member-OFWs and to update this regularly.

5 SEC. 10. *Amount of Contribution and Effectivity of Membership.* –
6 Membership to the OWWA, either through the compulsory or voluntary
7 coverage, shall be effective upon payment of membership contribution in the
8 amount of Twenty-five U.S. dollars (US\$25.00) or its equivalent in the current
9 foreign exchange rates. Such membership shall be considered active until the
10 expiration of the OFW's existing employment contract.

11 In case of voluntary members who register on-site, membership
12 coverage shall not exceed two (2) years.

13 Based on actuarial studies and taking into consideration the welfare and
14 interest of the members, the Board may adjust or modify the amount of
15 membership contribution.

16 SEC. 11. *Renewal of Membership.* – Membership shall be renewed
17 upon payment of contribution on contract renewal or issuance of a new
18 contract of employment. In the case of voluntary membership, coverage shall
19 be renewed upon payment of contribution of Twenty-five U.S. dollars
20 (US\$25.00) or its equivalent in the current foreign exchange rates.

21 There shall be a grace period of two (2) months in both instances.

22 SEC. 12. *Separation of Sea-based and Land-based Workers'*
23 *Contributions.* – To effect a more efficient fund management between the two
24 (2) subsectoral groups of land-based and sea-based workers, the collection of
25 membership contributions shall be accounted for in two (2) separate books of
26 account.

27 SEC. 13. *Authorized Collecting Officers.* – (a) Membership
28 contributions shall be collected by duly authorized OWWA collecting officers,

1 deputized collecting officers or accredited collecting agents. The collection of
2 membership contributions shall be made at the POEA contract processing hub,
3 the OWWA regional and overseas offices and other accredited collection
4 centers.

5 (b) In case of voluntary members who register on-site, membership
6 contributions shall be made directly to the OWWA overseas offices located in
7 the various diplomatic stations, embassies or consulate offices of the
8 Philippines.

9 SEC. 14. *Reportorial Requirements and Handling of Collections.* –
10 The collecting officer, deputized collecting officer or the accredited collecting
11 agent shall prepare and submit the required monthly reports to the OWWA
12 Central Office in the Philippines. Handling of collections and deposits by
13 collection officers shall be governed by the usual accounting and auditing
14 rules.

15 SEC. 15. *Sanctions for Erring Officers.* – Corresponding administrative
16 sanctions and other disciplinary measures, including recall from
17 post/suspension or separation from service, shall be imposed upon any officer
18 who violates the provision of the preceding section.

19 SEC. 16. *Prohibition Against Discrimination on Membership.* – No
20 OFW shall be denied membership to the OWWA by reason of age, gender,
21 nationality, religious belief, or political opinion or affiliation. The OWWA
22 shall take affirmative steps to enhance the access of OFWs to its programs and
23 services.

24 SEC. 17. *Payment of Contribution or OWWA Fee by Employer.* –
25 Contributions to the OWWA Fund must be paid by the employers/principal, or
26 in their default, the recruitment/manning agency in the case of new-hires. The
27 POEA shall ensure that a provision to this effect shall be made an integral part
28 of the overseas employment contract.

1 SEC. 18. *Penalty for Violation by Recruitment/Manning Agency.* --
2 Violation by a recruitment/manning agency of the preceding section shall
3 constitute an offense punishable by revocation of its license and all its officers
4 and directors shall be perpetually disqualified from engaging in the business of
5 recruitment/placement of overseas workers. Such penalty is without prejudice
6 to any other liability which such officers and directors may have incurred
7 under existing laws, rules and regulations.

8 SEC. 19. *Deposit and Remittance of Collection.* -- (a) OWWA Central
9 Office and Regional Offices -- The collecting officer shall, on a daily basis,
10 deposit all OWWA fee contributions to the OWWA Capital Fund Account
11 with the Land Bank of the Philippines. For reconciliation and record purposes,
12 bank validated deposit slips shall be prepared in triplicate forms to be
13 distributed to the (1) servicing bank; (2) OWWA, together with the Report of
14 Collections; and (3) collecting officer.

