



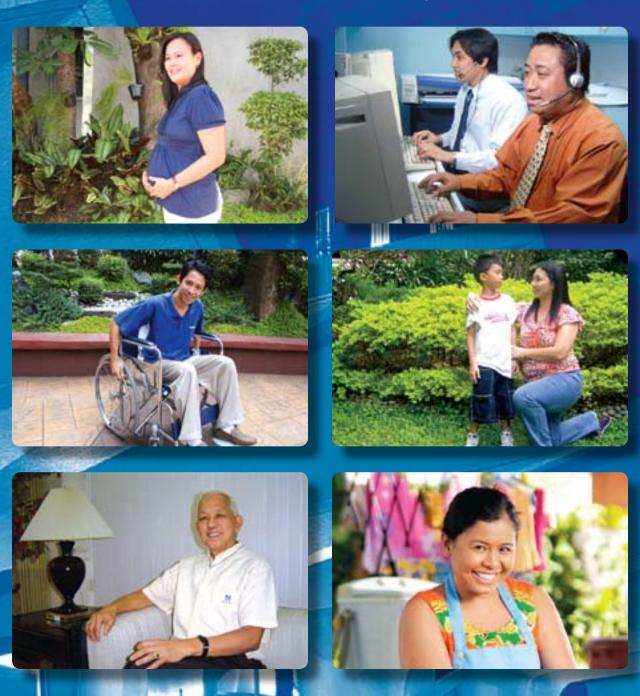
2008 ANNUAL REPORT







SSS takes a lead in ensuring social coverage for all Filipinos and in promoting the institutional security of other government agencies to serve the social welfare needs of their respective client base.



## Statement of MISSION

The mission of the SSS is spelled out in Section 2 of the Social Security Law (Republic Act No. 1161), as amended by the Social Security Act of 1997 (Republic Act No. 8282):

"It is the policy of the State to establish, develop, promote and perfect a sound and viable tax-exempt social security system suitable to the needs of the people throughout the Philippines, which shall promote social justice and provide meaningful protection to members and their beneficiaries against the hazards of disability, sickness, maternity, old age, death and other contingencies resulting in loss of income or financial burden. Towards this end, the State shall endeavor to extend social security protection to workers and their beneficiaries."

## Statement of **VISION**

The SSS aims to develop and promote a viable, universal and equitable social protection scheme through world-class service.

**VIABLE** means that it is financially sustainable, nondistortionary, and requires no government subsidy. Current and future generations of workers and retirees are also assured of meaningful benefits in return for their contributions.

**UNIVERSAL** means that protection shall be provided to all residents of the Philippines, citizens and non-citizens alike, regardless of race, creed, gender, age, geographic location and socio-economic status. Attention will be given especially the disadvantaged and overseas Filipino workers (OFWs).

**EQUITABLE** means fair and uniform coverage shall be made available to all. Benefit entitlements shall be closely linked with contributions.

**WORLD-CLASS SERVICE** means that the highest standards of service shall be used to ensure total member satisfaction. A multi-skilled, forward-looking and generalist SSS workforce shall provide service that is prompt, accurate and courteous.

## **Cover Story**

One team. One Vision. That's the SSS corporate culture. A solid united front that speaks of "bayanihan", no matter the situation is. Together, everything is possible.

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# Highlights of OPERATIONS

(Amounts in Million Pesos)

		For the Year		Increase/(Decrease)	
	2008	2007	Amount	%	
REVENUES & EXPENDITURES					
Revenues	97,968.32	79,699.06	18,269.26	22.	
Contributions	68,879.27	61,829.08	7,050.19	11.	
Investment and Other Income, net	29,089.05	17,869.98	11,219.06	62.	
Expenditures	74,662.99	67,565.85	7,097.14	10.	
Benefit Payments	67,917.36	60,746.59	7,170.77	11.	
Operating Expenses	6,745.63	6,819.26	(73.63)	(1.	
Net Revenue/(Loss)	23,305.33	12,133.21	11,172.12	92.	
. ASSETS & RESERVES					
Assets	233,122.19	247,737.21	(14,615.02)	(5.	
Investments	211,345.81	225,565.32	(14,219.51)	(6.	
SSS Properties	2,885.73	2,586.33	299.40	11.	
Others	18,890.64	19,585.56	(694.92)	(3.	
Liabilities	<b>7,</b> 519.25	4,720.56	2,798.69	59.	
Reserves	225,602.94	243,016.66	(17,413.71)	(7.	

SOCIAL SECURITY SYSTEM					
	For the Year		Increase/(Decrease)		
	2008	2007	Amount	%	
A. REVENUES & EXPENDITURES					
Revenues	95,516.59	77,887.26	17,629.33	22.6	
Contributions	67,668.19	60,769.48	6,898.71	11.4	
Investment and Other Income, net	27,848.40	17,117.78	10,730.62	62.7	
Expenditures	73,456.69	66,363.24	7,093.45	10.7	
Benefit Payments	66,820.34	59,665.36	7,154.98	12.0	
Operating Expenses	6,636.35	6,697.88	(61.53)	(0.9)	
Net Revenue/(Loss)	22,059.90	11,524.02	10,535.89	91.4	
B. ASSETS & RESERVES					
Assets	209,535.85	224,928.56	(15,392.72)	(6.8)	
Investments	192,653.79	211,167.87	(18,514.72)	(8.8)	
SSS Properties	2,885.73	2,586.33	299.40	11.6	
Others Others	13,996.33	11,174.36	2,821.97	25.3	
Liabilities	7,627.99	4,831.47	2,796.52	57.9	
Reserves	201,907.86	220,097.10	(18,189.24)	(8.3)	

	For the Year		Increase/(Decrease)	
	2008	2007	Amount	%
. REVENUES & EXPENDITURES				
Revenues	2,451.73	1,811.81	639.92	35.3
Contributions	1,211.08	1,059.60	151.48	14.3
Investment and Other Income, net	1,240.65	752.21	488.44	64.9
Expenditures	1,206.30	1,202.61	3.69	0.3
Benefit Payments	1,097.02	1,081.23	15.79	1.5
Operating Expenses	109.28	121.38	(12.10)	(10.0
Net Revenue/(Loss)	1,245.43	609.19	636.23	104.4
. ASSETS & RESERVES				
Assets	23,695.13	22,919.60	775.53	3.4
Investments	18,692.03	14,397.45	4,294.58	29.8
Others	5,003.10	8,522.15	(3,519.05)	(41.3
Liabilities	0.04	0.04	0.00	3.6
Reserves	23,695.09	22,919.56	775.53	3.4

## Message of the President of the Republic of the Philippines



## TEN-POINT AGENDA TO "BEAT THE ODDS" IN SIX YEARS UNDER THE ARROYO **ADMINISTRATION**

- Balanced budget
- Education for all
- Automated elections
- Transport and digital infrastructure to connect the country
- Terminate the MILF and NPA conflicts
- Heal the wounds of EDSA
- Electricity and water for all Barangays
- O Opportunities for 10 million jobs
- Decongest Metro Manila
- DS- Develop Clark and Subic

he year 2008 has been a challenging year for the Philippines, as our economy, by the second half of the year, was affected by the financial crisis that originated from the Western economies. Fortunately, our country's economic and financial fundamentals are on solid ground, and our country has been spared, to some extent, from the worst of the crisis.

Cognizant of this, I would like to thank and congratulate the Social Security System (SSS) for being a solid ally of the Filipino people in coping with the challenges of the times.

Your theme, "Strengthening Social Welfare Amidst Global Challenges," aptly sums up your renewed thrust as you go beyond being just a pension fund. For the past 51 years, the SSS has been a social institution that offers a shoulder to lean on for members and their families in times of need; a financial institution that helps industries and enterprises grow; and a workers' institution that takes care of the welfare of private sector workers.

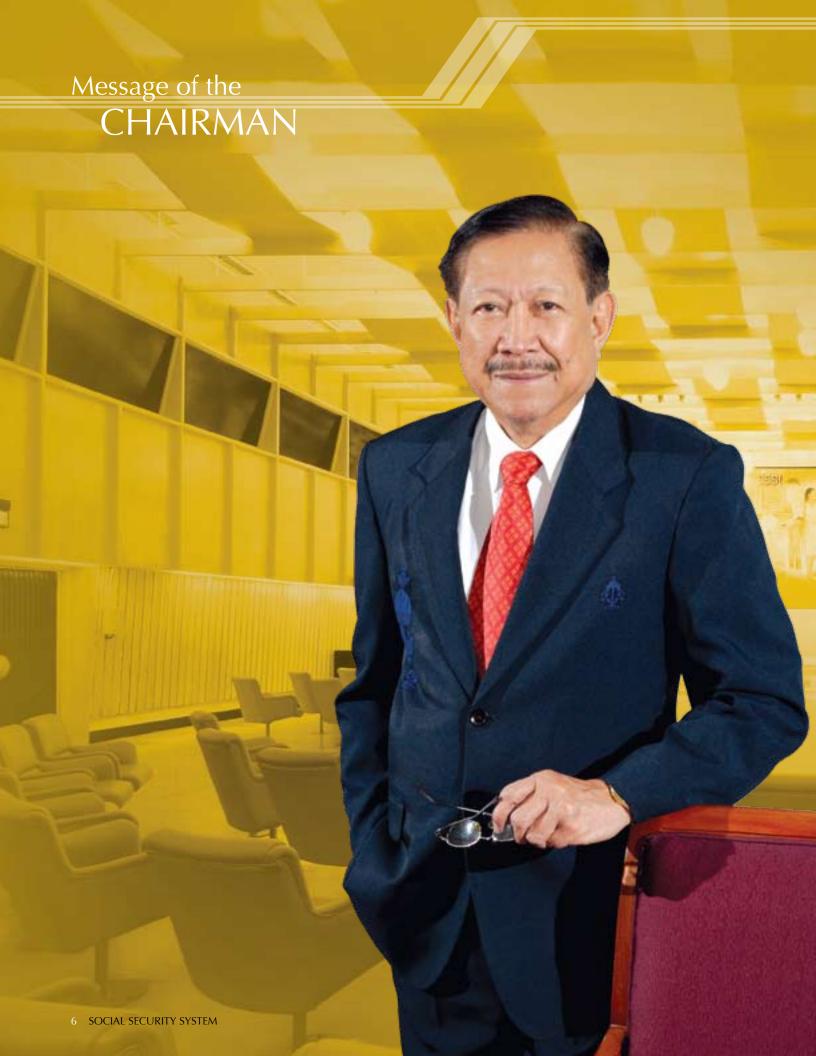
Now, as the global economy shifts, you have to move forward also in your social responsibility, not just for SSS members but for the entire Filipino people. As part of the National Social Welfare Program (NSWP), the SSS must likewise help protect the poor and more vulnerable sectors of Filipino society from the risk of insufficiency of income, savings, and assets, brought about by the adverse global environment. Indeed, no other institution in the Philippines can match the breadth and depth of SSS' commitment to social security and to the welfare of the Filipino people.

I laud the SSS for your unwavering mission to promote a universal and equitable social security protection scheme, as well as to render quality service to our countrymen. May you continue to fulfill your noble mission to lend a hand to our fellow Filipinos, while continuing to be a reliable partner of government in national development.

I offer my sincere felicitations to the Social Security Commission (SSC) headed by Chairman Thelmo Y. Cunanan, to SSS President and Chief Executive Officer Romulo L. Neri, and to the men and women of the Social Security System.

Mabuhay ang SSS! Mabuhay ang Filipino!

Republic of the Philippines



## SHEPHERDING CHANGE AMIDST A GLOBAL CRISIS

2008 marked another milestone in the vibrant history of the Social Security System (SSS) as the institution achieved new heights in key aspects of its operations despite difficult economic and social conditions portending a worldwide recession. A year after celebrating its Golden Anniversary, SSS continues to reap the gains from sweeping reforms which it had painstakingly implemented for the past seven years in the name of financial stability and operational excellence. SSS' performance in 2008 again stands as a tangible testament to the fruits of its reforms.

he Social Security Commission is proud to have taken an active part in crafting the policy framework and parameters that enabled SSS to execute swift, judicious and responsive programs that paved the way for increased contributions collections, higher benefit payments and healthy returns from investments. Some of these include the expansion of teller services, amnesty programs for home loan, short-term member loans, stock investment and privatization loans.

We express our utmost gratitude to our members, to our industry partners, to our stakeholders and to Her Excellency President Gloria Macapagal-Arroyo for giving us the support and encouragement that have allowed us to surpass our goals in 2008. In 2009, we will double our efforts to become a more sustainable provider of social security protection and a durable and trustworthy partner in national development.

### **USHERING CHANGE**

This year, the SSS witnessed the formal change in the mantle of leadership as it bids farewell to President and CEO Corazon S. de la Paz-Bernardo who as the SSS head steered the institution away from an imminent financial collapse by vigorously instituting operational measures such as the confirmation of pensioners, energizing the campaign for membership, and a sustained push towards collection operations.

In August, SSS welcomed President and CEO Romulo L. Neri as the 15th head of the institution. President Neri brings with him a wealth of experience as an economist, academician and finance expert to steer the SSS towards the attainment of greater financial stability, superior service delivery while widening the scope of social security protection to the most vulnerable sectors of society. As always, the SSC shall provide its unwavering confidence and unflinching support to President Neri as he takes on the added task of spearheading the National Social Welfare Program of the government.

### ASSESSING PAST ACTIONS; PRIMING THE INSTITUTION FOR THE CHALLENGES AHEAD

The new leadership and the latest accomplishments in 2008 bode well for the SSS as it ushers in 2009 with some trepidation. The coming year presents a new set of challenges foremost of which is the Global Financial Crisis that has led to the capsizing of major financial institutions and shuttering of manufacturing powerhouses, threatening job security of many Filipinos.

For its part, the SSC would advance policy measures that seek to alleviate the adverse impact of the crisis to our members and to further strengthen the financial base of the institution. We are looking into the possibility of offering a loan window to our members to help defray tuition fee expenses of their children. The SSC is also examining all viable means to address the problem of collection and foreclosure of delinquent housing loan accounts and outstanding member loan accounts.

As always, the SSC would continue to uphold the highest standards of ethics and professionalism by reinforcing oversight mechanisms over SSS' policy-making process through the various sub-committees on Information Technology, Budget and Audit. The SSC is also pondering on the possible creation of a sub-committee on risk mitigation to ensure safety and liquidity in all our investment undertakings. The SSC will maximize its quasi-judicial powers to expedite the resolution of cases specifically those dealing with the collection of unremitted contributions and those proposals for installment payment and dacion-en-pago.

This crisis also presents a golden opportunity to press forward with efforts to amend the Social Security Law. The SSC is in a unique position to spearhead consultative dialogues with key stakeholders in order to cull the best ideas and suggestions on how to strengthen the SS Law.

