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Kasanyangan Center for Community Development and Microfinance Foundation, Inc.

President's Report

Atty. Ibarra A. Malonzo, President/Chief Executive Officer

This Report will principally cover accomplishments for FY 2019, and updates for the first semester of FY 2020.

For the purpose of perspective, there is a need to backtrack from FY 2015 to the present.

Over the years, Kasanyangan Center for Community Development and Microfinance Foundation, Incorporated (KCCDMFI) has experienced a wide range of successes and failures. From a high point in FY 2014 where we had an outreach of 30,000 clients, we saw a sharp decline in the following years, from FY 2015 to FY 2017 in all indicators. However, by FY 2018, there was some improvement in terms of PAR rate and net income. FY 2019 was a very good year.

The table below provides an overview of KCCDMFI's performance history.

KFI Center for Community Development and Microfinance Foundation, Inc-KCCDMFI PRESIDENT AND CEO REPORT Yearly ACCOMPLISHMENT form Year 2015 - Year 2019							
Indicators	2015	2016	2017	2018	2019	Inc./(dec) 2015-2019	Inc./(Dec) 2015-2019
Portfolio Quality		cleaning period		recovery		in terms in amount	in terms in %
Outreach	24,573 clients	20,978 clients	16,466 clients	14,364 clients	20,559 Clients	(4,014 clients)	(16%)
Loan Portfolio	109.6 M	139.8 M	133.4 M	120.1 M	208.1 M	98.5 M	(89)
Par Rate	17.28%	28.93%	20.61%	2.11%	3.17%	(14.11%)	3.17%
Past Due							
PAR Amount							
Financial Highlights							
Statement of Financial Conditions							
Assets	273.8 M	239.1 M	231.3 M	236 M	291.4 M	17.6 M	(256.2%)
Liabilities	253.1 M	217.8 M	190.5 M	211 M	254 M	900 T	(0.003%)
Reserved Funds							
Capital Build Up	56.2 M	52.4 M	74.2 M	75.9 M	99.9 M	43.7 M	(77%)
KCC Fund	0	0	97 T	7 M	12.7 M	12.7 M	
Damayon Fund-KKK	0	0	2.7 M	4.7 M	5.5 M	5.5 M	
Loans Payables							
Land Bank	126.1 M	103 M	84 M	82.2 M	88.3 M	(37.8 M)	(30%)
MBA	45.8 M	40.9 M	31.8 M	34.5 M	29.4 M	(16.4 M)	(35%)
Statement of Income and Expenditures							
Revenue	112.6 M	74.3 M	84 M	84.4 M	137.7 M	25.1 M	(22%)
Operating Expenses	55.2 M	25.6 M	29.3 M	26 M	46.2 M	(9 M)	(16%)
Personnel Cost	32 M	29.6 M	31.8 M	42.8 M	54.3 M	22.3 M	(69%)
Total Expenses	99 M	55 M	61.1 M	69 M	100.5 M	1.5 M	(15%)
Interest Expenses	15.6 M	9.2 M	7.7 M	9.2 M	23.1 M	7.5 M	(48%)
Provision for loan loss	6.3 M	8.9 M	12.5 M	5.3 M	9.9 M	3.6 M	(57%)
Taxes	5.5 M	25.2 T	77.2 T	8 M	16.8 M	11.3 M	205%
Net Income	(2.2 M)	581 T	1.9 M	4.6 M	11.3 M	9.1 M	(5.5 M)

Where other MFIs dare not go, KCCDFI goes.

A Look Back at 2019

I. Accomplishment Reports of Departments and Units

A. Field Operations

The year-end performance of the Department yielded an outreach of 21,821 clients with the total loan portfolio of 208,123,617.66 and a par rate of 3.17%. As to agri-loans, the Department served a total of 2,094 clients with a total loan portfolio of 42,526,411.56 and a par rate of 7.73%. The Department offered seaweeds loan, vegetables loan, rice loan and corn loan.

The Department manages twenty (20) branches, including Sangali Branch, Talon-Talon Branch, Tetuan Branch, Maasin Branch, Mercedes Branch, Sinunuc Branch, Talisayan Branch, Cabaluay Branch, Sta. Maria Branch, Sta. Catalina Branch, Putik Branch, Vitali Branch, Curuan Branch, Ipil Branch, Kabasalan Branch, Imelda Branch, Olutanga Branch, Siocon Branch, Liloy Branch and Marikina Branch. Department staffing consists of one (1) Field Operations Department Head, five (5) Area Managers, nineteen (19) Branch Managers, thirteen (13) Senior Field Development Officers and sixty-five (65) Field Development Officers.

Meanwhile, to emphasize the essence of development work in the performance of their duties, the position nomenclature, "Field Credit Officer" was changed to "Field Development Officer."