15 (a) OWWA Overseas Officers -- The collecting officer shall, on a daily
16 basis, deposit all OWWA fee contributions in the same currency received to a
17 separate bank account for collections in the name of the "Office of the Labor
18 Attaché -- OWWA Collections", in the depository bank of the Department of
19 Foreign Affairs (DFA), or in the accredited correspondent bank of the Land
20 Bank of the Philippines. Accumulated monthly collections shall be remitted to
21 the OWWA Capital Fund Account with the Land Bank of the Philippines not
22 later than the fifth (5th) day of the following month.

23 No withdrawals, except remittances of collections, can be made from
24 the bank accounts for collections without prior written approval of the
25 Administrator or his or her duly authorized representative, subject to the
26 policies approved by the Board.

1 Overseas offices shall be authorized to retain the required amount for
2 the beginning and maintaining balance of the abovementioned bank accounts
3 for collections.

4 CHAPTER V

5 THE OWWA BOARD OF TRUSTEES

6 SEC. 20. *The OWWA Board of Trustees.* – To carry out the purposes
7 of this Act, the OWWA shall be directed and controlled by a Board of Trustees
8 as its policy-making body. It shall be composed of the following members:

- 9 (a) Secretary of the DOLE, as Chairperson;
10 (b) OWWA Administrator, as Vice Chairperson;
11 (c) Secretary of the DFA;
12 (d) Secretary of the Department of Finance;
13 (e) Secretary of the Department of Budget and Management;
14 (f) POEA Administrator;
15 (g) Two (2) representatives of land-based OFWs who are nominated
16 and appointed in accordance with the provisions of Republic Act No. 10022,
17 which amended Republic Act No. 8042 or the Migrant Workers and Overseas
18 Filipinos Act of 1995;
19 (h) One (1) representative of the sea-based OFWs who are nominated
20 and appointed in accordance with the provisions of Republic Act No. 10022;
21 (i) One (1) representative of the women sector who is nominated and
22 appointed in accordance with the provisions of Republic Act No. 10022;
23 (j) One (1) representative of the land-based recruitment sector who is
24 selected from among the various associations of registered overseas placement
25 and recruitment agencies based in the Philippines who shall be appointed by
26 the President to serve a single term of three (3) years; and
27 (k) One (1) representative of the sea-based manning sector who is
28 selected from among the various associations of registered overseas placement

1 and manning agencies based in the Philippines who shall be appointed by the
2 President to serve a single term of three (3) years.

3 The Trustees holding office as members of the OWWA Board at the
4 time of the effectivity of this Act shall continue to serve until the expiration of
5 *their term of appointments*.

6 In case of vacancy in any of the appointive positions in the OWWA
7 Board, the vacancy shall be filled by the subsequent nomination by the
8 respective sector concerned in the same manner as the selection of the
9 predecessor. Such successor shall hold office for the unexpired term only.

10 SEC. 21. *Per Diem*. – The members of the OWWA Board shall not
11 receive any compensation but shall be provided with *per diem* at rates allowed
12 under existing rules and regulations.

13 SEC. 22. *Responsibilities and Powers of the Board of Trustees*. – The
14 OWWA Board shall exercise the following specific powers and duties:

15 (a) To define the thrusts of the OWWA and adopt broad policy
16 guidelines to ensure their implementation;

17 (b) To preserve the integrity of the OWWA Trust Fund;

18 (c) To approve programs, projects and the organizational structure of
19 the OWWA Secretariat;

20 (d) To modify or adjust the membership fee and other necessary
21 charges based on actuarial studies;

22 (e) To formulate rules and regulations governing financial transactions
23 and fix the yearly appropriations of the Secretariat;

24 (f) To ensure the efficiency of collection and the viability and
25 sustainability of the fund through sound and judicious investment and fund
26 management policies;

27 (g) To receive and appropriate all sums as may be provided by law for
28 the support of the OWWA to the ends specified by law, and all other sums in