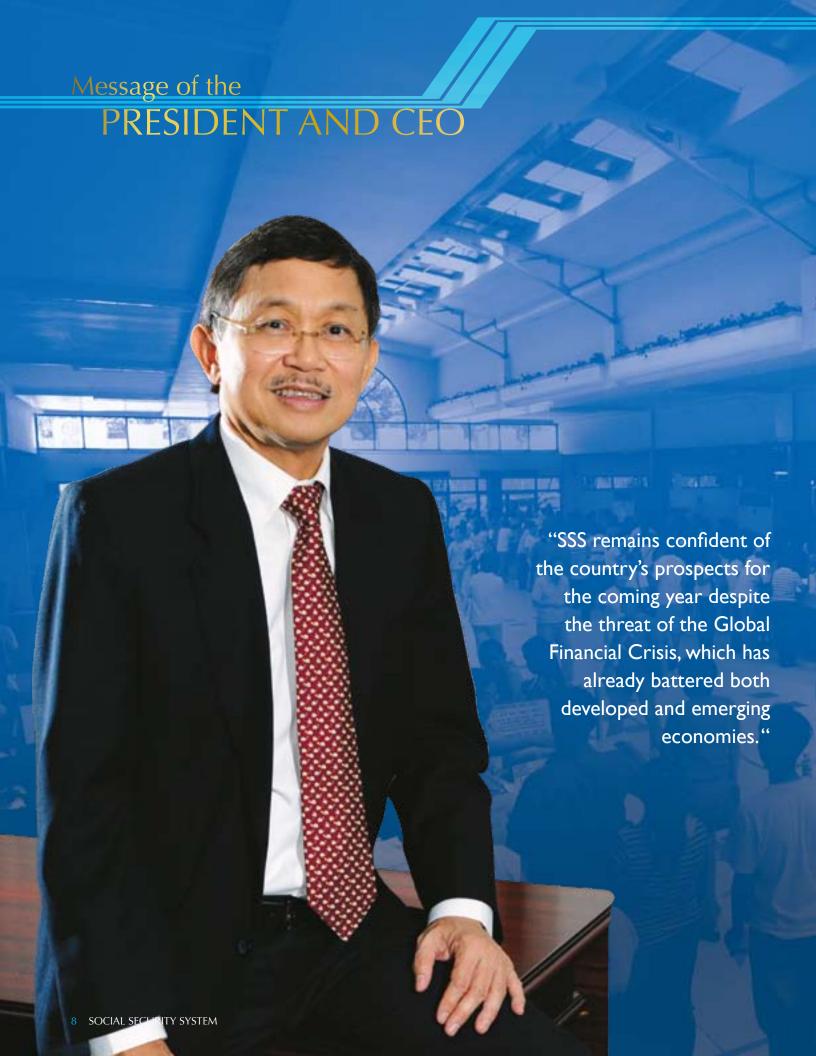
#### UPGRADING THE STANDARDS OF GOVERNANCE: PRESERVING INSTITUTIONAL MEMORY

Today's socio-economic environment calls for more innovative actions to grow the Social Security Fund but without sacrificing our fiduciary duty to our members. In a backdrop of uncertainty, the SSS should re-examine the relevance of existing policies and programs to address problems spawned by expected company closures and retrenchments. The SSS Charter has given us the flexibility to broaden our investment portfolio. We shall try to use that flexibility to create economic opportunities and reap value from untapped markets without abandoning time-tested safeguards for the sake of strong balance sheets and political expediency.

More than formulating responsive and meaningful policies, the SSC is steadfast in ensuring the stability of the SSS within the milieu of the country's realistic socio-economic-political environment. The SSC shall continue to steer the SSS from abrupt changes in policies through its oversight functions. Our members can be assured that the SSC would always maintain its independence and fidelity to the SSS Charter. The SSC will not hesitate to exercise its authority to protect and promote initiatives that serve the best interest of the SSS members. We will continue to uphold constancy and continuity.

However more than the SSC, it is the SSS employees who, on a daily basis, act as guardians of meaningful change for the SSS. This is why the SSC will continue to advance measures to professionalize the ranks of the SSS.The SSC will closely shepherd the implementation of the Rationalization Plan and Priority Staffing and Succession Plans, once approved, since these programs will shape the future direction of the SSS with regard to human resource development. We will see to it that any plan involving employees will conform to pertinent Civil Service rules and regulations. The SSC will encourage consensus-building among SSS personnel, the management and manpower service providers and would provide the necessary policy support for capability-building and productivity enhancement mechanisms and programs.

Maraming Salamat at Mabuhay ang SSS!!!



## MAKING A DIFFERENCE IN A TIME OF CRISIS

#### **EXCEEDING EXPECTATIONS: A WELCOME CHANGE**

2008 marked a turning point in the leadership of the Social Security System (SSS) after posting another surplus in its operations and doubledigit increases in contributions collection and benefit payments. A year after celebrating its 50th Year, SSS braces itself for new and daunting challenges ahead with the onset of the Global Financial Crisis.

In behalf of the entire SSS organization, I commend and express my gratitude to President and CEO Corazon S, de la Paz-Bernardo for strengthening SSS' financial base which resulted to the lengthening of the actuarial life of the institution. We shall continue the reforms that she has put in place and work with our stakeholders to build on the gains that the institution has achieved during the past year.

2008 also signalled the reinvigoration of SSS' trading activities in the equities market after a cautious start in 2007. The year saw the institution registering impressive trading gains capped by the booking of multibillion revenues from the sale of its stake in Equitable PCI-Bank.

SSS remains confident of the country's prospects for the coming year despite the threat of the Global Financial Crisis, which has already battered both developed and emerging economies. SSS' role in mitigating the impact of the crisis to the poor and the vulnerable has become more pivotal as the institution has been tasked to spearhead the National Social Welfare Program of the government.

### **II. OPERATIONAL HIGHLIGHTS**

#### SURPLUS FOR THE FOURTH STRAIGHT YEAR

For the fourth straight year, the SSS attained a surplus in its operations as contribution collections exceeded benefit payments by P980 million. The higher contribution collection is due partly to the one percentage point increase in the contribution rate implemented in January 2007. Also a significant part of the hike in collection can be attributed to the new programs that boosted collections and facilitated payment of members. These programs were (a) the liberalization of payment deadlines for Self-Employed and Voluntary Members, (b) establishment of 14 additional teller sites, (c) expansion of payment modes to include payment centers in the 22-mall network of Shoe Mart and on-line payment using Bancnet's internet payment system, (d) tie-up with Philippine National Bank for overseas workers, and (e) partnership with overseas remittance agents under the Electronic Overseas Collection Service. The broadening of payment schemes was supplemented by vigorous collection efforts by the branch personnel spearheaded by the Accounts Officers and Legal Officers, SSS' financial performance has enabled the institution to extend its actuarial life further to 2036.

#### BENEFIT PAYMENTS EXHIBIT STEADY RISE

SSS benefit disbursements reached P67.92 billion reflecting an 11.8 percent increase from the P60.75 billion it paid out in 2007. Moreover, SSS granted a one-time P500 supplemental bonus to each of its 1.4 million pensioners that served as a mitigating measure to cope with the rising prices of basic commodities. The additional benefit totalling more than P675.61 million was released on September 1 to mark the start of activities for the institution's 51st anniversary.

#### WINDFALL FROM INVESTMENTS: MAXIMIZING RETURNS FROM NON-TRADITIONAL PROGRAMS

Last year, SSS boosted its investment earnings with the booking of profits from the sale of key equities and foreclosed properties. Topping the list was the formal completion of the sale of 338.1 million SSS shares in Equitable PCIBank worth P17.3 billion to Banco de Oro Universal Bank, The sale followed the successful transaction involving SSS holdings in food and beverage conglomerate San Miguel Corporation totalling 176.13 million shares valued at P13.23 billion.

At the same time, SSS earned P66 million from the disposal of 307 properties amounting to P125.5 million through its participation in government-sponsored housing fairs, SSS involvement in housing expositions is a strategic move to rationalize its housing loan program by selling foreclosed housing units at affordable terms. At the same time, the program helped improve home ownership ratios by prioritizing urban poor residents, government employees, schoolteachers, military and police personnel.

Complementing this move was the amnesty program for delinquent home loans, which started in December 2006 and will end on April 30, 2009. As of end-December, SSS collected about P377 million in back payments. More importantly, the program allowed some 10,805 members to retain ownership of their homes by paying off their obligations or restructuring their loans. At the same time, SSS has extended for the third time the condonation program for short-term member loans, including stock investment and privatization fund loans in response to a wide clamor from members. These amnesty programs have enabled the institution to clean its books and improve liquidity.

## STRIKING A BALANCE BETWEEN ENHANCING OPERATIONAL CAPABILITIES AND SPENDING SENSIBLY

In 2008, SSS was able to keep its operating expenses at manageable levels without compromising its operational capabilities. Operating expenses reached P6.7 billion, reflecting a 1.2 percent decline from the P6.82 billion spent in 2007 due to lower spending for personnel services.

Among the service enhancement programs introduced during the year was the deployment of 47 fully-automated Self-Service Terminals to selected branches nationwide, including one in the Hong Kong office. The terminals allow members to access their records using their SS ID in a fast and convenient manner. Last year, SSS inaugurated its Dumaguete Branch in the town of Lower Bagacay. The new site offers a larger space and better amenities to more than 154,000 SSS members from Negros Oriental and Siguijor island.

SSS is fully aware that a robust IT system ensures congruence between the frontline servicing units and back-end processing systems. At the centerpiece of the IT-upgrade project is the inauguration of the new Business Recovery Center (BRC), which shall serve as SSS' primary backup facility that would preserve and protect the integrity of SSS data from loss or damage in case of man-made or natural disasters. At the close of the year, SSS purchased new hardware including several high-powered servers as part of a major mainframe overhaul that would eventually lead to expeditious posting of contributions and faster processing of benefits and loans. Soon, the institution expects to fully migrate from paper-based processes to web-enabled transactions, especially for key services such as contribution remittance and posting as well as loans and benefits eligibility verification.

SSS is doubling its efforts to synchronize its ID System Enhancement Program with the government sponsored Unified Multi-Purpose ID System (UMID) project. As lead agency for the UMID, SSS has jumpstarted consultative meetings and dialogues with concerned government agencies and is gearing up for the roll-out of the unified ID by next year. Along with this, the institution made headways in eliminating the backlog of about 700,000 SS cards, more than a year after suspending ID production due to a system breakdown.

## BUILDING A RESPONSIVE, COMPETENT AND WELL-ROUNDED WORKFORCE

In 2008, SSS strengthened its various capability-building programs for its personnel through different trainings, workshops and professional development programs. SSS continued to send qualified employees to both local and international study grants to build a pool of future leaders. These academic scholarships were complemented by specialized symposia for SSS Accounts Officers and Physicians. Initiatives have also been pursued for the creation of a Personnel Career Development Committee and a comprehensive management development program. The institution is also laying the groundwork for the promulgation of the Code of Ethics that will serve as the moral compass and framework of accountability of SSS personnel.

SSS is also preparing for the implementation of the *Rationalization Plan* as well as the *Succession and Priority Staffing Plans*, which outline SSS' strategies for human resource development leading to the filling-up of critical positions in the system by early 2009. It has likewise begun trainings for a new Performance Evaluation System (PES), which will become the benchmark for gauging employee performance and will be the foundation for a new incentive and compensation scheme.

SSS employees have taken an active role in SSS' Corporate Social Responsibility programs by involving in community outreach programs and other socio-civic work and mobilizing fund-raising drives to set-up livelihood opportunities for residents of several urban poor communities in Metro Manila. Employees also pledged a part of their Christmas bonus to a pooled fund, which was matched by management to provide financial support for a number of charitable institutions.

#### ADVANCING GOOD CORPORATE CITIZENSHIP

The SSS is cognizant of its role as an instrument of humanitarian and social work. In 2008, the institution donated P50 million for the relief, relocation and rehabilitation of communities battered by flashfloods and mudslides. Corollary to this, SSS implemented a six-month moratorium on loans of members in 14 provinces in seven regions that provided temporary financial relief for affected members as they rebuilt their homes and coped with the damage brought about by typhoon "Frank."

Furthermore, SSS-based organizations such as the Alert and Concerned Employees for a Better SSS (ACCESS) union and the SSS Amateur Golfers Association (SAGA) undertook disaster relief and community outreach programs. Last year, ACCESS donated sacks of used clothing and other relief goods to communities in Eastern Samar, Bicol and Mindoro that were affected by the typhoon, while SAGA turned over P40,000 to the Philippine General Hospital representing part of the proceeds from the 8th SSS President's Cup. SSS also formed an employee Volunteer Corps, which assists in resource-generation and community mobilization during crisis situations.

More significantly, SSS topped the list of 30 government agencies polled by the Social Weather Station (SWS) in terms of sincerity in fighting corruption. SSS garnered a net sincerity rating of +46 percent in the survey, which involved interviews with managers from over 400 businesses in Metro Manila, Cebu and Metro Davao. This is the third time since 2006 that SSS has placed in the top three of the SWS survey, which reflects our workforce's commitment to upholding the highest standards of professionalism and ethical conduct.

For the second year in a row the DoE, under the auspices of its National Energy Efficiency Program and Conservation Program in Government Buildings, has given SSS an energy efficiency rating of 94 percent, one of the highest among all government offices. The high mark typifies the institution's effort to advance electricity and energy conservation as one of its key contributions to preserving the environment.

## III. CAPITALIZING ON OPPORTUNITIES AND BRACING FOR THE CHALLENGES OF THE GLOBAL RECESSION

#### ENSURING THE WELFARE OF THE MANY

In recognition of SSS' critical role in upholding redistributive social justice, the government has tapped the SSS President to spearhead its National Social Welfare Program, the government's centerpiece Action Plan to combat poverty and hunger and to protect the most vulnerable sectors of society from the damaging effects of the global recession. SSS and its partner agencies such as the Department of Social Work and Development, the Department of Labor and Employment, the Government Service Insurance System and the National Economic Development Authority as well as private institutions would work together in ensuring food security, liberalized access to education and affordable health care and provision of supplemental social security benefits.

### THE FIVE ENABLING FORCES

As SSS enters 2009, the institution braces itself for the challenges posed by the global recession. Potentially mounting job losses arising from numerous company shutdowns reduce workers incomes and job security. SSS needs to leverage its past gains to take advantage of opportunities spawned by the crisis. Without abandoning its fiduciary responsibility, SSS can mobilize the SS Fund for more productive investments that would generate jobs, stimulate economic activity and improve the economy's long-term competitiveness.

From 2001 to 2008, SSS were guided by "The Four Pillars of Governance." This year, SSS has identified Five Enabling Forces which shall become the institution's stimuli to achieve our operational goals: product, process, people/organizational culture, communications and physical facilities.

Maraming salamat at Mabuhay ang SSS.

ROMULO L. NERI President and Chief Executive Officer

## 2008 IN REVIE

## Changing of the Guards

After seven years of meaningful service, Mrs. Corazon S. de la Paz-Bernardo handed over the responsibility of being the SSS President and CEO to Mr. Romulo L. Neri, former Chairman of the Commission on Higher Education (CHED) on August 1, 2008 through a simple turnover ceremony held at the SSS Building.



I. TURNOVER CEREMONIES AT THE SSS. Former SSS President and CEO Corazon S. de la Paz-Bernardo, turns over the SSS flag to her successor, Sec. Romulo L. Neri, during simple ceremonies held at the SSS Main Office on August 1, 2008. After seven years of service, former President and CEO Corazon S. de la Paz-Bernardo officially stepped down from the helm of SSS on July 31, citing health reasons. Sec. Romulo L. Neri, the 15th person to head the private sector's pension fund, is the first SSS Administrator to be given Cabinet ranking by virtue of Administrative Order 232, issued by President Gloria Arroyo, which designated him as head of the National Social Welfare Program.



2. PRESIDENT AND CEO ROMULO L. NERI CHECKS SSS' ID PRODUCTION. SSS President and CEO Romulo L, Neri (center) gets an update on the production of SSS identification cards from ID Center Head Jose Antonio L. Salazar (left) at its Corporate Headquarters in Diliman, Quezon City on August 4. One of the first things President and CEO Romulo L. Neri ensured was the resumption of the pension fund's ID production after it was temporarily stopped in August 2007 due to system repairs, SSS IDs contain members' biometric information as a security feature. Also in photo are SSS' Vice President for Members Assistance Center Program Management Mario R. Sibucao (3rd from left), Assistant Vice President for NCR Central Cluster Alberto C. Alburo (3rd from right), Vice President for Luzon Group Jose B. Bautista (2nd from right) and Special Assistant to the President and CEO Antonio N. Echevarria, Jr.

## Nurturing Relationships with Stakeholders

The SSS depends on members' support and partnership to successful implement its various programs. Thus, it continuous to undertake programs that help promote greater understanding between its various stakeholders as well as the general public.