B. Finance

The Department, primarily tasked to allocate resources and manage cash flows, closed the year with the gross revenue amounting to P137,797,414.00, with the total expenses at P126, 406, 363.00 and with the net income at P11, 391, 051.00. Meanwhile, in accordance with its mandate to conduct fund sourcing, it processed and submitted loan applications to United Coconut Planters' Bank (UCPB), Agricultural Credit and Policy Council, (ACPC), (CARD-MRI), Security Bank and Bank of the Philippine Islands.

The Department was able to process full compliances with various regulatory agencies including the Securities and Exchange Commission, the Bureau of Internal Revenue, and the Local Government Unit of Zamboanga City, among many others.

C. Accounting

The Department was led by a Certified Public Accountant (CPA) hired on the 2nd quarter of the year named Ms. Keith Perez, who, together with Vice President Mercedes G. Faustino and CPA Nevilyn Abualas, managed to resolve the 2017 Letter of Assessment (LOA) issued by the Bureau of Internal Revenue (BIR), allowing the Institution to pay only P2M instead of P40M. The Department also fully completed its routine transactions and compliances, including the preparation of the Monthly Financial Statements of the Institution, assisting external auditors in their conduct of audit in the 1st and 3rd quarters of the year, as well as assisting internal auditors in their conduct of regular audit of the department. More importantly, the Department implemented corrective measures for ensuring that minor accounting discrepancies do not transpire; some of these measures include

providing standard bookings on Instafin for common entries; reconciling current monthly due to/from account; and issuance of memoranda regarding accounting policies and procedures. The Department also conducted in-house training for field operations and head office personnel on the last quarter of the year pertaining to accounting procedures like preparation of bank reconciliation and orientation on accounting terms often used in the operation.

D. Administrative and Human Resources

Salary standardization correlated with significant increase in compensation kept the Department busy in the first two quarters of the year, with the Board approving the salary scheme in August, 2019. The Department managed to deploy eleven (11) new Field Development Officers (FDOs) out of twenty (20), fielding trained personnel for significant development work. Further, the Department revised and implemented the Productivity Incentive Scheme (PIS) for field operations personnel; facilitated the installation of biometrics machines in all branches; conducted performance evaluation of personnel; as well as implemented an awarding scheme whereby employees who have rendered service five years and above were gifted with token and cash prize.

E. Management Information Systems

The Unit's biggest impact for the Institution included active collaboration with Oradian, system provider for Instafin, to address several issues to improve the system. The Unit primarily handled the preparation, editing and publication of the KCCDMFI 2018 Annual Report, with Ms. Jurgette Honculada as writer-editor. The Unit also conducted basic orientation on Computer Operation and Maintenance with refresher on INSTAFIN in all branches as well as daily system monitoring and immediately addressed system-related concerns; developed new loan product for ACPC project; created new form for membership that is consistent with the INSTAFIN; revised the PN Form and eliminate redundant data field; revised loan products and complied MNRC directives that is to use diminishing balance in computing loan interest; conducted orientation on Truth in Lending Act, Data Privacy Act and on the Diminishing Balance method of interest computation; complied requirements for MiDAS membership; conducted cost-benefit study on INSTAFIN Field Officer App, among other routine tasks.

F. Internal Audit

The Department conducted routine audits of branches, on first and second rounds. The first ever audit of head office departments was conducted, the auditees being the Finance and Accounting Departments. Meanwhile, consultant Mr. Robert Abao crafted the risk-based internal audit tool as well as the internal audit manual, which is yet to be approved by the Board. Finally, Trustee Iluminada L.E. Cabigas provided an improved and enhanced audit tool for branch audits.

G. Community Development

The Department vigorously recruited associate members in its goal pertaining to KCC Formation and Outreach, as well as fund generation. As a result the number

of KCC associate members amounted to 1,629 individuals, while accumulated fund generated amounted to P15 M from fund raising and center fund mobilization, for both regular and associate members.

On the other hand, community-initiated projects and support largely impacted communities, with major projects changing lives in Barangays. These include the construction of foot bridge in Barangay Conception in Kabasalan; construction of road right of way in Sampaloc Drive in Barangay Talon-Talon, establishment of sea weeds dryer in Barangay Buluan for sea weeds growers; and deep well construction in resettlement area in Barangay Labuan. Meanwhile, the Institution, through the Department, also provided livelihood support with the purchase of three (3) units sewing machines for the purpose of training KCC members in garments and slipper making.

Taking care of the environment became the primary focus of the Department towards the end of the year, with the greening program consisting of the tree growing of coconut, coffee and other fruit bearing trees. The Department also conducted training on coffee farming technology and production and environmental awareness.

H. Business Development Service

The Unit Collaborated with Habitat for Humanity in coming up with the Mia Casa loan product, a house repair loan, whereby clients were provided with fast loan processing, less loan requirements and no service charge. The launch was made by March in four (4) pilot branches. The Unit also coordinated with Mindanao Microfinance Council and Habitat for Humanity in developing products that enabled client-members to avail of the international program, Water Sanitation, and Hygiene (WASH). Meanwhile, loan product orientations were conducted for WASH and MIA CASA, as well as the ICARE Loan Product. Meanwhile, trainings were conducted by the Unit on Entrepreneurial Mindsetting, Values Formation and Consumers Right in various areas.