1 the manner it may, in its discretion, determine to carry out the purposes and
2 functions of the OWWA;

3 (h) To authorize the construction or repair of its buildings, machinery,
4 *equipment and other facilities, and the purchase and acquisition of real and*
5 *personal properties, including the necessary supplies, materials and equipment;*

6 (i) To receive in trust legacies, gifts and donations of real and personal
7 property of all kinds and to administer and dispose the same when necessary
8 for the benefit of the OWWA general membership and subject to the
9 instructions of the donor, if any;

10 (j) To delegate any of its powers to the Chairperson of the OWWA
11 Board or any other officials or officers as it may deem necessary;

12 (k) To prescribe such general policies, rules and regulations not
13 contrary to law, as are consistent with the purposes of the OWWA; and

14 (l) To exercise such powers as may be proper and necessary to carry
15 out the objectives of this Act.

16 CHAPTER VI

17 BOARD MEETINGS, PROXIES AND RECORDS MANAGEMENT

18 SEC. 23. *Schedule of Meetings and Quorum of the Board.* – The
19 *regular meetings of the OWWA Board shall be held every last Friday of the*
20 *month. If a change of date becomes necessary, the same shall be held at the*
21 *most convenient time set by the Board.*

22 Special Board meetings and executive meetings may be scheduled as the
23 need arises Special Board meetings may be called upon by the Chairperson or
24 by five (5) members of the Board.

25 The Board Secretary shall distribute to all members of the Board the
26 notice of meeting, together with the discussion materials, at least three (3)
27 working days prior to the scheduled meeting.

1 SEC. 24. *Board Proceedings.* – The Board proceedings shall be
2 guided by the following rules:

3 (a) Notice of Meetings – The Board Secretary shall distribute to all
4 members of the Board the notice of meeting, together with the discussion
5 materials at least three (3) working days prior to the scheduled meeting.

6 (b) Quorum – In determining the existence of a quorum, the Board
7 shall adopt the simple majority rule of one-half plus one of the total filled
8 Board seats.

9 (c) Voting – For the approval of any policy requiring the disbursement
10 of the OWWA Fund, an affirmative vote of a majority of all the members shall
11 be required. For the approval of all other policies, an affirmative vote of a
12 majority of the members present constituting a quorum shall be necessary.

13 (d) Attendance in Board Meetings – Board members are responsible
14 for attending all Board meetings. The *ex officio* members of the Board of
15 Trustees may designate in writing their permanent alternate who shall have
16 voting power. The Board shall install teleconferencing facilities in order to
17 muster quorum during Board meetings.

18 (e) Presiding Officer – The Chairperson shall preside over meetings of
19 the Board. In the absence of the Chair, the Vice Chairperson shall preside.

20 (f) Board Resolution – All decisions of the Board shall be expressed in
21 the form of Resolutions signed by all the members present. Resolutions may be
22 modified or superseded by another resolution.

23 Resolutions shall take effect upon adoption and signing by the members
24 present, subject to requisite publication.

25 (g) Records Management and Archiving of Board Documents – The
26 Board Secretary shall ensure a complete and thorough recording of all
27 proceedings during a Board meeting. The minutes of the previous meeting

1 shall be made available for approval during the succeeding scheduled Board
2 meeting.

3 The minutes of the meeting shall contain the attendance, business
4 arising from the minutes, major agreements reached, corresponding resolutions
5 and other items noted or discussed, and instructions issued by the Board.

6 All minutes of meetings and Board resolutions, tape recordings and
7 other documents pertaining to the business of the Board shall be kept and
8 archived pursuant to standard records management systems and procedures.