I. SSS AT EMPLOYERS' CONFERENCE. Former SSS President and CEO Corazon S. de la Paz-Bernardo (inset) was one of the panel discussion speakers during the 29th National Conference of Employers (NCE) organized by the Employers Confederation of the Philippines on May 14 to 15, 2008 at the Manila Hotel. Former President and CEO Corazon S. de la Paz-Bernardo spoke on the SSS' efforts in expanding the coverage of social protection. Photo above shows former President and CEO Corazon S. de la Paz-Bernardo with the other panel discussants and ECOP officials, namely (from left): SS Commissioner Sergio R. Luis-Ortiz, Jr.; Discussion Moderator Mario Garcia; former Senator Ernesto Herrera; Unilab President Carlos Ejercito; ECOP President Miguel Varela; and 29th NCE Organizing Chairperson David Chua.



2. EMPLOYERS' DAY AT RM HALL. Employers' Day spearheaded by the Member Relations Department and the Branches, is a way for SSS to reach out to employers and serve their needs and concerns.



PENSIONERS' DAY PRE-VALENTINE ACTIVITY COVERAGE. SSS
continued to serve its pensioners through its Pensioners' Day where
medical services are provided as well as social activities such as this
Valentine party.



4. KABATAAN 2009 GOVERNMENT INTERNSHIP PROGRAM OPENING. Every year, the SSS takes on around 200 college students as employee-interns under the Kabataan Government Internship Program. Shown in photo is AVP Rizaldy T. Capulong as the resource speaker.













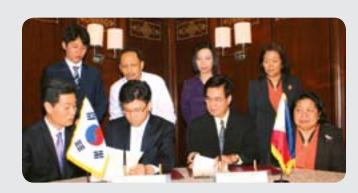
5. 196TH BIRTH ANNIVERSARY OF TANDANG SORA. SSS took part in the celebration of the 196th Birth Anniversary of Melchora "Tandang Sora" Aquino, on January 6, 2008 at Barangay Tandang Sora, Banlat, Quezon City. Former SSS President and CEO Corazon S. de la Paz-Bernardo (3rd from right) was one of the guest speakers during the program that honored one of the female heroes of the Philippine revolution. The celebration also saw the unveiling of a new Tandang Sora Shrine in Banlat, Quezon City. In the left photo, former President and CEO Corazon S. de la Paz-Bernardo joins Brgy. Tandang Sora Chairman Hector Geronimo and Quezon City Mayor Sonny Belmonte in unveiling the shrine's marker.

- 6. JUNE 12 INDEPENDENCE DAY RITES AT LUNETA. Former SSS President and CEO Corazon S. de la Paz-Bernardo (3rd from left), along with employees of the SSS Public Affairs and Special Events Division, headed by Vice President Marissu G. Bugante (extreme left) attended the 110th Philippine Independence Day celebrations held at Luneta Park, Manila. The event, which headlined Philippine President Gloria Macapagal-Arroyo (extreme right) citing the country's progress towards freedom from poverty, featured various government agencies providing on-the-spot services for the public.
- 7. KAPIHAN SA SSS AT FORT ILOCANDIA, LAOAG CITY. The SSS met with reporters from Laoag "Kapihan sa SSS", which was held at Fort Ilocandia, Laoag City on December 04, 2008. SSS President and CEO Romulo L. Neri led the panel of ranking officials in answering SSS-related issues raised during the open forum. (photo from left) Laoag Branch Head Benjamin R. Lopez, Chief Actuary and Executive Vice President Horacio T.Templo, Commissioner Victorino F. Balais, Vice President Jose B. Bautista and Assistant Vice President Luis V. Olais.
- 8. KAPIHAN SA SSS. The SSS met with big employers and local media (left photo) at the southern Tagalog region during the "Kapihan sa SSS", which was held at its San Pablo Branch in Laguna on November 17, 2008. SSS President and CEO Romulo L. Neri (2nd from right) led the panel of ranking officials in answering SSS-related issues raised during the open forum.
- 9. PRESIDENT AND CEO ROMULO L. NERI AT 11TH NATIONAL OCCUPATIONAL SAFETY AND HEALTH CONGRESS. Among the first speaking engagements of President and CEO Romulo L. Neri was at the 11th National Occupational Health and Safety Congress held in October 2008, wherein he talked about society's right and responsibility for workplace safety and health.

## Forging Partnerships for Better Service

The SSS strengthens its partnerships with other institutions including other countries through bilateral agreements, in order to better serve the social security needs of Filipinos anywhere in the world.

I. PHILIPPINES, SOUTH KOREA SOCIAL SECURITY AGREEMENT. SSS Executive Vice President Horacio T. Templo (front, 2nd from right) and Korean National Pension Service (NPS) International Relations Team Director Choi Yong-Sik (front, 2nd from left) signed the minutes of a three-day meeting between Filipino and South Korean representatives during ceremonies at the Sofitel Hotel in Pasay City last April 30. Delegates from South Korea and the Philippines discussed the implementation of a social security agreement between the two nations at the SSS Corporate Headquarters in Quezon City from April 28 to 30. The bilateral agreement, which was signed on December 2005, provides social security protection for South Koreans in the Philippines and Filipinos in South Korea. Also in photo were (clockwise, from top left) NPS International Relations Team Assistant Manager Kim Moon-Seok, SSS International Affairs Department Head Atty. Roberto B. Bautista, SSS Vice President Judy Frances A. See, Government Service Insurance System (GSIS) Vice President Maria Ana Pabayos, GSIS Executive Vice President Enriqueta P. Disuanco and NPS International Relations Team Deputy Director Lee Sung-Won.



2. SSS-PNB PAYMENT SCHEME FOR OFWS. Overseas workers can now pay their contributions and loans to the SSS through the Philippine National Bank's (PNB) Overseas Bills Payment System. The SSS and PNB signed a memorandum of agreement last February 8 at the SSS Main Building in Diliman, Quezon City. Shown in photo are (seated, from left) SSS Vice President of the Coverage and Collection Program Division Judy Frances A. See, former SSS President and CEO Corazon S. de la Paz-Bernardo, PNB President Omar Byron Mier and PNB First Vice President of the Global Marketing Group Patricia Tan with SSS and PNB representatives during the signing.



3. 18TH WORLD CONGRESS ON OCCUPATIONAL SAFETY AND HEALTH. Former SSS President and CEO Corazon S. de la Paz-Bernardo (center), Korea Occupational Safety and Health Agency (KOSHA) President Min-Ki Noh (left) and International Labor Organization (ILO) Executive Director for Social Protection Assane Diop (right) led the signing of the Seoul Declaration during the Safety and Health Summit in Seoul, Republic of Korea on June 29. The summit was part of the XVIII World Congress on Safety and Health at Work, a joint project of the ILO and ISSA, held from June 29 to July 2 in Seoul.



## **Expressing Corporate Social Responsibility**

Through the relentless efforts of the management, workforce and its members, the SSS continues to grow into a healthier and finer institution that supports various organizations and sectors that share the same mission as the SSS.



I. HOUSING FAIR PROGRAM. As part of the government's thrust to expand its housing programs, the SSS participated in the National Housing Fair organized by Housing and Urban Development Coordinating Council (HUDCC) under Housing Czar Vice President Noli L, de Castro, Ir.



2. SSS HELPS GOLDEN ACRES, WHITE CROSS. The SSS turned over computers and printers to the Golden Acres Home for the Aged and the White Cross Children's Home during ceremonies at the SSS Headquarters in Quezon City last March 25. The donations, which include a check amounting to P10,000 for White Cross and personal care items for Golden Acres, were from funds raised by the SSS Amateur Golfers Association (SAGA) during its 8th SSS President's Cup at the Tagaytay Highlands International Golf Club last December 2. In photo are (from left) SAGA tournament adviser Atty. Armando Cruz, SAGA president Dr. Rene Pangilinan, Golden Acres representative Mary Magdalen Reyes, former SSS President and CEO Corazon S. de la Paz-Bernardo, SAGA treasurer Aurea G. Bay and SAGA secretary Renato N. Malto.



 MAKATI CITY GRAND PARADE WITH SSS. A contingent of SSS employees marched with other government agencies and private sector groups to commemorate the 118th "Araw ng Makati".



4. SSS GOES TREE PLANTING AT LAOAG CITY. Anak ti Laoag Commissioner Victorino F. Balais (5th from left) with SSS President and CEO Romulo L. Neri (3rd from right), Commissioner Jose Sonny G. Matula (3rd from left) join the SSS Officials during the tree planting at Laoag City were the SSS Laoag Branch will rise. (photo from left) Vice President Alfredo S. Villasanta, Vice President Jose B. Bautista, Laoag Branch Head Benjamin R. Lopez, Assistant Vice President Luis V. Olais and Chief Actuary and Executive Vice President Horacio T. Templo.

## 2008 IN REVIEW

5. GLORIA MACAPAGAL-ARROYO CARAVAN AT QC HALL/ SAGIP BATIS SA QC PROJECT. Part of SSS public affairs activities is to participate in government outreach services, such as the PGMA Serbisyo Caravan and in socio-civic actions, like the Sagip Batis sa QC.



6. SSS VOLUNTEER CORPS CONDUCTS HUMANITARIAN MISSIONS IN ILOILO AND AKLAN. Officers of the SSS Kabalikat ng Bayan Volunteer Corps and the AFPRESCOM start the construction of latrines at the covered court of Baranggay Bulwang at Numancia, Aklan. VP-Public Affairs Marissu Bugante (5th from right) and VP-Controllership Erlinda Del Rosario (4th from right) are advisors of the Volunteer Corps, while (Res.) Major Arnold Tolentino (4th from left), head of the Management Information Service Department, is the Volunteer Corps President.



7. SSS SUPPORTS FEEDING PROGRAMS. As part of its Corporate Social Responsibility Program, the SSS donated P500,000 each to two separate organizations to fund a supplementary feeding programs for malnourished children. The first P500,000 check was given to the municipality of Bani, Pangasinan to fund its feeding program for public school children. In ceremonies held at the Bani Learning Center on December 5, 2008, SSS President and CEO Romulo L. Neri was the guest speaker during the Bani Town Fiesta, where he noted the importance for children to get the proper food and nutrition so that they are physically, mentally and emotionally prepared for schoolwork. Four public schools were selected to be part of the SSS sponsored feeding program, which aims to bring down the rate of undernourished children in Bani.



## **Celebrating Special Events**

At 51, the SSS is still in its best form. It remains faithful to its commitment to serve its more than 28.5 million members and in fulfilling its responsibilities to the society.

I. SSS UNVEILS HISTORICAL MARKER. SSS President and CEO Romulo L. Neri (left) and National Historical Institute Executive Director Ludovico Badoy (center) unveil the SSS historical marker at the agency's headquarters in Diliman, Quezon City on September I. The unveiling kicked off the institution's 51st anniversary celebration, with the theme "Strengthening Social Welfare Amidst Global Challenges." Also in photo is Social Security Commission Chairman Thelmo Y. Cunanan.





2. DUQUE AT 51ST SSS ANNIVERSARY CELEBRATION. Health Secretary Francisco T. Duque III (center) receives a plaque of appreciation from SSS President and CEO Romulo L. Neri (left) and Social Security Commission Chairman Thelmo Y. Cunanan during the 51st SSS Anniversary Program at its main office in Quezon City on September 1. Sec. Duque, who headed the Philippine Health Insurance Corporation from 2001 to 2005, urged the pension fund to intensify its coverage of the youth and informal sectors in his keynote address as SSS' guest of honor.



3. SSS OPENS 51ST ANNIVERSARY EXHIBIT. SSS President and CEO Romulo L. Neri (left) and Social Security Commission (SSC) Chairman Thelmo Y. Cunanan (center) cut the ribbon to open the SSS' 51st anniversary exhibit at the main lobby of its Corporate Headquarters in Diliman, Quezon City on September 1. The Social Security Act of 1954, as amended by Republic Act 1792, was implemented on September 1, 1957. Also in photo are SSC Commissioner Victorino F. Balais (right) and National Historical Institute Executive Director Ludovico Badoy (partly hidden, 2nd from right), who earlier led the unveiling of the SSS historical marker.



4. SSS MAGSAYSAY HALL MARKER. Senator Ramon Magsaysay Jr. (2nd from right) joined Social Security System (SSS) officials and employees for the unveiling of the Magsaysay Hall marker at the SSS Main Office in Quezon City on September I. The hall is named after former President Ramon Magsaysay, who enacted the Social Security Act of 1954, which establishes the SSS. The unveiling marks the 51st SSS anniversary on September I which coincides with the 101st birthday of the late President. Also in photo are SSS President and CEO Romulo L. Neri (3rd from right), Social Security Commission Chairman Thelmo Y. Cunanan (3rd from left) and SSC Commissioners (from left) Donald G. Dee, Jose Sonny G. Matula, Victorino F. Balais and Fe Tibayan-Palileo.



5. SSS UNVEILS MAGSAYSAY PORTRAIT. The SSS unveiled a portrait of former President Ramon Magsaysay as part of the institution's 51st anniversary celebration at its headquarters in Quezon City last September 1. Magsaysay signed the landmark Social Security Act in 1954, which created the state-run pension fund for private sector workers. Photo shows (from left) Maria Christina Bacaltos, wife of the artist; University of the Philippines Fine Arts Professor Armand "Bim" Bacaltos, the artist; Senator Ramon Magsaysay Jr., son of the late President; Social Security Commission Chairman Thelmo Y. Cunanan, and SSS President and CEO Romulo L. Neri.

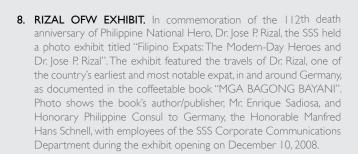
## 2008 IN REVIEW

6. SSS HANDS OUT 2008 BALIKAT NG BAYAN (BnB) AWARDS TO TOP EMPLOYERS AND BEST PERFORMING BANKS.

Balikat ng Bayan Award for Clark Development Corporation (CDC). Mr. Benigno Ricafort, CDC President & CEO (middle) receives the BnB Plaque from SSS President and CEO Romulo L. Neri (left), DOH Secretary Francisco T. Duque III (2nd from right) and SSC Chairman Thelmo Y. Cunanan (far right). A total of 32 employers and financial institutions were honored with the 2008 Balikat ng Bayan (BnB) Award by the SSS during its 51st Anniversary program on September I, 2008. Health Secretary Francisco T. Duque III, SSS President and CEO Romulo L. Neri, and Social Security Commission (SSC) Chairman Thelmo Y. Cunanan gave out the BnB Awards to 24 top employers companies and eight best performing banks during ceremonies held at the SSS Ramon Magsaysay Hall.



7. SSS INAUGURATES DUMAGUETE BRANCH. Negros Oriental Governor Emilio Macias II (3rd from right) and Social Security Commissioner Marianita O. Mendoza (3rd from left) led the ribboncutting at the SSS inauguration of its newly-relocated Dumaguete Branch (inset) on November 12. The SSS moved its Dumaguete office from Piapi to a bigger property in Lower Bagacay to improve its delivery of services to about 147,000 members and over 7,800 employers from Negros Oriental and Siquijor Island. Also present were Dumaguete Mayor Agustin Perdices (2nd from right), SSS President and CEO Romulo L. Neri (right), SSS Executive Vice President for Branch Operations Horacio T. Templo (4th from left) and ranking SSS officials.







9. SSS HOSTS "CLASSICS AT CHRISTMAS II" CONCERT.

The glorious sound of classical music once again filled the Ramon Magsaysay Hall, as the Social Security System hosted the "Classics at Christmas II" last December 12, 2008. A follow-up to the "Classics at Christmas II" concert held in 2007 as part of the SSS Golden Anniversary celebration, the second concert featured again the musical stylings of international concert pianist, Maestro Raul M. Sunico. This time, Maestro Sunico was joined by other artists such as cellist Renato B. Lucas, classical guitarist Ruben F. Reyes, soprano Joy AbalonTamayo, and tenor Lemuel A. dela Cruz joined Maestro Sunico.



## **Developing SSS Employees**

In order to meet the demands of SSS' increasing membership, SSS needs the aid of its competent and hardworking people. Thus, different activities have been conducted to enhance SSS employees' physical, mental, social, personal and professional inclinations.



I. PRESIDENT AND CEO ROMULO L. NERI HOLDS FIRST SSS EMPLOYEES FORUM IN ILOILO. Iloilo-based SSS employees had the first crack at facing and holding a dialogue with President and CEO Romulo L. Neri during the SSS Employees' Forum held on October 2, 2008 at the Sarabia Manor Hotel in Iloilo City.



