

PRESS RELEASE

DepEd, GSIS commit to protect DepEd personnel's retirement benefits

The Department of Education and the Government Service Insurance System (GSIS) entered into a deal today to ensure proper entries in the service records of public school teachers and DepEd's non-teaching personnel. This will facilitate better services for education employees to protect their entitlement to benefits.

"The department assures its personnel that we are exerting our best efforts to give them the benefits due to them," said Education Chief Armin Luistro. "Their services are invaluable and this agreement can be among the best gifts we can offer them as we celebrate World Teachers' Day tomorrow.

Both parties have already agreed on a previous memorandum of agreement (MOA) on December 12, 2005 that undertook the updating of the service records (SRs) of DepEd personnel. GSIS funded the project. However, GSIS reports that only 385,258 out of 520,660 expected SRs were submitted. Of which, only 291,193 were properly validated and uploaded into the GSIS' database. Through this agreement, GSIS will accept additional SRs from DepEd to ensure accuracy of data in their database.

"This agreement will straighten all complaints thrown back and forth between the two agencies involved," expressed Luistro. "We look forward to seeing more news about how much we have achieved rather than blaming who did wrong."

Per GSIS records, the total premium obligation of DepEd to the GSIS as of August 31, 2010 is about P30 billion, with the principal amount of about P8 billion, government share of P4.8 billion, and personal share of P3.8 billion. The interest was determined to have amounted to about P21.6 billion. GSIS said that this non-payment of the foregoing obligation has adversely affected the entitlement to life and/or retirement benefits of personnel who have retired or whose policies have matured.

DepEd's accounting division, however, disputes this claim saying that the agency is not remiss on remitting personal shares of its employees. In fact, any non-remittance will surely come out in COA audit observations. The agency wishes to clarify that the department pays on time.

In the agreement, DepEd needs to complete the submission of all SRs of its personnel on or before December 15, 2010 without need of any additional funding from the GSIS and ensure that those who participated in the SR updating project under the previous MOA have been paid. It is also tasked to regularly update GSIS of the status of the SR updating and provide it with all the necessary information.

On GSIS' end, it shall promptly validate SRs submitted by DepEd. It must also upload the same to its database after SRs were duly validated. It shall also provide technical assistance to DepEd and constitute a task force that will closely coordinate with DepEd in the implementation of this project, specifically the technical infrastructure to run DepEd payroll processing in a centralized environment, technical training to the payroll systems development team, assistance in the planning and budgeting of DepEd's own IT infrastructure, and assist in installing compatible encoding systems in all DepEd division offices so as to ensure the consistency and reliability of all records.

The MOA also included that after December 15, both parties will exert all efforts to expedite the validation and reconciliation process in order to arrive at the accurate amount of the obligation, if there are any.

"We welcome this positive development on the benefits of our personnel that will lead to their better performance. We are hoping that slowly, we can address the problems that get in the way of prompt payment or remittance of premiums and loan obligations through cooperation and continuous dialogue," told Luistro.

With this MOA of GSIS and DepEd, and with the participation of the Department of Budget and Management (DBM), all parties agreed on the terms of payment of the obligation. Because of this, the affected compulsory premium obligations of the members under DepEd will be considered paid and the benefits already paid to these members will be adjusted accordingly.

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