9 CHAPTER VII

10 OWWA SECRETARIAT

11 SEC. 25. *The OWWA Secretariat.* – The OWWA Secretariat is the
12 implementing arm of the OWWA.

13 SEC. 26. *Duties and Responsibilities of the OWWA Secretariat.* – The
14 OWWA Secretariat shall perform and assume the following duties and
15 responsibilities:

16 (a) To manage programs and the delivery of welfare services locally
17 and overseas to its members, supported by advocacy and information
18 programs;

19 (b) To implement Board policies on investment and fund management;

20 (c) To formulate medium-term development plans responsive to the
21 welfare, needs and demands of member-OFWs;

22 (d) To submit work and financial plans for Board consideration;

23 (e) To provide policy analyses and recommendations for Board
24 consideration;

25 (f) To conduct continuing researches and studies, including impact
26 evaluation, in aid of policy and program development;

27 (g) To regularly monitor and conduct assessment and evaluation of
28 organizational performance;

1 (h) To establish and maintain an on-line management information
2 system, to include database on membership;

3 (i) To establish and maintain linkages and networks with local and
4 international social and institutional partners;

5 (j) To conduct annual planning, budgeting and organizational
6 performance assessment and render the report to the Board;

7 (k) To submit annual reports to the Board, Congress and the President;

8 (l) To submit written quarterly reports on the assessment and
9 evaluation of programs, projects and services and such other reports as may be
10 required by the Board;

11 (m) To undertake the periodic review of programs, standards, thrusts
12 and policies;

13 (n) To perform other functions as may be instructed by the Board; and

14 (o) To adopt internal rules of procedure consistent with the provisions
15 of this Act.

16 SEC. 27. *The OWWA Administrator.* – The administration of the
17 OWWA is vested in the Administrator. As the chief executive officer of the
18 Secretariat, the Administrator shall exercise general supervision and control of
19 all OWWA personnel and resources, and assume full responsibility and
20 accountability thereof.

21 *The Administrator must possess good leadership and managerial skills.*
22 The Administrator shall be appointed by the President. The Administrator
23 shall report to the President through the Secretary of the DOLE, and shall
24 perform the duties and functions elsewhere stated in this Act and all the usual,
25 necessary and related functions of the Office of the Administrator, subject to
26 the policies and rules prescribed by the OWWA Board.

27 SEC. 28. *The Deputy Administrators.* – Two (2) Deputy Administrators
28 shall assist the Administrator in the administration and supervision of

1 operations of the OWWA. They shall be appointed by the Board upon the
2 recommendation of the Administrator. They must also possess good leadership
3 and managerial skills. The Board may assign specific functional
4 responsibilities to the Deputy Administrators.

5 SEC. 29. *Regional and On-site Welfare Officers.* – The OWWA shall
6 maintain regional offices and on-site welfare offices under the Philippine
7 Overseas Labor Offices of the DOLE.

8 CHAPTER VIII

9 PERSONNEL AND STAFFING PATTERN

10 SEC. 30. *New Structure and Staffing Pattern.* – (a) Upon the
11 effectivity of this Act, the officers and employees of the OWWA shall, in a
12 holdover capacity, continue to perform their respective duties and
13 responsibilities and receive the corresponding salaries and benefits unless in
14 the meantime they are separated from the service. The new structure and
15 staffing pattern for the OWWA shall be prescribed by the OWWA Board and
16 approved by the President of the Philippines. The salaries and benefits of all
17 personnel shall be in accordance with existing compensation laws.

18 (b) Those incumbents whose positions are not included therein or who
19 are not reappointed shall be deemed separated from the service. Those
20 separated from the service shall receive the retirement benefits to which they
21 may be entitled under existing laws, rules and regulations.

22 SEC. 31. *Qualifications Upgrading Program.* – Pursuant to the
23 provision of paragraph (1) of the immediately preceding section, the OWWA
24 Board shall design and establish a qualifications upgrading program for the
25 staffing of the OWWA, in coordination with the DOLE and the Civil Service
26 Commission (CSC), within one hundred twenty (120) days from the effectivity
27 of this Act: *Provided*, That those who are already in the service from the
28 effectivity of this Act shall have, not later than five (5) years, to obtain the

1 benefits, education and skills training, social services, family welfare
2 assistance, and other appropriate programs that provide timely social and
3 economic services.