IST QUARTERLY AFTER OFFICE UNWINDING ACTIVITIES.
 Taking a break from work, SSS employees enjoy a quarterly after office unwinding activity with music, cocktails and friendly bonding among colleagues.



3 EMPLOYEES' FORUM WITHTHE PRESIDENT. Continuing the SSS practice of transparency and open communication, the "Employees' Forum with the President" is a venue for dialogue between the workforce and management.



4. DOCTORS CONVENTION AT TAGAYTAY CITY. SSS Doctors and medical personnel from around the country got together at Tagaytay City for the 1st SSS Doctors' Convention where they tackled the latest developments in the medical field.

## 2008 IN R

5. SSS CONDUCTS SKILLS AND ATTITUDINAL ENHANCEMENT SEMINAR. The Anti-Fraud Department, in coordination with the Competency and Performance Management Department (CPMD), conducted the Skills and Attitudinal Enhancement Seminar for the anti-fraud investigators and personnel. Mr. Jerome Weddle of the Fraud Detection Unit of the US Embassy (center), the resource speaker, discussed Fraudulent Visa/Passport Detection. Other topics tackled in the seminar were Photo Analysis and Impostor Detection, and Fraud Investigation in the Workplace. Photo above shows the Anti-Fraud Department personnel and CPMD staff with the resource speaker during the seminar held on July 1 to 2, 2008 at the Executive Lounge of the SSS Gallery.



6. NCR CENTRAL AND MAIN OFFICE FAMILY DAY. As part of the 51st SSS Anniversary, an SSS Employees' Family Day was held at the Main Office where various family oriented activities were held, such as this story telling session for kids with celebrity author Ms. Tintin Bersola-Babao.



7. 2009 CORPORATE PLANNING WORKSHOP. The SSS' strategic directions and 2009 Corporate Plans were mapped out during the management planning session at Taal Vista Hotel, Tagaytay City.



8. PES TRAINING. In preparation for the implementation of the new System-wide Performance Evaluation System (PES), batches of SSS officers and employees underwent training and orientation on the new PES.





9. SSS HONORS BEST EMPLOYEES VIA SERVICE AWARDS. Sally G. Docusin from SSS General Santos Branch, Gaudencia S. Tecson from SSS Cebu Branch, and Carmencita Y. Paras from SSS Alabang Branch, were awarded as the "Best Claims Processor", "Best Member Service Officer", and "Best Accounts Officer", respectively, during the 2008 SSS Employee Awards Ceremony held on September 1, 2008 at the Ramon Magsaysay Hall, in celebration of the SSS 51st Anniversary.



10. ENERGY OFFICIALS CITE SSS CONSERVATION EFFORTS.

The Department of Energy (DOE) gave the SSS a 94-percent rating in recognition of the pension fund's successful efforts to save electricity and fuel. It was the SSS' second 94-percent rating under the National Energy Efficiency and Conservation Program in Government Buildings since February 2006. The institution this year has also started assigning energy conservation cops (EnerCon Cops) among its employees to monitor energy consumption in SSS offices. Shown in photo are (from left) DOE Energy Efficiency Division Chief Jesus Anunciacion, DOE Director Mario Marasigan, SSS Vice President Alfredo S.Villasanta, SSS Engineering Maintenance Department Officer-in-Charge Nestor R. Sacayan, SSS Assistant Vice President Jesse J. Caberoy and SSS Executive Vice President Horacio T. Templo during ceremonies at the SSS main building last April 11.



II. SSS PERFORMANCE. Former SSS President and CEO Corazon S. de la Paz-Bernardo (left photo, right) addressed SSS officials during a performance review conference on SSS operations in Visayas and Mindanao at the Westown Hotel in Iloilo City on February 20 to 21. SSS collected P12.47 billion in contributions and released P6.22 billion in benefits and loans in Visayas and Mindanao last year. Also present in the conference were Social Security Commission Chairman Thelmo Y. Cunanan (far right).



12. SAGA DONATION TO UP-PGH. Former SSS President and CEO Corazon S. de la Paz-Bernardo (4th from right) presented a check worth P40,000 to University of Philippines-Philippine General Hospital (UP-PGH) representative Dr. Mark Marcelo (4th from left) during ceremonies at the SSS headquarters in Quezon City on March 25. The donation was part of the proceeds of the SSS Amateur Golfers Association (SAGA) 8th President's Cup at the Tagaytay Highlands International Golf Club last December 2. SAGA has been raising funds for various charities through annual golf tournaments since its founding in 2000. Also in photo were SAGA officers (from left) Atty. Armando Cruz (Tournament Adviser), Renato N. Malto (Secretary), Hidelza B. Castillo (Vice President), Dr. Rene Pangilinan (President), Aurea G. Bay (Treasurer) and Mario R. Sibucao (Auditor).

## Special ARTICLES





### SSS CONDONATION PROGRAM:

# Opening the Doors to Business Opportunities

sixty-one-year old Rogelio Clave always had keen business acumen. In 1996, the Marikina City native rode on the "hot pandesal" bandwagon in the early 1990's, setting up his own small bakery using the P10,000 seed money, he borrowed from SSS. The store enabled him to send his three children to college and expand his house from a modest bungalow to a two-storey structure.

Clave's nose for business was honed early on through his experience as an employee of Ma Mon Luk, the iconic Chinese restaurant known for its dimsum and noodle soups. The self-made businessman, who started out as a waiter in the restaurant's former Cubao branch, rose from the ranks to become a manager in one of the outlets of the eatery.

After working for Ma Mon Luk for 20 years, Clave filed for retirement benefit with SSS in 2008. He was surprised to learn that his salary loan, which he stopped amortizing a few months after obtaining the proceeds, had already ballooned to more than P22,000 due to accumulated penalties. Clave said he stopped paying for the balance of the loan since it would be deducted from his final benefit.

Heeding a friend's advice, Clave went to SSS Quezon City to inquire about the SSS Short-Term Member Loan Condonation Program, which allowed members to settle their delinquencies without penalties. He immediately availed of the program and paid a total of P11,200.

Being the entrepreneur that he is, Clave utilized the savings from the penalties that SSS waived as capital for his new business venture – micro-lending to pedicab drivers in their barangay.

Clave, who remains productive despite being retired, is thankful to SSS for the Condonation Program, adding: "the proceeds of my salary loan and my availment of the condonation program opened doors of business opportunities for me and my family."

## Bouncing Back from a Financial Debacle

ne of the most fervent dreams of every Filipino is to own a home. Myrna Flores is no exception. In 1992, Myrna availed of a P100,000 loan from the Social Security System to purchase a house and lot in the town of Caniogan in Pasig City.

Like most Filipinos that time, Myrna and her husband, Federico, were brimming with confidence in the country's future. The Philippines successfully licked the problem of daily power outages and had successfully carried out the first post-Martial Law era elections that ensured a smooth transition of power.

But fate took another tragic turn for the diligent couple. In 1997, the Asian Financial Crisis battered the local economy, which compelled companies to downscale operations. Myrna and Federico were not spared from the swing of the "retrenchment" scythe," after the garments company where they worked closed shop due to dampened demand.

With meager savings, the couple was forced to turn to alternative means of employment with Federico ending up as a tricycle driver while Myrna became a real-estate agent who relied mainly on commissions.

Despite their hardwork, money was always short. Myrna and Federico's combined income was barely enough to cover for the needs of their four children and to pay for other expenses.

As the couple's financial woes mounted, so did their arrears. 10 years since taking out a loan from SSS, Myrna's mortgage had already ballooned to more than five times the principal due to piled up interest and penalties. The Demand Letters from SSS eventually became Notices of Foreclosure, which caused tremendous anxiety to the 54-year old mother and wife.

Things however were destined to change for the hard-luck Flores couple. In 2007, Myrna chanced upon a newspaper ad on the Housing Loan Penalty Condonation and Restructuring Program, which allowed members to settle their loans without penalties.

Myrna, who is already getting financial support from two of her children abroad, immediately applied for the program to avert possible repossession by SSS of her property. She managed to reduce her total loan balance by almost 40 percent as SSS condoned more than P204,000 in accumulated penalties and continuing interest.





Myrna likewise had the remaining balance restructured, which drastically lowered her monthly amortization to about P4,500. She remains hopeful for the future as she thanked SSS for giving her a second chance.

Myrna relates her family is now stable financially as she looks forward to spending her twilight years in the company of her loved ones and within the confines of their most prized possession – their home.

## Special ARTICLES





## **SOLVING SERVICE CONCERNS:**

## SSS's Branch Queue Management System

ver the years SSS has grown exponentially in terms of membership, branch network, and transaction volume, thereby increasing complexities and spawning challenges on service delivery due to greying systems.

As a service organization, one of the growth challenges for SSS is the preponderance of waiting lines or queues. Since SSS has a membership of more than 27 million members, it is not immune to service snags that have detrimental spill-over effects on aspects of its operations such as coverage and collection activities.

One of the technological responses that SSS has adopted is the automated Branch Queue Management System (BQMS), an ITbased capacity management scheme that regulates and monitors flow of transacting members at a branch. The introduction of BQMS has effectively supplemented SSS' program on transforming counter-personnel from "specialists" to "generalists" through cross-training and specialized workshops.

During the past year, SSS expanded the BQMS to seven branches in Metro Manila after the successful pilot-testing in the San Francisco del Monte branch in 2006. Aside from managing the influx of SSS members, the system is also capable of generating essential data such as wait-and-transaction times, and counter usage that are crucial in evaluating a branch's member assistance performance.

Under the BQMS, a queue ticket is given to a member upon arrival at an SSS branch office, which bears a number indicating the order of a member's transaction of a particular type. Large branches usually have more than one (I) counter servicing a particular type of transaction. The counter where a member will be entertained is displayed in an LED monitor, thus the member is relatively aware when he will be served as he is able to make a determination on how many people are ahead of him, and which counters are open.

Since broadening the scope of the BQMS program, there has been a marked decline on the number of complaints registered by the branches that are directly related to queuing. The provision of a "queue number" to a transacting member reduces the anxiety of waiting and helps in efficiently managing a member's expectation leading to a higher level of customer satisfaction.

## **SERVICE AT YOUR FINGERTIPS:**

## The SSS Information **Terminals**

ince the introduction of the first self-service kiosk in the early 1990's, the apparatus has dramatically transformed the customer service landscape by providing customers with fast, accurate and relevant information at the press of a button. Among the benefits of interactive kiosks are unattended operation, extended service hours, off site locations, ability to track usage statistics, and possible reduction in staff and overhead expenses.

The emergence of interactive kiosks prompted SSS to expand the deployment of available Self-Service Information Terminals (SSITs), which were first launched in 1999. This year, SSS installed 50 stateof-the-art SSITs in selected branches nationwide including one overseas. Distribution of SSITs was as follows: 18 in Metro Manila, 15 in Luzon, 7 in Visayas, 9 in Mindanao and 1 in Hongkong. SSS members could readily access the interactive kiosks, which have a user-friendly interface and a touch-screen display, using their SS cards.

SSS sees the SSIT as one of the enduring solutions to relieve frontline personnel from peripheral tasks such as responding to inquiries on contributions and status of loan payments. It allows the institution to realign manpower resources to higher impact services such as screening of benefits and loan applications, issuing SS numbers, and receiving employer reports.

The installation of terminals was spurred by a recent study of SSS, which revealed that 36 percent of inquiries and verification requests of walk-in clients can be addressed by the SSIT. Apart from the information requested by the member, the terminals can act as an advertising and publicity medium, capable of displaying digitized announcements and electronic posters. Moreover, the terminals can conduct on-the-spot surveys and obtain instant feedback from transacting members through one of its interactive programs.





# Responding to the Clarion Call: SSS IN 2009 AND BEYOND

he scope and depth of the Global Financial Crisis have threatened to put the most vulnerable sectors of society at great peril. Beyond the financial realm, the present crisis magnifies the various social risks that undermine people's capacity to live decently.

As the crisis unfolds, it compels public institutions such as the SSS to re-examine its current strategies for growth as it tries to meet its twin objectives of financial stability and superior service delivery. This year, SSS' role both as a dispenser of benefits, through its social security program and as a catalyst for national development, through its investment activities, would be put to the test amid rising calls for higher benefits and greater participation in the plan to jumpstart an economy burdened with rising unemployment, tight credit and sharply falling demand.

With this in mind, the 2009 Corporate Plan is anchored on The Five Enabling Forces – Product, Process, People/Organizational Culture, Communications and Physical Facilities, which strike at the

most critical points in SSS operations: fund stability; service delivery; transparency and accountability; systems and procedures; people competency; and corporate values.

## FUSING LEGAL ACTION AND INNOVATIVE COLLECTION STRATEGIES

SSS plans are hinged mainly on the institution's ability to increase its revenues despite the economic difficulties. It is for this reason that a Comprehensive Action Plan would be drafted and operationalized to bolster SSS' existing collection mechanisms. The Plan would provide the groundwork for better coordinated action between Accounts Officers and Legal Officers and would leverage on the strength of the SSS Charter and the efficacy of its policies to boost collections.

SSS would bolster linkages with other government agencies as well as banks and third-party agents to complement present collection infrastructure. Institutional cooperation aims to maximize economies of scale and scope at a time when optimal utilization of resources



is key to any expansion strategy. SSS shall reinforce the coverage, collection and service delivery mechanisms for OFW and informal sector workers.

With the Philippine economy expected to feel the full effects of the crisis by the middle of 2009, SSS shall focus more on investments that generate employment, fuel growth and create value and wealth especially for the marginalized. The institution would take full advantage of opportunities for greater yields in such sectors as Forestry, Mining and Infrastructure while maximizing returns from government securities.

SSS shall also capitalize on the impending implementation of the Personal Equity Retirement Account (PERA) law to redesign its own Flexi-Fund program by liberalizing its membership requirements.

The institution shall continue to zealously pursue the collection of arrears from SSS members, as well as the settlement of loans of government institutions such as the Home Guaranty Corporation and the National Home Mortgage and Finance Corporation.

In times of crisis, timely use of accurate information and relevant data is critical. The dearth of information has hampered SSS efforts to bridge the widening gap between the covered members vis-à-vis the actively paying ones. As such, the institution would conduct periodic dialogues with key stakeholders while fleshing out its database and analyzing in-depth the reasons for the disparity.

SSS would fine-tune its systems and come up with concrete strategies that target specific segments of SSS members, who are most likely to respond to calls to reactivate their membership. It is crucial for SSS to bring the inactive members back to the fold in order to provide financial boost to meet the expected rise in loans and benefit applications in the coming year.

Corollary to this, SSS would reinforce its control and audit activities. Foremost is the recovery of overpayment in benefits as well as the purging of members records and expeditious resolution of collection cases.

In 2009, SSS hopes to benchmark its standards with those of the so-called "Service Champions." These private sector companies have remained resilient despite the crisis by economizing on other aspects of their operations without sacrificing core service delivery systems. The institution would continue in its efforts to lessen if not eliminate bottlenecks in its existing processes and to simplify procedures under its Covenant of Service (CoS) program. Corollary to this, SSS shall continue with the intensive skills enhancement and cross-training of frontline personnel to raise client satisfaction, improve productivity and uplift employee morale.

The looming implementation of the Anti-Red Tape Act compels SSS to take the lead in making sure SSS members are served promptly and efficiently. In compliance with the spirit of the new law, SSS would

come out with its own Citizen's Charter – a performance pact with SSS members, which will become the set of standards by which SSS would be measured.

But the linchpin of SSS' service improvement program is a robust and fully-functioning Information Technology system. For 2009, SSS would be completing the major upgrade of its IT facilities that would pave the way for integrating back office functions with the tangible components of service delivery such as strategically located offices. well-maintained facilities and courteous and efficient personnel.

In the pipeline are projects such as: Server and Storage Consolidation, Applications Redesign, the Automated Records Management System, and the UMID-compliant SS ID cards. These projects are meant not only to protect the integrity of SSS records but to make IT as the backbone of service delivery.