4 Nothing in this Act shall be construed as a limitation or denial of the
5 right of the OFW to avail of any benefit plan which may be adopted in the
6 employment contract, or offered voluntarily by employers, or by the laws of
7 the receiving country which are over and above those provided under this Act.

8 *SEC. 35. Benefits and Services to OFWs. –*

9 (a) Reintegration of OFWs – Reintegration of OFWs shall be one of
10 the core programs of the OWWA.

11 To be able to sustain the viability of this program, not less than ten
12 percent (10%) of the OWWA's collection of contribution for the immediately
13 preceding year shall be allocated annually for reintegration program.

14 (b) Repatriation Assistance – Consistent with the provisions of
15 Republic Act No. 8042, as amended, members shall be provided with all the
16 services necessary for repatriation.

17 (c) Loan and Credit Assistance – The OWWA shall provide low-
18 interest loans to member-OFWs. It shall have the authority to hire experts in
19 finance or banking to assist in implementing the said loan programs.

20 (d) Workers Assistance and On-site Services – The OWWA shall
21 sustain and maintain assistance to OFWs in all its overseas and regional
22 offices. Services shall include information regarding the names, occupation/job
23 category and addresses of OFWs, providing guidance, developing materials for
24 the Pre-departure Orientation Seminars, conducting psycho-social counselling,
25 conciliation services and outreach missions, among others. On behalf of the
26 OFWs, the OWWA may provide appropriate representation with employers,
27 agents and host government authorities including, but not limited to, assisting
28 OFWs to regain unpaid wages.

1 (e) Social Benefits – A member-OFW shall be covered with the
2 following social benefits:

3 (1) Death and Disability Benefits:

4 (i) Death Benefits. – A member shall be covered with life insurance for
5 the duration of one's employment contract. The coverage shall include One
6 hundred thousand pesos (P100,000.00) for natural death and Two hundred
7 thousand pesos (P200,000.00) for accidental death;

8 (ii) Disability and Dismemberment Benefits. – A member shall be
9 entitled to disability/dismemberment benefits as a rider provision of one's life
10 insurance as provided for in the impediment schedule contained in the Manual
11 of Systems and Procedures. The coverage is within the range of Two thousand
12 pesos (P2,000.00) to Fifty thousand pesos (P50,000.00);

13 (iii) Total Disability Benefit. – In case of total permanent disability, a
14 member shall be entitled to One hundred thousand pesos (P100,000.00); and

15 (iv) Burial Benefit. – A burial benefit of Twenty thousand pesos
16 (P20,000.00) shall be provided in case of the member's death.

17 Based on actuarial studies, the Board may increase the amount of the
18 abovementioned benefits.

19 (2) Health Care Benefits. – Within two (2) years from the effectivity of
20 this Act, the OWWA is mandated to develop and implement health care
21 programs for the benefit of member-OFWs and their families.

22 (f) Education and Training Benefits. – A member or a designated
23 beneficiary may avail of the following scholarship programs, subject to a
24 selection process and accreditation of participating institutions. Annual
25 scholarship lists shall be submitted to the Board.

26 (1) Skills-for-Employment Scholarship Program. – For technical or
27 vocational training scholarship.

1 SEC. 39. *Reporting of the Fund.* – Within fifteen (15) days after
2 receipt of audited reports from the Commission on Audit (COA), the OWWA
3 Board of Trustees shall submit to the President and Congress a report showing
4 the total collections of, and the disbursements from, the OWWA Fund.

5 SEC. 40. *Disbursement of the OWWA Fund.* – Any provision of
6 existing law to the contrary notwithstanding, all incomes generated by the
7 OWWA shall, upon their collection, be retained by the OWWA and disbursed
8 at the discretion of the Board for the general welfare and other benefits of the
9 OWWA general membership and the OWWA Secretariat personnel; for the
10 acquisition, construction, maintenance and repair of urgently needed auxiliary
11 facilities, equipment, buildings and other infrastructure; and for expenses
12 necessary for the attainment of its purposes under its approved program of
13 expenditures.