Mission critical services shall also be provided with the necessary technical and manpower support to ensure timely and accurate processing of loans and benefit applications. Branch officers and field personnel would be equipped with new and powerful workstations for expeditious decision-making.

The coming year would again provide an opportunity for SSS to sustain programs that uphold professionalism, advance good conduct and ethical behaviour. SSS is ironing out the system-wide implementation of Rationalization Plan. The RatPlan together with the Performance Evaluation System (PES) and the Merit and Selection Plan, would form the overall framework for personnel selection and deployment, performance appraisal and manpower development.

These programs would serve as the springboard for an organizational transformation where incentives are tied more closely with performance and performers are generously rewarded while laggards are appropriately sanctioned. SSS would be instituting a feedback mechanism that puts value on the comments of members on the kind of service rendered by SSS personnel.

The current crisis presents challenges as well as opportunities for SSS as a public institution. For one, it provides the pension fund with the chance to test new ideas that would take the place of calcified practices especially in the field of investments and contributions collection. Non-traditional markets could be tapped to fill the gap that might be spawned by company closures and retrenchments. Greater efforts and resources could be directed toward small and medium scale enterprises and self-employed individuals.

The crisis also allows SSS to heighten the sense of urgency to re-examine the SSS Charter for possible amendments. As more members look to social security as a viable form of safety net, it is imperative for policy-makers to make the SS Law more relevant and more responsive to the evolving needs of its stakeholders. More than ever, specific actuarial standards, greater leeway in policy making and the tenure of key officials are but some of the needed modifications to preserve and sustain the gains that have been built over the past eight years.

## Statement of Management's Responsibility FOR THE FINANCIAL STATEMENTS



The Management of the Social Security System is responsible for all information and representations contained in the consolidated financial statements as of December 31, 2008 and 2007. The financial statements have been prepared in conformity with the accounting principles generally accepted in the Philippines, and reflect amounts that are based on the best estimates and informed judgement of Management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition, and liabilities are recognized.

The Social Security Commission reviews the consolidated financial statements before such statements are approved and submitted to the President of the Philippines and to the Congress of the Philippines.

THELMOY, CUNANAN Chairman, SS Commission

ROMULO L. NERI President and CEO

AMELITA C. DELA TORRE Assistant Vice President, General Accounting Department & OIC, Controllership Division

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# State Auditor's Report on the CONSOLIDATED FINANCIAL STATEMENTS



#### **The Social Security Commission**

Social Security System East Avenue, Quezon City

We have audited the financial statements of the Social Security System, which comprise the balance sheet as at December 31, 2008, and the income statement, statement of changes in reserves and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

As discussed under item no, I of the Observations and recommendations, the sale of Equitable PCI Bank (EPCIB) shares amounting to P17.28 billion that occurred in 2007 was not recognized in the 2007 financial statements but instead was recorded in 2008, which practice, in our opinion, is not in accordance with Philippine Accounting Standards (PAS) 39. PAS 39 requires that the regular way purchase or sale of financial assets should be recognized on the trade date. This is the result of a decision taken by Management during the preceding financial year and caused us to qualify our audit opinion on the financial statements relating to that year.

Management's decision of not recognizing the subject sale in 2007 was not rectified in 2008 through adjustment in the current year's financial statements and restatement of 2007 financial statements contrary to PAS 8. Under said accounting standard, material prior period errors should be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by restating the comparative amounts for 2007, in which the error occurred.

Had the sale of EPCIB shares been recognized in 2007 and the necessary adjustment in 2008 been made, the income realized on financial assets-available-for-sale (AFS) should be decreased by P9.11 million in 2008 and increased by the same amount in 2007; the AFS account decreased by P17.28 billion in 2007; and the receivable account increased by the same amount also in 2007.

In our opinion, except for the effects on the financial statements of the matter referred to in the preceding paragraphs, the financial statements present fairly, in all material respects, the financial position of the Social Security System as at December 31, 2008, and of its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards.

**COMMISSION ON AUDIT** 

LUZ LORETO-TOLENTINO Director IV

Cluster A - Financial
Corporate Government Sector

March 31, 2009 ANNUAL REPORT 2008 29

# Consolidated BALANCE SHEET

(All amounts in Philippine peso unless otherwise stated)

			At 31 December	Increase/(Decrease)
	Note	2008	2007	
ASSETS				
Current Assets				
Cash and cash equivalents	3	6,874,110,536	8,882,641,158	(2,008,530,622)
Short-term money placements	4	12,111,258,391	14,963,848,841	(2,852,590,450)
Treasury bills	4	32,943,346,092	15,869,031,387	17,074,314,705
Held-for-trading financial assets	5	1,340,056,328	900,174,921	439,881,407
Receivables	6	5,546,601,810	4,190,474,692	1,356,127,118
Other current assets	7	109,136,631	68,674,851	40,461,780
		58,924,509,788	44,874,845,850	14,049,663,938
Non-Current Assets				
Financial assets	8	154,160,153,724	183,841,372,125	(29,681,218,401)
Investment property	9	10,790,997,169	9,990,890,870	800,106,299
Property and equipment	10	2,885,734,248	2,586,332,407	299,401,841
Intangible assets	11	344,648,464	253,783,312	90,865,152
Non-current assets held for sale	12	5,442,125,162	5,339,292,619	102,832,543
Other non-current assets	13	574,022,005	850,695,287	(276,673,282)
		174,197,680,772	202,862,366,620	(28,664,685,848)
Total Assets		233,122,190,560	247,737,212,470	(14,615,021,910)
LIABILITIES				
Current Liabilities				
Accounts payable and accrued expenses	14	2,771,931,896	2,548,893,157	223,038,739
	14 15	2,771,931,896 522,263,303	2,548,893,157 474,500,459	223,038,739 47,762,844
Funds held in trust	15 16	522,263,303 61,201,822	474,500,459 56,595,201	
Funds held in trust	15	522,263,303	474,500,459	47,762,844
Funds held in trust Deferred income	15 16	522,263,303 61,201,822	474,500,459 56,595,201	47,762,844 4,606,621
Funds held in trust Deferred income	15 16	522,263,303 61,201,822 2,515,621,255	474,500,459 56,595,201 234,845,480	47,762,844 4,606,621 2,280,775,775
Funds held in trust Deferred income Other current liabilities	15 16 17	522,263,303 61,201,822 2,515,621,255	474,500,459 56,595,201 234,845,480	47,762,844 4,606,621 2,280,775,775
Funds held in trust Deferred income Other current liabilities  Non-Current Liabilities  Accrued retirement benefits	15 16 17	522,263,303 61,201,822 2,515,621,255 5,871,018,276	474,500,459 56,595,201 234,845,480 3,314,834,297	47,762,844 4,606,621 2,280,775,775 2,556,183,979
Funds held in trust Deferred income Other current liabilities  Non-Current Liabilities  Accrued retirement benefits	15 16 17	522,263,303 61,201,822 2,515,621,255 5,871,018,276	474,500,459 56,595,201 234,845,480 3,314,834,297	47,762,844 4,606,621 2,280,775,775 2,556,183,979 228,694,163
Funds held in trust Deferred income Other current liabilities  Non-Current Liabilities  Accrued retirement benefits Rent payable	15 16 17	522,263,303 61,201,822 2,515,621,255 5,871,018,276 1,634,415,796 13,811,542	474,500,459 56,595,201 234,845,480 3,314,834,297 1,405,721,633	47,762,844 4,606,621 2,280,775,775 2,556,183,979 228,694,163 13,811,542
Funds held in trust Deferred income Other current liabilities  Non-Current Liabilities	15 16 17	522,263,303 61,201,822 2,515,621,255 5,871,018,276 1,634,415,796 13,811,542 1,648,227,338	474,500,459 56,595,201 234,845,480 3,314,834,297 1,405,721,633	47,762,844 4,606,621 2,280,775,775 2,556,183,979 228,694,163 13,811,542 242,505,705

See accompanying notes to consolidated financial statements.

# Consolidated INCOME STATEMENT

(All amounts in Philippine peso unless otherwise stated)

		Year end	Year ended 31 December		
	Note	2008	2007		
Revenues					
Members' contribution		68,879,273,075	61,829,080,748	7,050,192,327	
Investment and other income	21	29,089,046,778	17,869,983,502	11,219,063,276	
		97,968,319,853	79,699,064,250	18,269,255,603	
Expenditures					
Benefit Payments					
Retirement		32,679,728,053	28,905,125,123	3,774,602,930	
Death		24,676,874,967	21,974,158,348	2,702,716,619	
Disability		3,286,724,247	3,231,069,857	55,654,390	
Maternity		3,274,003,551	2,873,250,423	400,753,128	
Funeral grant		2,253,246,907	2,110,240,301	143,006,606	
Sickness		1,705,535,321	1,607,442,254	98,093,067	
Medical services		41,133,193	45,137,519	(4,004,326)	
Rehabilitation services		116,025	39,270	76,755	
Special medical examinations		-	130,060	(130,060)	
		67,917,362,264	60,746,593,155	7,170,769,109	
Operating Expenses		6,745,626,452	6,819,258,195	(73,631,743)	
Total Expenditures	22	74,662,988,716	67,565,851,350	7,097,137,366	
Net Revenue		23,305,331,137	12,133,212,900	11,172,118,237	

See accompanying notes to consolidated financial statements.

## Consolidated Statement of CHANGES IN RESERVES

(All amounts in Philippine peso unless otherwise stated)

		Unrealized Gain/ (Loss) on Available-	Property			
		for-Sale		Contingent	Donated	
	Reserve Fund	Financial Assets	Reserve	Surplus	Property	<b>Total Reserves</b>
Balance at I January 2007	186,095,595,056	37,733,606,256	1,142,033,470	19,539,966	5,091,980	224,995,866,728
Corporate operating budget of						
Employees' Compensation Commission and Occupational Safety and Health Center	(07.021.005)					(07021005)
Revaluation increase/(decrease), net	(97,931,995)	-	- 85,789,465	-	_	(97,931,995) 85,789,465
Fair value gain - available-for-sale financial assets	_	5,900,486,452	-	_	_	5,900,486,452
Settlement of claims for disallowed payments	-	-	-	(767,010)	-	(767,010)
Net income/(expense) recognized directly in reser	ves (97,931,995)	5,900,486,452	85,789,465	(767,010)	-	5,887,576,912
Net revenue	12,133,212,900	-	-	-	-	12,133,212,900
Total recognized income/(expense) for the year	12,035,280,905	5,900,486,452	85,789,465	(767,010)	-	18,020,789,812
Balance at 31 December 2007	198,130,875,961	43,634,092,708	1,227,822,935	18,772,956	5,091,980	243,016,656,540
Balance at I January 2008	198,130,875,961	43,634,092,708	1,227,822,935	18,772,956	5,091,980	243,016,656,540
Corporate operating budget of						
Employees' Compensation Commission and						
Occupational Safety and Health Center	(108,420,130)	-	-	-	-	(108,420,130)
Transfer to profit and loss	-	(14,300,275,929)	-	-	-	(14,300,275,929)
Fair value loss - available-for-sale financial assets	-	(26,316,228,197)	-	-	-	(26,316,228,197)
Settlement of claims for disallowed payments	-	-	-	(418,475)	- 200,000	(418,475)
Land acquired through donation	_	-		-	6,300,000	6,300,000
Net income/(expense) recognized directly in reser	ves (108,420,130)	(40,616,504,126)	-	(418,475)	6,300,000	(40,719,042,731)
Net revenue	23,305,331,137	-	-	-	-	23,305,331,137
Total recognized income/(expense) for the year	23,196,911,007	(40,616,504,126)	-	(418,475)	6,300,000	(17,413,711,594)
Balance at 31 December 2008	221,327,786,968	3,017,588,582	1,227,822,935	18,354,481	11,391,980	225,602,944,946

See accompanying notes to consolidated financial statements.

# Consolidated CASH FLOW STATEMENT

(All amounts in Philippine peso unless otherwise stated)

	Year ende 2008	ed 31 December 2007
Cash Flows from Operating Activities		
Members' contribution Investment and other income Payments to members and beneficiaries Payments for operations	68,879,273,075 12,849,378,667 (67,899,749,398) (6,300,622,928)	61,829,080,748 11,108,139,311 (60,647,445,958) (6,466,651,460)
Operating income before changes in operating assets and liabilities	7,528,279,416	5,823,122,641
(Increase)/decrease in operating assets Financial assets held for trading Receivables Other operating assets	(877,118,056) (1,061,427,824) 204,571,435	21,727,125 709,222,387 (241,305,258)
Increase in operating liabilities Funds held in trust Other current liabilities	47,762,844 2,280,775,775	68,449,287 143,797,172
Net cash generated from operating activities	8,122,843,590	6,525,013,354
Cash Flows from Investing Activities		
Loan releases/investment purchases, net Acquisition of property and equipment, net Acquisition of intangible assets, net	(9,432,889,052) (489,032,703) (101,032,327)	(3,271,609,663) (116,747,170) (7,358,726)
Net cash used in investing activities	(10,022,954,082)	(3,395,715,559)
Cash Flows from Financing Activities		
Corporate operating budget of Employees' Compensation Commission and Occupational Safety and Health Center	(108,420,130)	(97,931,995)
Net cash used in financing activities	(108,420,130)	(97,931,995)
Net Increase/(Decrease) in Cash and Cash Equivalents	(2,008,530,622)	3,031,365,800
Cash and cash equivalents at beginning of the year	8,882,641,158	5,851,275,358
Cash and Cash Equivalents at End of the Year	6,874,110,536	8,882,641,158

See accompanying notes to consolidated financial statements

# Notes to Consolidated FINANCIAL STATEMENTS

#### 1. General information

The Social Security System (SSS) administers social security protection to workers in the private sector. Social security provides replacement income for workers in times of death, disability, sickness, maternity and old age. On 1 September 1957, the Social Security Act of 1954 was implemented. Thereafter, the coverage and benefits given by SSS have been expanded and enhanced through the enactment of various laws. On 1 May 1997, Republic Act (R.A.) No. 8282, otherwise known as the "Social Security Act of 1997", was enacted to further strengthen the SSS. Under this Act, the government accepts general responsibility for the solvency of the SSS and guarantees that prescribed benefits shall not be diminished. Section 16 of RA 8282 exempts the SSS and all its benefit payments from all kinds of taxes, fees or charges, customs or import duty.

The SSS is a financial institution in the Philippines. Its principal office is in East Avenue, Quezon City.

The consolidated financial statements include the accounts of Employees' Compensation and State Insurance Fund, which is being administered by the SSS, as provided for by Presidential Decree No. 626, as amended. All interfund accounts have been eliminated.

The financial statements were authorized for issue by the Social Security Commission on 22 April 2009 under its Resoution No. 308 series of 2009.

#### **Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

## 2.1 Basis of preparation

The financial statements of SSS have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) and Philippine Accounting Standards (PAS), where practicable.

## 2.2 Cash equivalents

For purposes of the Statement of Cash Flows, the SSS considers all highly liquid debt instruments purchased with original maturities of three months or less from date of acquisition as cash equivalents.

#### 2.3 Supplies and materials

Supplies and materials are valued at cost determined on a moving average basis.

### 2.4 Financial assets

Financial assets are classified in the following categories: heldfor-trading financial assets, loans and receivables, held-tomaturity investments and available-for-sale financial assets. The classification depends on the purpose for which they are acquired. The SSS determines the classification at initial recognition and reevaluates this designation at every reporting date.

### (a) Held-for-trading financial assets

A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by SSS. Assets in this category are classified as current if they are either held for trading or are expected to be realized within 12 months of the balance sheet date.

#### (b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are classified as non-current assets and are included in financial assets.

#### (c) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the SSS intends and is able to hold to maturity.

#### (d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless SSS intends to dispose of the investment within 12 months of the balance sheet date.