14 No fund shall be withdrawn from the OWWA Fund to respond, aid,
15 supplement or in any manner augment any required expenditure by other
16 government agencies.

17 SEC. 41. *Source of the OWWA Fund.* – The OWWA Fund is the sum
18 total of the amounts under the management and fiscal administration of the
19 OWWA Board and the Secretariat, including the Twenty-five U.S. dollar
20 (US\$25) contributions that shall accrue to the Fund as fees, investment and
21 interest income, and income from other sources.

22 SEC. 42. *Trustees of the Fund.* – The OWWA Board is designated as
23 the trustee of the OWWA Fund. It shall be bound by a fiduciary duty to
24 manage the fund with extraordinary diligence and with utmost skill, care and
25 judiciousness.

26 SEC. 43. *Transparency.* – The OWWA Fund shall be managed with
27 full transparency and full public disclosure. It shall make available all records

1 of how the funds are utilized, disbursed and invested in accordance with
2 existing laws.

3 CHAPTER XI

4 INVESTMENT ADMINISTRATION: SAFEGUARDS

5 SEC. 44. *Safeguards of the OWWA Fund; Acquired Assets;*
6 *Unredeemed Investments.* – (a) The OWWA Trust Fund shall be managed
7 and expended in accordance with the purpose of the Fund and safeguarded
8 against any possible loss and misuse.

9 The OWWA shall ensure an appropriate growth rate in the fund
10 sufficient to sustain the growing needs of OFW members. It shall ensure that
11 all investment instruments are periodically inventoried and properly kept at a
12 government bank under a custodianship agreement.

13 A monthly report on all investment schedules showing the interest rates,
14 yields, discount rates and other relevant data shall be submitted to the Board.

15 (b) The OWWA shall administer all properties, acquired or foreclosed.
16 To ensure that the properties are safeguarded and preserved, the same must be
17 properly accounted for and documented; re-inspected, re-appraised and insured
18 with taxes paid.

19 An asset development/disposal plan shall be submitted by the
20 Administrator for the consideration of the Board.

21 Foreclosed properties shall be registered as OWWA assets within one
22 (1) month after foreclosure.

23 (c) Unredeemed investments and other receivables shall be inventoried
24 semi-annually and corresponding redemption plan shall be submitted to the
25 Board. All receivables shall be supported by documents appropriately
26 acknowledged by the accountable party.

27 SEC. 45. *General Investment Policy.* – Upon approval of the Board,
28 all OWWA investments shall be placed only in government securities and

1 bonds which provide optimum earnings, liquidity and protection of the Fund.
2 Portfolio management of investible funds shall be outsourced to government
3 financial institutions (GFIs).

4 SEC. 46. *Examination and Valuation of the Funds* – The OWWA
5 shall make a periodic actuarial examination and valuation of its funds in
6 accordance with accepted actuarial principles.

7 CHAPTER XII

8 FISCAL AND BUDGET POLICY: MANAGEMENT

9 SEC. 47. *Operative Budget.* – The operative budget must be sufficient
10 to support full protection of the OFWs welfare. The budget shall be reviewed
11 annually by the Board with emphasis on adequate funding for services and
12 agency efficiency.

13 The Board shall approve, by a majority vote of all its members, the
14 operating budget which shall support the planned work programs and
15 administrative costs to include, but shall not be limited to, salaries, emoluments
16 and transportation expenses for OWWA personnel, office rentals, office
17 supplies, equipment, technological support, communications and utilities,
18 requirements for personal services and maintenance: *Provided,* That
19 appropriations for personal services (PS) and its regular maintenance and other
20 operating expenses (MOOE) shall not exceed twenty percent (20%) of the total
21 member contributions realized in the immediately preceding year.

22 The approved operating budget shall be drawn from the OWWA Trust
23 Fund.

24 SEC. 48. *Benefits and Services Budget.* – The annual budget shall
25 include all benefits and services to OFWs. The budget shall prioritize
26 protecting the OFW welfare. The amount necessary to defray the cost of these
27 benefits and services shall be drawn from the OWWA Trust Fund.