Regular purchases and sales of investments are recognized on trade-date - the date on which the SSS commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the SSS has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortized cost using the effective interest method. Realized and unrealized gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Unrealized gains and losses arising from changes in the fair value of securities classified as availablefor-sale are recognized in equity.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities. Dividends on available-for-sale equity instruments are recognized in the income statement when the SSS' right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, the SSS establishes fair value by using valuation techniques. These include, among others, the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs.

The SSS assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of loans and receivables, a provision for impairment is established when there is objective evidence that the SSS will not be able to collect all amounts due according to the original terms. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or delinquency in payments are considered indicators that such loans and receivables are impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss is removed from equity and recognized in the income statement. Impairment losses recognized in the income statement on equity instruments are not reversed through the income statement.

#### 2.5 Investment property

These consist of land and buildings held by SSS to earn rentals or for capital appreciation or both. The investments are initially measured at cost which consists of purchase price and any directly attributable expenditure. After initial recognition, the SSS uses the fair value model based on valuation by a qualified independent valuer. Gains or losses arising from changes in fair values are recognized in profit or loss in the period in which they arise. An investment property is derecognized on disposal and the gain or loss is recognized as income or expense in the income statement.

Transfers to, or from, investment property are made when there is a change in use evidenced by: (a) commencement of owner occupation, for a transfer from investment property to owner-occupied property; (b) end of owner-occupation, for a transfer from owner-occupied property to investment property; and (c) commencement of an operating lease to another party, in case of transfers from non-current assets held for sale to investment property.

#### 2.6 Property and equipment

Property and equipment, except land, are stated at cost less accumulated depreciation/amortization and impairment in value. Land and buildings are appraised periodically by external independent valuers. Increases in the carrying amount arising on revaluation of land are credited to property valuation reserve. Decreases that offset previous increases of the same asset are charged against property valuation reserve; all other decreases are charged to the income statement.

Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, when it is probable that future economic benefits associated with the item will flow to the SSS and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Effective 1 January 2004, the SSS implemented Commission on Audit (COA) Circular 2003-007 dated 11 December 2003. The circular provides policies and guidelines on the computation of depreciating government property, plant and equipment. Depreciation is calculated using the straight-line method based on the following estimated useful life of the assets:

Buildings & Improvements/ Land Improvements	10-30 years
Furniture & Equipment (F&E), Computer Hardware	5-10 years
Transportation Equipment (TE)	5 years

The residual value equivalent to ten percent (10%) of the acquisition cost/appraised value was applied to buildings while for the others, the residual value is P1.00.

Leasehold improvements are amortized over the estimated useful lives of the assets or the applicable lease term, whichever is shorter

Construction in progress (CIP) represents building, building improvement and leasehold improvement under construction and is stated at cost. CIP is not depreciated until such time as the relevant assets are completed and put into operational use.

#### 2.7 Intangible assets

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Computer software licenses with finite lives are amortized on a straight-line basis over their estimated useful lives, while those with indefinite useful lives or those used perpetually or for as long as there are computers compatible with them are carried at cost and tested annually for impairment.

#### 2.8 Impairment of assets

An assessment is made whether there is any indication of impairment of any asset, or an impairment loss previously recognized in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount, which is the higher of the asset's value in use or its net selling price, is estimated. An impairment loss is recognized if the carrying amount exceeds its recoverable amount and is charged to income in the period in which it arises, or to revaluation increment if the asset is carried at revalued amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however, not to an amount higher than the carrying amount that would have been determined (net of any depreciation), had no impairment loss been recognized for the asset in prior years.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of loss is recognized in the income statement.

#### 2.9 Non-current assets held for sale

An asset is classified as a non-current asset held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use, when it is available for immediate sale in its present condition and its sale is highly probable. At each reporting date, a non-current asset that is held for sale is measured at the lower of its carrying amount and fair value less costs to sell. Any excess of carrying value over fair value less costs to sell is an impairment loss. No depreciation for these assets is recognized while classified as held for sale.

Non-current assets held for sale include real and other properties acquired (ROPA) in settlement of contribution, member and housing loan delinquencies through foreclosure or dation in payment are booked initially at the carrying amount of the loan plus transaction costs incurred upon acquisition. When the booked amount of ROPA exceeds the appraised value of the acquired property, an allowance for impairment loss equivalent to the excess of the amount booked over the appraised value is set up.

#### 2.10 Revenue Recognition

Operating revenues of SSS consist mainly of contributions from members and earnings from investments. Contributions are recognized upon collection. Interests and discounts on interest-bearing securities and loans are recognized based on the accrual method of accounting. However, accrual is suspended when an account becomes past due for six months or has the basic characteristics of a loan subject to doubtful collection. Income from financial assets held for trading includes all gains and losses from changes in fair value. Dividend income is recognized when the right to receive the payment is established. Rental income arising on investment properties and operating lease is accounted for on a straight-line basis over the lease terms.

#### 2.11 Leases

#### (a) The SSS is the lessee

Leases where the lessor retains a significant portion of the risks and rewards of ownership are classified as operating leases. Lease payments under operating leases are recognized as an expense on a straight-line basis over the lease term.

#### (b) The SSS is the lessor

Leases where the SSS does not transfer substantially all the risk and benefits of ownership of the asset are classified as operating leases. Assets leased to third parties under operating leases are included in investment property and property and equipment in the balance sheet. Net rental income is recognized on a straightline basis over the lease term.

#### 3. Cash and cash equivalents

	2008	2007
Cash on hand and in banks	574,973,044	458,587,285
Time and special savings deposits	6,299,137,492	8,424,053,873
	6,874,110,536	8,882,641,158

Cash in banks earn interest at the prevailing bank deposit rates. Time/ special savings deposits are made for varying periods of up to three months depending on the immediate cash requirements of SSS and earn interest at the prevailing time/special savings deposits rates.

#### Current financial assets held-to-maturity

	2008	2007
Short-term money placements	12,111,258,391	14,963,848,841
Treasury bills	32,943,346,092	15,869,031,387
	45,054,604,483	30,832,880,228

Short-term money placements consist of time/special savings deposits with original maturities of more than 90 days.

#### Held-for-trading financial assets

The fair value of the marketable securities as at 31 December 2008 and 2007 are P1,340.06 million and P900.17 million, respectively and its costs as at 31 December 2008 and 2007 are P1,754.19 million and P877.07 million, respectively.

#### Receivables

	2008	2007
Collecting banks	3,745,233,147	2,711,159,382
Interest receivable	1,624,255,456	1,382,031,862
Other receivables	177,113,207	97,283,448
	5,546,601,810	4,190,474,692

#### 7. Other current assets

	2008	2007
Supplies and materials inventory	97,411,879	61,076,157
Prepaid expenses	5,272,026	4,891,455
Advances - officials and employees	5,009,493	1,413,204
Revolving fund	1,133,614	1,065,055
Receivable - ISSA	309,619	228,980
_	109,136,631	68,674,851

#### Non-current financial assets

	2008	2007
Available-for-sale financial assets	40,583,567,622	80,132,632,530
Financial assets held to maturity		
Notes and bonds	47,815,052,677	39,290,285,814
Accumulated impairment loss	(1,059,701,706)	(675,014,035)
·	46,755,350,971	38,615,271,779
Loans and receivable		
Members	40,630,131,602	36,550,370,728
National Home Mortgage		
Finance Corporation	17,110,340,170	18,555,890,957
Home Development Mutual Fund	1 3,892,951,470	4,469,685,021
Housing loans	4,615,224,268	4,624,976,284
Commercial and industrial loans	750,395,390	1,121,467,018
Program MADE	17,970,859	18,951,859
Other government agencies	133,012,310	167,813,257
-	67,150,026,069	65,509,155,124
Accumulated impairment loss	(852,372,445)	(854,353,162)
·	66,297,653,624	64,654,801,962
Sales contract receivable	523,581,507	438,665,854
	66,821,235,131	65,093,467,816
	154,160,153,724	183,841,372,125

The carrying amount of available-for-sale financial assets follows:

	2008	2007
Cost of marketable securities	37,056,663,073	35,989,223,854
Unrealized gain	3,017,588,582	43,634,092,708
	40,074,251,655	79,623,316,562
Ordinary and preference shares		
(at cost)	1,208,710,857	1,213,710,857
Accumulated impairment loss	(699,394,890)	(704,394,889)
	509,315,967	509,315,968
	40,583,567,622	80,132,632,530

The current portion of financial assets held to maturity at 31 December 2008 and 2007 are P4.100 billion and P1.800 billion, respectively.

#### 9. Investment property

	Land	Building	Total
Fair value, 1 January 2008	7,074,891,610	2,915,999,260	9,990,890,870
Fair value gain			
(net of adjustment)	828,722,785	14,058,354	842,781,139
Disposals	(33,736,500)	(14,711,020)	(48,447,520)
Cancellation of contract	-	5,772,680	5,772,680
Fair value,			
31 December 2008	7,869,877,895	2,921,119,274	10,790,997,169
Fair value,			
31 December 2007	7,074,891,610	2,915,999,260	9,990,890,870

The costs of investment property as of 31 December 2008 and 2007 are P7.799 billion and P7.831 billion respectively.

The investment properties are valued annually on 31 December at fair value, appraised by an independent, professionally qualified valuer.

The following amounts have been recognized in the income statement:

	2008	2007
Rental income	397,673,910	313,916,655
Realized gain	10,844,700	1,176,982
Penalty on rentals	5,826,946	10,654,823
Fair value gains/(losses)	842,781,139	(185,327,307)
Direct operating expenses arising	j )	
from investment properties that	at	
generate rental income	(82,802,821)	(39,293,199)
	1,174,323,874	101,127,954

### 10. Property and equipment

La	and, buildings, land and leasehold improvements	F&E, transportation equipment, computer hardware & others	Construction in progress	Total
Cost or valuation	Improvements	naraware a oalers	progress	10111
1 January 2008	2,790,040,427	3,190,247,397	26,298,211	6,006,586,035
Additions/transfers	65,027,438	396,144,718	38,460,568	499,632,724
Retirement/disposals/adjustments	(63,910)	(118,171,621)	(2,553,545)	(120,789,076)
31 December 2008	2,855,003,955	3,468,220,494	62,205,234	6,385,429,683
Accumulated depreciation/amortization				_
1 January 2008	525,888,670	2,815,412,683	-	3,341,301,353
Charge for the period	45,324,774	112,644,862	-	157,969,636
Retirement/disposals/adjustments	-	(78,527,829)		(78,527,829)
31 December 2008	571,213,444	2,849,529,716	-	3,420,743,160
Accumulated impairment loss				
1 January 2008	78,952,275	-	-	78,952,275
Recovery of impairment loss	-	-	-	-
31 December 2008	78,952,275	-	-	78,952,275
Net book value 31 December 2008	2,204,838,236	618,690,778	62,205,234	2,885,734,248
Net book value 31 December 2007	2,185,199,482	374,834,714	26,298,211	2,586,332,407

Land and buildings were last revalued in October 2007 by independent valuers. Valuations were made on the basis of market value. The revaluation surplus was credited to Property Valuation in Reserves.

Lease rentals relating to buildings in the amount of P12.75 million in 2008 and P12.36 million in 2007, were included in the income statement.

If land and buildings were stated on the historical cost basis, the amounts would be as follows:

	2008	2007
Cost	1,566,483,313	1,510,948,236
Accumulated depreciation	(473,456,840)	(436,276,389)
	1,093,026,473	1,074,671,847

## 11. Intangible assets

Cost	Software	Licenses	Total
1 January 2008	89,360,553	201,104,850	290,465,403
Additions	13,351,218	88,309,223	101,660,441
Retirement/disposals/adjustments	4,059,886	-	4,059,886
31 December 2008	106,771,657	289,414,073	396,185,730
Accumulated amortization			
1 January 2008	26,128,742	10,553,349	36,682,091
Amortization charge for the period	8,719,758	6,135,417	14,855,175
31 December 2008	34,848,500	16,688,766	51,537,266
Net book value 31 December 2008	71,923,157	272,725,307	344,648,464
Net book value 31 December 2007	63,047,478	190,735,834	253,783,312

The carrying amount of intangible assets with infinite lives at 31 December 2008 amounted to P238.51 million.

#### 12. Non-current assets held for sale

	Land	Building	Acquired Assets	
			& Registered	Total
Carrying amount, 1 January 2008	4,973,853,176	168,398,102	217,531,327	5,359,782,605
Accumulated impairment loss	(8,375,010)	(10,078,073)	(2,036,903)	(20,489,986)
Net carrying amount, 1 January 2008	4,965,478,166	158,320,029	215,494,424	5,339,292,619
Additions/Adjustments	2,964,149	-	213,117,457	216,081,606
Accum. impairment loss (net of recovery)	5,601,180	2,566,073	(1,739,023)	6,428,230
Disposals	(62,888,774)	(5,725,000)	(51,063,519)	(119,677,293)
Carrying amount, 31 December 2008	4,911,154,721	155,161,102	375,809,339	5,442,125,162
Carrying amount, 31 December 2007	4,965,478,166	158,320,029	215,494,424	5,339,292,619

#### 13. Other non-current assets

	2008	2007
Interest receivable	12,876,578,663	12,910,478,865
Accumulated impairment loss	(12,870,303,585)	(12,870,303,586)
	6,275,078	40,175,279
Advances-fire/MRI/foreclosure		
proceedings	184,911,686	250,003,613
Accumulated impairment loss	(874,728)	(876,705)
	184,036,958	249,126,908
Others	909,184,470	908,765,921
Accumulated impairment loss	(525,474,501)	(347,372,821)
	383,709,969	561,393,100
	574,022,005	850,695,287

#### 14. Accounts payable and accrued expenses

2000	2007
0,345,430	2,061,026,443
1,586,466	487,866,714
1,931,896	2,548,893,157
	1,586,466

#### 15. Funds held in trust

This account represents (a) bidders' deposits, withholding taxes and retention withheld from suppliers and creditors to answer for defective deliveries or services, (b) contributions to GSIS, PHIC, Pag-Ibig and SSS Provident Fund and (c) equity of Flexi-fund members.

The Flexi-fund represents equities of members under the voluntary supplementary benefits program of the SSS for Overseas Filipino Workers, authorized under Section 4.a.2 of R.A. 8282, for Overseas Filipino Workers. The Social Security Commission, in its Resolution No. 288 dated 18 April 2001, approved the establishment of this supplementary benefits program.

#### 16. Deferred income

This account represents advance rental payments from tenants of SSS properties.

#### 17. Other current liabilities

This account represents (a) collections credited to the accounts pending receipt of collecting agencies' documents and actual distribution of collections, and (b) payments whose nature are not indicated by payors.

#### 18. Accrued retirement benefits

#### a. Retirement benefits

Retirement benefits are available to qualified employees under any one of Republic Act (RA) 1616, RA 660 and RA 8291.

#### b. Terminal leave benefits

This represents the cash value of the accumulated vacation and sick leave credits of employees, 50 percent of which can be monetized once a year and the balance payable upon resignation/retirement.

#### c. Retirement incentive award

Employees with at least 20 years of creditable service are entitled to P2,000 for every year of service upon retirement.

The accrued retirement benefit to employees on 31 December 2008 and 2007 are as follows:

	2008	2007
Retirement gratuity (RA 1616)	683,113,108	690,951,380
Terminal leave pay	859,128,178	631,112,682
Retirement incentive award	92,174,510	83,657,571
	1,634,415,796	1,405,721,633

#### 19. Rent Payable

This account represents future rent payments for lease contracts entered by the SSS for its various branches.

#### 20. Reserves

#### (a) Investment reserve fund (IRF)

All revenues of the SSS that are not needed to meet the current administrative and operational expenses are accumulated in the reserve fund. Such portion of the reserve fund as are not needed to meet the current benefit obligations is known as the IRF which the Social Security Commission (SSC) manages and invests subject to prescribed ceilings under section 26 of R.A. 8282 (the Act).

No portion of the IRF or income will accrue to the general fund of the National Government or to any of its agencies except as may be allowed under the Act. The Act also provides that no portion of the IRF shall be invested for any purpose or in any instrument, institution or industry over and above the prescribed cumulative ceilings as follows: 40% in private securities, 35% in housing, 30% in real estate related industries, 10% in short and medium-term member loans, 30% in infrastructure projects, 15% in any particular industry and 7.5% in foreign-currency denominated investments.

In its resolution no. 402-s.2007, the SSC adopted the use of acquisition cost of shares of stock as the basis for computing the 30% limit in equity investments based on the opinion dated 25 June 2007 of the Legal and Adjudication Sector of COA.

#### (b) Actuarial valuation of the reserve fund of SSS

The Social Security Act of 1997 requires the Actuary of the System to submit a valuation report every four (4) years, or more frequently as may be necessary, to determine the actuarial soundness of the reserve fund of SSS and to recommend measures on how to improve its viability.

The reserve fund is affected by (a) changes in demographic factors (such as increased life expectancy, ageing of population, declining fertility level, and delay in retirement) and (b) the economic conditions of the country. Taking into account the uncertainty of future events, economic assumptions on interest rates, inflation rates and salary wage increases, among others, are projected.

In the 1999 Actuarial Valuation, the Social Security Fund (SSF) was projected to last until 2015. Since then, parametric measures (e.g. increases in the contribution rate from 8.4% to 9.4% in March 2003 and to 10.4% in January 2007, increase in the maximum salary base for contributions from P12,000 to P15,000, and the redefinition of Credited Years of Service), and operational developments (e.g. Tellering System, more accounts officers, cost saving measures, improved investment portfolio and management, etc.) were implemented to strengthen the SSF.

The System's concerted efforts have resulted in improved actuarial soundness. Results of the 2003 Actuarial Valuation indicate an extension on the life of the fund by sixteen years, from 2015 to 2031.

The increase in contribution rate to 10.4%, effective January 2007, has extended further the SSF to 2036, taking into account the grant of 10% across-the-board increases in pension effective September 2006 and September 2007.

The following presents a comparison of the results of the 2003 Actuarial Valuation with later valuation results that take into consideration the across-the-board pension increases in 2006 and 2007 and the contribution rate increase at the start of 2007.

Table 1 Actuarial Valuation - Key Projection Results 2003 Valuation versus Valuation after Reforms in 2006-2007

Projection Milestones	2003 Valuation After Reform		
Year benefit disbursements			
exceed Contribution Collection	2015	2018	
Year portion of the fund starts to be used	2022	2026	
Year fund will last	2031	2036	

Meanwhile, the 2007 Actuarial Valuation is in progress, with the preliminary results expected to be released in 2009.

#### 21. Investment and other income

Investment income	2008	2007
Income from current investments		
Financial asset held to maturity	2,353,469,423	1,335,595,910
,		
Financial asset held for trading	(320,569,129) 2,032,900,294	94,661,459
Income from non-current investme		1,430,237,309
Available-for-sale financial assets	ents	
Dividend income		
(net of investment expenses)	2,561,796,788	2,574,253,997
Realized gain	14,288,650,985	9,820,016,185
Interest income from	14,200,030,903	9,020,010,103
escrow deposit - BDO	135,225,916	
Impairment loss	133,223,910	(970 477 602)
impairment ioss	16 095 672 690	(879,477,603) 11,514,792,579
Financial assets held to maturity	16,985,673,689	11,314,/92,3/9
Interest income		
(net of investment expense)	2 996 242 969	3,628,766,719
Impairment loss	3,886,243,868 (384,687,671)	(954,298,509)
impairment ioss	3,501,556,197	2,674,468,210
Loans and receivable	3,301,330,137	2,074,400,210
Interest and penalty (net)	3,897,938,850	3,793,223,239
Impairment loss	(409,096)	(2,453,651,628)
ппраптиент 1033	3,897,529,754	1,339,571,611
Investment property	1,174,323,874	101,127,954
investment property	25,559,083,514	15,629,960,354
	27,591,983,808	17,060,217,723
	27,391,903,000	17,000,217,723
Other income		
Interest income from cash equivale	ents 476,353,907	397,925,464
Realized gain from non-current	17 0,333,307	337,323,101
assets held for sale (net)	167,570,091	127,784,073
Reversal of impairment	107,370,031	127,701,075
loss/revaluation decrease	15,670,042	22,921,980
Impairment loss - non-current asse	, ,	22,321,300
held for sale	(1,850,023)	(13,692,219)
Others	839,318,953	274,826,481
04.015	1,497,062,970	809,765,779
	29,089,046,778	17,869,983,502
	<u> </u>	17,009,905,302

#### 22. Operating Expenses

#### (a) Personal services

2008	2007
1,957,051,863	1,807,817,980
845,027,493	1,712,543,967
708,372,030	712,981,735
450,282,867	391,652,229
198,863,640	195,637,545
313,257,700	40,896,700
132,711,516	107,873,608
4,605,567,109	4,969,403,764
	1,957,051,863 845,027,493 708,372,030 450,282,867 198,863,640 7 313,257,700 132,711,516

The decrease in mandatory contributions was due to the payment in 2007 of provident fund – employer share for 84 months.

Provident fund is a defined contribution plan made by both the SSS and its officers and employees. The affairs and business of the fund are directed managed and administered by a Board of Trustees. Upon retirement, death or resignation, the employee or his heirs will receive from the fund payments equivalent to his contributions, his proportionate share of the SSS' contributions and investment earnings thereon. However, effective 28 January 2005, retired and separated members have the option to retain his total equity in the fund for a maximum period of five (5) years.

#### (b) Maintenance and other operating expenses

	2008	2007
Maintenance and repairs		
- building / F&E / TE	545,139,151	489,287,538
Light and water, communication	294,909,392	283,993,765
Service bureau expenses	360,423,942	280,856,217
Depreciation/amortization expense	172,824,811	194,205,250
Supplies and materials	117,391,123	125,147,618
Office space and equipment rentals	113,487,084	111,761,364
Other expenses	357,785,136	285,351,999
Impairment loss - property and		
equipment/other assets	178,098,704	79,250,680
	2,140,059,343	1,849,854,431
<del>-</del>		

#### 23. Commitments

- (a) Operating lease commitments where the SSS is the lessee The SSS leases offices for its various branches under cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.
- (b) Operating lease commitments where the SSS is the lessor The SSS leases out portion of its office spaces to various tenants under cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

## Internal AUDITOR'S REPORT

n 2008, Internal Audit Services (IAS) noted a significant change or improvement in the risk management control and governance processes implemented by Management which in turn has mitigated the system and operational errors. We acknowledge that Management has done quite well in addressing identified deficiencies in its operations in an effort to prevent not only wastage of precious resources but also to continue providing quality service.

Following are the major observations of IAS:

- I. The effort of Management to manage the queue lines in the branches using the PC based Queue and Management System (PCQMS) proved successful albeit not all promised functionalities of the system were delivered for one reason or another. Management has to make representation with the supplier to completely comply with the contractual obligations. On the other hand, the transition from specialized counter servicing to the generalist type needs to be looked into in order to make sure that the easier transactions do not combine with the complicated transactions so as not to cause delay in counter processing and avoid complaints from members who are compelled to queue for a longer period of time.
- 2. There is good reason to believe that SSS is doing the right thing when it comes to the delivery of service to clients based on the 90% satisfaction approval rating garnered from member/claimants surveyed. Branch personnel were cited for politeness and job knowledge, among others. Members also commended SSS for its physical facilities intended for their comfort and convenience. However, improvements in this area may still be necessary.
- 3. Despite some hitches in the procurement of security services, it is reassuring to know that Management is committed in complying with R.A. 9184 and its IRR as well as the agency's very own guidelines on the procurement of goods/services. Management agrees that people responsible must have adequate knowledge on the governing law as well as its implementing rules and regulations.

It is significant to note that Management has given its all out support to IAS. The issuance of several office orders relating to internal auditing is an affirmation of its recognition of the importance of internal audit to the organization. Management enjoins SSS officials and employees to support IAS by way of unrestricted access to pertinent documents and records, as well as providing assistance to facilitate the performance of the internal audit function. The designation of a Management Liaison Officer, who shall be responsible in monitoring Management response/action to an audit recommendation, is another clear indication of Management's understanding of the internal audit function and the vital role of IAS in risk management and governance.

In 2009, IAS will focus on audit projects that will help ensure the financial viability of SSS. Audit projects that have been carefully selected during the IAS planning session and explicitly approved by the Audit Committee will be undertaken by the present manpower complement under the realigned IAS structure. The new IAS structure as proposed in the rationalization plan submitted to the Department of Budget and Management will still have two departments namely: Branch Operations Audit Department (BOAD) and the Support Services Audit Department (SSAD). Upon the approval of the rationalization plan of SSS pursuant to E.O. 336, the physical transfer of personnel between the two departments will immediately take place which will propel to the next level of the implementation of audit projects.

ANTONETTE L, FERNANDEZ Assistant Vice President

# Historical DATA

## **SSS COVERAGE AND PERSONNEL FORCE**

-	FOR 7	THE YEAR*	A	S OF DECEMBER	R 31	AS OF DEC	CEMBER 31
YEAR	W	E	W	E	P	W/P	E/P
1959	24,719	1,211	401,769	10,956	632	636	17
1969	243,857	5,063	2,329,315	88,064	1,996	1,167	44
1979	612,712	11,909	7,381,193	221,000	2,328	3,171	95
1989	704,665	30,358	11,775,459	327,354	3,456	3,407	95
1999	1,152,049	25,894	21,325,966	573,314	4,041	5,277	142
2000	1,304,866	26,868	22,630,832	600,182	3,996	5,663	150
2001	901,834	33,124	23,532,666	633,306	3,942	5,970	161
2002	775,367	34,733	24,308,033	668,039	3,896	6,239	171
2003	743,201	34,535	25,051,234	702,574	4,058	6,173	173
2004	615,152	32,236	25,666,386	734,810	4,043	6,348	182
2005	561,250	23,161	26,227,636	757,971	4,169	6,291	182
2006	511,646	23,792	26,739,282	781,763	4,135	6,467	189
2007	501,938	21,572	27,241,220	803,335	4,145	6,572	194
2008	518,348	27,020	27,759,568	830,355	4,182	6,638	199

<sup>\*</sup> net of termination

Worker (W), Employer (E), SSS Personnel (P)

# CONSOLIDATED GROWTH OF ASSETS, RESERVES & INVESTMENTS (Amounts in Million Pesos)

ASSETS			RESERVES		INVESTMENTS	
Year	AMT	% INC / (DEC)	AMT	% INC/ (DEC)	AMT	% INC / (DEC)
1959	68.2	-	67.6	-	66.2	-
1969	963.2	1,313.3	953.7	1,310.3	919.7	1,288.9
1979	7,258.2	653.6	7,142.6	648.9	7,098.2	671.8
1989	48,200.9	564.1	47,693.6	567.7	46,944.2	561.4
1999	176,875.1	267.0	165,820.6	247.7	168,336.8	258.6
2000	181,741.0	2.8	170,408.7	2.8	166,183.1	(1.3)
2001	163,113.6	(10.2)	161,234.3	(5.4)	151,015.0	(9.1)
2002	162,606.4	(0.3)	159,547.7	(1.0)	149,211.0	(1.2)
2003	170,875.3	5.1	168,137.3	5.4	155,939.7	4.5
2004	179,084.1	4.8	176,386.1	4.9	160,500.4	2.9
2005	199,713.2	11.5	196,287.5	11.3	181,775.4	13.3
2006	228,558.5	14.4	224,995.9	14.6	205,225.5	12.9
2007	247,737.2	8.4	243,016.7	8.0	225,565.3	9.9
2008	233,122.2	(5.9)	225,602.9	(7.2)	211,345.8	(6.3)

# Historical DATA

## **CONSOLIDATED PROGRESS OF OPERATIONS**

(Amounts in Million Pesos)

		Investment and		Operating Expense	es
Year	Contributions	Other Income	Benefits	& others	Net Revenue
1957 - 1959	72.5	4.0	2.8	6.1	67.7
1960 - 1969	959.9	232.3	187.9	118.3	886.0
1970 - 1979	5,599.3	2,677.9	1,584.0	504.4	6,188.8
1980 - 1989	25,114.6	32,879.0	15,791.1	1,852.7	40,349.9
1990 - 1999	158,632.2	139,020.1	158,355.9	17,177.0	122,119.4
2000	30,320.5	12,341.1	33,889.2	4,202.1	4,570.4
2001	31,371.8	14,238.9	39,015.0	4,447.4	2,148.2
2002	34,187.7	11,705.0	40,871.6	4,591.5	429.6
2003	39,420.4	12,763.1	42,806.4	4,776.6*	4,600.5
2004	43,935.8	8,853.3	44,882.5	5,327.3*	2,579.3
2005	47,483.4	12,316.3	46,269.8	5,638.4*	7,891.4
2006	52,543.6	12,107.9	52,122.0	6,379.9*	6,149.6
2007	61,829.1	17,870.0	60,746.6	6,819.3*	12,133.2
2008	68,879.3	29,089.0	67,917.4	6,745.6*	23,305.3

<sup>\*</sup> Excludes SS-EC Share in the Corporate Operating Budget of ECC and OSHC

## SSS GROWTH OF ASSETS, RESERVES & INVESTMENTS

(Amounts in Million Pesos)

		ASSETS		RESERVES		VESTMENTS
Year	AMT	% INC / (DEC)	AMT	% INC / (DEC)	AMT	% INC / (DEC)
1959	68.2	-	67.6	-	66.2	-
1969	963.2	1,312.3	953.7	1,310.8	919.7	1,289.3
1979	6,750.7	600.9	6,641.6	596.4	6,608.6	618.6
1989	42,974.2	536.6	42,466.9	539.4	41,781.2	532.2
1999	159,688.2	271.6	148,633.8	250.0	151,801.8	263.3
2000	163,325.7	2.3	152,002.7	2.3	149,226.1	(1.7)
2001	144,823.8	(11.3)	141,957.2	(6.6)	134,521.0	(9.9)
2002	143,098.5	(1.2)	139,660.0	(1.6)	130,967.2	(2.6)
2003	150,618.9	5.3	147,730.9	5.8	138,909.2	6.1
2004	158,007.4	4.9	155,159.4	5.0	143,304.7	3.2
2005	177,719.6	12.5	174,144.2	12.2	166,535.0	16.2
2006	205,878.6	15.8	202,316.0	16.2	187,759.5	12.7
2007	224,928.6	9.3	220,097.1	8.8	211,167.9	12.5
2008	209,535.8	(6.8)	201,907.9	(8.3)	192,653.8	(8.8)

## **SSS PROGRESS OF OPERATIONS**

(Amounts in Million Pesos)

		Investment and	Ор		
Year	Contributions	Other Income	Benefits	& Others	Net Revenue
1957 - 1959	72.5	4.0	2.8	6.1	67.7
1960 - 1969	959.9	232.3	187.9	118.3	886.0
1970 - 1979	5,122.3	2,573.0	1,511.8	495.6	5,687.9
1980 - 1989	23,081.0	29,353.0	15,058.7	1,751.6	35,623.7
1990 - 1999	154,417.9	123,034.2	152,474.4	16,091.3	108,886.4
2000	29,885.5	10,217.3	32,735.1	4,014.9	3,351.2
2001	30,912.0	12,390.1	37,813.5	4,211.5	1,277.0
2002	33,702.1	9,901.2	39,566.3	4,340.5	(303.5)
2003	38,634.7	11,694.6	41,622.9	4,644.8	4,061.6
2004	43,083.6	7,530.1	43,743.3	5,192.0	1,678.4
2005	46,714.9	10,872.9	45,180.8	5,505.9	6,781.4
2006	51,633.4	10,953.0	51,051.6	6,249.1	5,285.8
2007	60,769.5	17,117.8	59,665.4	6,697.9	11,524.0
2008	67,668.2	27,848.4	66,820.3	6,636.3	22,059.9

## Historical DATA

## EMPLOYEES' COMPENSATION AND STATE INSURANCE FUND GROWTH OF **ASSETS, RESERVES & INVESTMENTS**

(Amounts in Million Pesos)