1 SEC. 49. *Budget Preparation and Approval.* – In preparing the annual
2 budget, the OWWA shall follow the national government budget system,
3 *format and cycle.*

4 SEC. 50. *Re-enacted Budget.* – In case the proposed annual budget
5 has not been approved by the Board at the start of the year, the OWWA
6 shall operate within the budget level of the previous year allocated on a
7 month-to-month basis. All savings realized within a previous year shall be
8 deducted from a current year's budget.

9 SEC. 51. *Work and Financial Plans.* – All cost centers/offices/units of
10 the OWWA shall submit their annual work and financial plans (WFP), which
11 should correspond to the approved budget. The Board of Trustees shall
12 endorse the WFP of their respective units for approval of the Administrator.
13 The consolidated OWWA-WFP shall be reported to the Board.

14 SEC. 52. *Budget Realignment.* – Realignment of funds including
15 adjustments in targets shall be submitted to the Board for approval. Similarly,
16 in the event that extra ordinary circumstances may occur which require
17 additional funds beyond the coverage of the approved budget, the same shall
18 be submitted for approval by the Board.

19 SEC. 53. *Branch Accounting System; Financial Reports; Auditing*
20 *Procedures; Annual Reports.* – The OWWA regional units shall maintain
21 their respective books of account which shall be consolidated by the central
22 *office.*

23 The OWWA shall install sound internal control and monitoring systems
24 and submit quarterly prescribed financial statements to the COA such as
25 income statement, balance sheet and cash flow, as prescribed in post auditing
26 reports by the COA.

27 The OWWA Secretariat is mandated to submit a monthly fund
28 utilization report to the Board, copies of which shall be made available to

1 Congress. It is further mandated to submit an Annual Report on its overall
2 performance for the previous year within the first sixty (60) days of the
3 following year to the OWWA Board, Congress and the President, through the
4 Department of Budget and Management (DBM).

5 SEC. 54. *Chart of Accounts.* – The OWWA shall adopt the
6 appropriate and standard chart of accounts as prescribed by the COA.

7 SEC. 55. *Appropriation from the National Government.* – Nothing in
8 this Act shall prevent the national government from allocating funds for the
9 operation or implementation of any of the programs or services stated herein,
10 including the budget for MOOE.

11 CHAPTER XIII

12 MISCELLANEOUS PROVISIONS

13 SEC. 56. *Rebates for Long-time Members.* – In recognition of the
14 contribution of long-time members on the OWWA Trust Fund, the OWWA is
15 mandated to develop and implement a program for the grant of rebates or some
16 form of financial assistance to OFWs who have been members of the OWWA
17 for at least five (5) years and who have not availed of any services or benefits,
18 including their families, from the OWWA.

19 SEC. 57. *Procurement System.* – The OWWA procurement system
20 shall be governed by Republic Act No. 9184, also known as the “Government
21 Procurement Reform Act”.

22 SEC. 58. *Implementing Rules and Regulations.* – The present OWWA
23 Board, in consultation with the Senate Committee on Labor and Employment
24 and the House Committee on Overseas Workers Affairs, shall, within sixty
25 (60) days from the effectivity of this Act, formulate the necessary rules and
26 regulations for its effective implementation.

1 SEC. 59. *Separability Clause.* – If any provision or part of this Act, or
2 the application thereof, is held invalid, the remainder of this Act, or the
3 application of such provision, shall not be affected thereby.

4 SEC. 60. *Repealing Clause.* – All laws not adopted as part of this Act,
5 either directly or indirectly, are hereby repealed. All provisions of existing
6 laws, orders, rules and regulations inconsistent herewith are likewise repealed.

7 SEC. 61. *Effectivity Clause.* – This Act shall take effect fifteen (15)
8 days after its publication in two (2) newspapers of general circulation.

Approved,

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