Year	ASSETS			RESERVES		INVESTMENTS	
	AMT	% INC / (DEC)	AMT	% INC / (DEC)	AMT	% INC / (DEC)	
1979	507.5	-	501.0	-	489.6	-	
1989	5,226.7	929.8	5,226.7	943.2	5,163.0	954.6	
1999	17,186.9	228.8	17,186.8	228.8	16,535.0	220.3	
2000	18,415.3	7.1	18,406.0	7.1	16,956.9	2.6	
2001	19,303.0	4.8	19,277.1	4.7	16,494.0	(2.7)	
2002	19,508.0	1.1	19,887.7	3.2	18,243.8	10.6	
2003	20,406.4	4.6	20,406.4	2.6	17,030.5	(6.7)	
2004	21,226.7	4.0	21,226.7	4.0	17,195.7	1.0	
2005	22,143.3	4.3	22,143.3	4.3	15,240.4	(11.4)	
2006	22,679.9	2.4	22,679.9	2.4	17,466.1	14.6	
2007	22,919.6	1.1	22,919.6	1.1	14,397.4	(17.6)	
2008	23,695.1	3.4	23,695.1	3.4	18,692.0	29.8	

## EMPLOYEES' COMPENSATION AND STATE INSURANCE FUND PROGRESS OF OPERATIONS

(Amounts in Million Pesos)

	Investment and			Operating Expenses		
Year	Contributions	Other Income	Benefits	& others	Net Revenue	
1975 - 1979	477.0	104.9	72.2	8.8	500.9	
1980 - 1989	2,033.6	3,526.0	732.3	100.8	4,726.5	
1990 - 1999	4,214.3	15,985.9	5,881.6	1,085.7	13,233.0	
2000	435.0	2,123.9	1,154.1	185.7	1,219.2	
2001	459.8	1,848.8	1,201.5	235.8	871.2	
2002	485.6	1,803.8	1,305.3	251.0	733.0	
2003	785.7	1,068.5	1,183.5	131.8*	538.9	
2004	852.2	1,323.2	1,139.2	135.3*	900.9	
2005	887.1	1,444.4	1,089.0	132.5*	1,110.0	
2006	910.2	1,154.9	1,070.4	130.8*	863.9	
2007	1,059.6	752.2	1,081.2	121.4*	609.2	
2008	1,211.1	1,240.6	1,097.0	109.3*	1,245.4	

<sup>\*</sup> Excludes SS-EC Share in the Corporate Operating Budget of ECC and OSHC





# Senior MANAGEMENT



PRESIDENT AND CEO AND OFFICES DIRECTLY UNDER PRESIDENT AND CEO

Seated from Left to Right: VP Erlinda O. Del Rosario, President and CEO Romulo L. Neri, VP May Catherine C. Ciriaco, Special Assistant to the President and CEO Antonio N. Echevarria, Jr.,

Standing from Left to Right: CEO-V Lourdes C. Reyes, CEO-IV Juanita L. Reyes, AVP Joel P. Palacios, AVP Amelita C. dela Torre, VP Marissu G. Bugante, AVP Antonette L. Fernandez



### PRESIDENT AND CEO AND INFORMATION TECHNOLOGY MANAGEMENT GROUP

Seated from Left to Right: President and CEO Romulo L. Neri, AVP Gwen Marie Judy D. Samontina, SVP Miguel E. Roca, Jr. Standing from Left to Right: VP Nicholas C. Balbuena, VP Antonio G. Maralit, VP Reynaldo R. Venzon, Special Assistant to the President and CEO Antonio N. Echevarria, Jr.



### CORPORATE SERVICES SECTOR AND OFFICE OF THE SECRETARY TO THE COMMISSION

Seated from Left to Right: OIC Joselito A. Vivit, AVP Daisy S. Real, AVP Jesse J. Caberoy, VP Alfredo S. Villasanta, AVP Milagros M. Pagayatan, AVP Santiago Dionisio R. Agdeppa

Standing from Left to Right: OIC Anita A. Villena, AVP Renato M. Custodio, SVP Amador M. Monteiro, Mgr. Aurea G. Bay, OIC Nestor R. Sacayan



### **INVESTMENTS GROUP**

Seated from Left to Right: AVP Mariano Pablo S. Tolentino, AVP Ma. Luz C. Generoso, AVP Lilia S. Marquez, Deputy Chief Actuary and AVP Rizaldy T. Capulong

Standing from Left to Right: AVP Emmanuel A. Trinidad, SVP Edgar B. Solilapsi, VP Gamelin Z. Oczon



## BRANCH OPERATIONS SECTOR - PROGRAM MANAGEMENT GROUPS AND OTHER OFFICES UNDER EVP FOR BRANCH OPERATIONS

Seated from Left to Right: OIC Milagros E. Floranda, VP Cecilia C. Canlas, Deputy Chief Actuary and AVP Rizaldy T. Capulong, AVP Agnes E. San Jose Standing from Left to Right: AVP Reynaldo C. Oriel, VP Mario R. Sibucao, Chief Actuary and EVP Horacio T. Templo, VP Judy Frances A. See, AVP Antonio S. Argabioso, AVP Alma R. Fausto

Not in Photo: AVP Vicente A. Curimao, AVP Celia B. Tiongson, OIC Leticia B. Ong, OIC Elpidio S. De Chavez



# BRANCH OPERATIONS SECTOR - NATIONAL CAPITAL REGION (NCR) / LUZON / INTERNATIONAL AFFAIRS AND BRANCH EXPANSION GROUPS

Seated from Left to Right: AVP Josie G. Magana, AVP Ma. Teresa C. Ignacio, AVP Aida V. delos Santos Standing from Left to Right: AVP Naciancino L. Monreal, AVP Alberto C. Alburo, Chief Actuary and EVP Horacio T. Templo, VP Jose B. Bautista, VP Judy Frances A. See, OIC-Cluster Head Vilma P. Ágapito



### **BRANCH OPERATIONS SECTOR - VISAYAS AND MINDANAO GROUP**

Standing from Left to Right: AVP Josefina O. Fornilos, VP Eddie A. Jara, AVP Helen C. Solito, AVP Cecilia P. Sabig, Chief Actuary and EVP Horacio T. Templo Not in Photo: AVP Emmanuel R. Palma, AVP Rodrigo B. Filoteo

## SSC & SSS MANAGEMENT DIRECTORY

## SOCIAL SECURITY COMMISSION

THELMO Y. CUNANAN Chairman

ROMULO L. NERI Vice-Chairman

VICTORINO F. BALAIS DONALD G. DEE JOSE SONNY G. MATULA MARIANITA O. MENDOZA SERGIO R. ORTIZ - LUIS, JR. FE TIBAYAN - PALILEO MARIANITO D. ROQUE Members

#### SSS MANAGEMENT

PRESIDENT and CEO

ROMULO L. NERI President and Chief Executive Officer

## EXECUTIVE VICE PRESIDENT & FOUIVALENT RANK

HORACIO T. TEMPLO Chief Actuary & Executive Vice President for Branch Operations Sector

ANTONIO N. ECHEVARRIA, JR. Special Assistant to the President and CEO

#### SENIOR VICE PRESIDENT

AMADOR M. MONTEIRO Legal and Collection Group

MIGUEL E. ROCA, JR. Information Technology Management Group

EDGAR B. SOLILAPSI Investments Group

#### VICE PRESIDENT

NICHOLAS C. BALBUENA Computer Operations Division

JOSE B. BAUTISTA Luzon Group

MARISSU G. BUGANTE Public Affairs and Special Events Division

CECILIA C. CANLAS Benefits Program Division (compulsory retired effective 23 November 2008)

MAY CATHERINE C. CIRIACO Management Services Division and Concurrent Head of Corporate Policy and Planning Office

ERLINDA O. DEL ROSARIO Controllership Division

EDDIE A. JARA Visayas and Mindanao Groups

ANTONIO G. MARALIT Planning & Research Division

GAMELIN Z. OCZON Treasury Division

JUDY FRANCES A. SEE Coverage and Collection Program Division and Concurrent Head of International Affairs and Branch Expansion Division MARIO R. SIBUCAO Member Assistance Center Program Management Department and Concurrent Head of Benefits Program Division

REYNALDO R. VENZON Applications Systems Division

ALFREDO S. VILLASANTA Office and General Services Division

#### ASSISTANT VICE PRESIDENT, EQUIVALENT RANK & CLUSTER HEAD

SANTIAGO DIONISIO R. AGDEPPA Cluster Legal Support Unit

ALBERTO C. ALBURO NCR Central Cluster

ANTONIO S. ARGABIOSO Contributions Collection Program Management Department

JESSE J. CABEROY Human Resource Management Division

CONSOLACION M. CANCIO NCR South Cluster

RIZALDY T. CAPULONG Securities Trading and Management Department and Concurrently Deputy Chief Actuary

VICENTE A. CURIMAO, JR. Medical Operations Department

RENATO M. CUSTODIO Commission Legal Staff I

AMELITA C. DELA TORRE General Accounting Department

AIDA V. DELOS SANTOS Luzon South Cluster

ALMA R. FAUSTO Medical Program Division

ANTONETTE L. FERNANDEZ Internal Audit Service Division

RODRIGO B. FILOTEO Western Mindanao Cluster

JOSEFINA O. FORNILOS Northern Mindanao Cluster

MA. LUZ C. GENEROSO Loans Program Management Division and Concurrent Head Member Loans Program Department

MA. TERESA C. IGNACIO Bicol Cluster

JOSIE G. MAGANA NCR North Cluster

LILIA S. MARQUEZ Institutional Loans Department

NACIANCINO L. MONREAL Branch Support Services

LUIS V. OLAIS Luzon North Cluster

REYNALDO C. ORIEL Special Assistant to the Executive Officer Branch Operations Sector

MILAGROS M. PAGAYATAN Commission Legal Staff II and Acting Commission Secretary/ Clerk of the Commission JOEL P. PALACIOS Media Affairs Department

EMMANUEL R. PALMA Southern Mindanao Cluster

DAISY S. REAL Competency & Performance Management Department

JUANITA L. REYES Corporate Executive Officer IV Office of the President and CEO

LOURDES C. REYES Corporate Executive Officer V Office of the President and CEO

CECILIA P. SABIG Western Visayas Cluster

GWEN MARIE JUDY D. SAMONTINA Technical Support Division

AGNES E. SAN JOSE Retirement, Death and Funeral Program Management

HELEN C. SOLITO Central Visayas Cluster

CELIA B. TIONGSON Operations Accounting Division

MARIANO PABLO S. TOLENTINO Asset Management Department

EMMANUEL A. TRINIDAD Special Assistant to the Executive Officer Investments and Finance Sector

#### DEPARTMENT HEAD/BRANCH HEAD/ OFFICER-IN-CHARGE OF DEPT/ BRANCH

ARTHUR O. ABARY Novaliches Branch

LEO CALIXTO C. ABAYON \*
Network and Communications Department

ESTRELLITA L. ABELLA Information Systems Security Office

ERLINDA J. ABELLO \* Dipolog Branch

HELEN L. ABOLENCIA San Juan Branch

JOSEPHINE C. ABRIL La Union Branch

PRECIOSA K. ACUÑA

San Carlos Branch

VILMA P. AGAPITO Luzon Central Cluster

NATIVIDAD Q. AGUIRRE Baler Branch

MARIA RITA S. AGUJA \* Makati 3 Branch

ELVIRA G. ALCANTARA-RESARE Budget Department

LIBERATO D. ALMONTE Gingoog Branch

EDWIN M. ALO \* Cagayan De Oro Branch

JOSE ALVIN M. ALTRE Urdaneta Branch

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ESTRELLA R. ARAGON Isabela Branch

TERESITA L. ARAOS Pasay-Roxas Blvd. Branch

GREGORIO P. ASENDIDO Calapan Branch

DIVINA T. AVILA Virac Branch

CORAZON L. BALAGBIS Batangas Branch

PORFIRIO M. BALATICO Tuguegarao Branch

SIMPLICIA M. BANIAGO

Malolos Branch

ELVIRA B. BANICO
Bacolod Branch

LETICIA G. BARBERS Alabang Branch

CYNTHIA O. BARCELON Pasig Branch

ALAN M. BARCINAS \* Toril Branch

MA. LUZ N. BARROS-MAGSINO Manila Branch

AVELINA M. BAUTISTA \*
Valenzuela Branch

ROBERTO B. BAUTISTA International Affairs Department

AUREA G. BAY Human Resource Administration Department and Concurrent Head of Relationship Management Department

TERESITA R. BAZON Office Services Department

MARILOU M. BETIC Real Estate Loans Accounting Department

RHODORA G. BONITA \* Pasay - Taft Branch

JAMES B. BUCKLY \* Basilan Branch

LOURDES K. BUENAFE \* Nueva Vizcaya (Solano) Branch

FELIPE R. CABAÑERO Branch Computer Operations Department

ELIZABETH G. CABATINGAN Zamboanga Branch

GEMMA C. CABERTE \* Ormoc Branch

LILIBETH A. CAJUCOM \* Tacloban Branch

VIRGINIA F. CALASAHAN \* Pasig 2 Branch

PERKINS B. CALIXTRO \* Oroquieta Branch

ELENA T. CAMBA Iba Branch (temporarily assigned at Commonwealth Branch)

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RAUL A. CASIANO Iloilo Branch ANTONIO A. CASIMIRO \* Tabaco Branch

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MILAGROS N. CASUGA Kalookan Branch

JAIME S. CASUMPANG Ipil Branch

JOSE S. CATOTO, JR. Koronadal Branch

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JOVE L. COLASITO Digos Branch

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CELSO C. CUNANAN Data Center Operations Department

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PABLITA A. DAVID \* Meycauayan Branch

ELPIDIO S. DE CHAVEZ San Francisco Del Monte Branch

ELIZABETH A. DE GUZMAN \*
Goa Branch

RIZALITO ALBERTO C. DE LEON Tagum Branch

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LOLITA A. DEL CARMEN Zamboanga Branch

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HARRY B. DIENZO Olongapo Branch

ZARA M. DIZON \* Recto Branch

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ROGELIO A. FUNTELAR Member Assistance Center Program Management Department

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SUKARNO D. PENDALIDAY Cotabato Branch

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CEASAR P. SALUDO Dagupan Branch

ELENITA S. SAMBLERO Legaspi Branch

VIRGILIO A. SANTIAGO \* Daet Branch

MARILOU M. SANTOS \*

LORELEI B. SOLIDUM Cubao Branch

ANTONIO V. SORIANO EPZA Branch

CARMEN O. SORIANO Operations Research Department

PRISCO S. SORSONA \* Iriga Branch

ROMARICO B. SOTOMANGO Tagaytay Branch

SYLVETTE C. SYBICO Foreign Branch Expansion & Monitoring Department

MANOLITO C. TAGALOG Davao City 1 Branch

MARILYN O. TAMAYO \* Camiguin Branch

EDNA S. TAGUIN San Pablo Branch

GUILLERMO S. TARUC Cabanatuan Branch

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San Jose, Occidental Mindoro Branch

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AMALIA N. TOLENTINO \*
Las Piñas Branch

ARNOLD A. TOLENTINO Management Information Service Department

NANCY M. UMOSO Bangued Branch

IRENEO T. VILLAFLOR \* Bago Branch

AMELIA U. VILLAMOR Malabon Branch

MARIVIC S. VILLARAMA Database Administration Department

ANITA A. VILLENA Loans Collection Department and Concurrent Head of Collection Division

LEANDRO XAVIER M. VILORIA, JR. \*
Welcome Branch

WENCESLAO G. VIRTUCIO, JR. Biñan Branch

JOSELITO A. VIVIT \* Legal Department SALVE B. VIZCONDE

Taguig Branch
JULIOUS J. WALES \*

Bislig Branch

VALERIANO P. WENCESLAO, JR. Mati Branch

ABELARDO C. YOGYOG Bontoc Branch

CYNTHIA A. ZURBANO \* Cebu City Branch

\* Officer-In-Charge (OIC)





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Vice-Chairperson: VP Marissu G. Bugante

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Atty. Joselito A. Vivit

Consultant: Mr. Antonio N. Echevarria, Jr.

Secretariat:

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