II. Governance

Governance of a corporation is vested by law on the board of trustees. The board of trustees, elected in a general membership meeting, then elect the board officers, including the President and Chairperson of the Board. The board of trustees create specific committees to assist Management.

The general membership of KCCDMFI consisting of fifteen (15) members, held an assembly on May 19, 2019 and re-elected the seven (7) trustees which in turn elected the board officers:

Chairperson	:	Jose Deles, Jr.
Vice-Chairperson	:	Atty. Ibarra A. Malonzo
Treasurer	:	Czarmilson P. Manza
Secretary	:	Angela L. Baes
Members	:	Illuminada L.E. Cabigas Jun Jay E. Perez

Hermis S. Tan

Ibarra A. Malonzo was re-elected as President and Chief Executive Officer.

The Board created the following committees in January 29 2019, during the 59th Regular Board Meeting, with the trustees designated as chairperson and members; with members of the Foundation as resource persons; and with KCCDMFI staff as secretariat:

Governance	Jose Deles, Jr., Chairperson Ibarra A. Malonzo, Member Illuminada L.E. Cabigas, Member Junjay G. Perez, Member Hermis S. Tan, Member Esther Salindong, Resource Person Karen Kay R. Diesto, Secretariat
Audit	Illuminada L.E. Cabigas, Chairperson Angela L. Baes, Member Jose Deles, Jr., Member Czarmilson Manza, Member Wilfredo Biwang, Resource Person Marissa V. Fortuna, Secretariat
Finance and Risk	Angela L. Baes, Chairperson Illuminada L.E. Cabigas, Member Junjay G. Perez, Member Ibarra A. Malonzo, Member Rebecca Antonio, Resource Person Janette G. Pejana, Secretariat

However, by November 2019, the Board decided to revise the committees into the Governance, Audit and Board Executive Committees, with the following trustees designated as chairperson and members:

Governance	Jose Deles, Jr., Chairperson Ibarra A. Malonzo, Member Junjay G. Perez, Member Czarmilson P. Manza, Member
Audit	Illuminada L.E. Cabigas, Chairperson Angela L. Baes, Member
Board Executive Committee	Jose Deles, Jr. Ibarra A. Malonzo Illuminada L. E. Cabigas

In addition to specific board committee assignments, trustees were engaged to provide consultancy services for the Management. Ms. Cabigas provided consultancy services on audit, finance, accounting, field operations and community development through field

visits and phone conversations. Trustee Jun Jay E. Perez served as lecturer and facilitator for a two-day training on community project identification for KCC Leaders.

The Board of Trustees held nine (9) regular board meetings in a year with majority of the trustees in attendance, and from these meetings, produced sixty (60) Board Resolutions (see Summary in “Annex A”).

Development of Manuals

The Internal Audit Manual was developed by Mr. Robert Abao, with the input of the Internal Audit Department (IAD) staff. The Operations Manual was developed by Mr. Erwin M. Idong and Mr. Jeff Ordoñez, with a number of consultations and workshops with selected field operations personnel. Both manuals are scheduled for strict implementation in FY 2020.

III. The Synergy of Different Institutions

Management has taken steps to realize the Institution’s strategic objective to “synergize the different KCCDMFI institutions that deliver capacity building and enterprise development services,” by designating Mr. Noel D. Simbajon as Executive Director of the mother institution, Kasanyangan Mindanao Foundation, Incorporated (KFI), under which the Community Development Unit and Business Development Service Unit were devolved from KCCDMFI. KFI started exercising control, monitoring and supervision of the two units by the end of the year. This concrete step is expected to strengthen the force of the Institution in delivering much-needed services for communities, in line with the Vision, Mission and Goals of the Institution.

I ended my annual report last year with a very optimistic statement, “we are growing stronger and we intend to stay on this course in FY 2020.” However, no one knew, that in December 2019, a tiny virus that most likely originated from a tiny bat in the wilds of China would jump into another animal and then infect a person, and spread all over the world in a few months.

IV. Updates on the First Semester of FY 2020

FY 2020 is a most challenging year, as the COVID-19 Pandemic has impacted lives on a global scale, with the microfinance industry greatly affected.

The COVID-19 health crisis impacted Zamboanga City, Zamboanga Sibugay and Zamboanga del Norte by March 2020 with the declaration of enhanced community quarantine by the Local Government Unit of Zamboanga City. All employees were forced to work from home, only to report to their work stations on May 25, albeit in compliance with the skeleton-staff requirement. By July 06, and with the declaration of Modified Community Quarantine, the Institution is now in full operation, with all employees reporting five times a week.

Its Management Committee, with the guidance of Trustee Jun Jay E. Perez, formulated the Business Continuity Plan (BCP), herein attached as “Annex B,” for the

purpose of ensuring that adjustment measures are in place to adapt to the “new normal” resulting from the pandemic.

The Field Operations Department meanwhile successfully beat the odds with the total number of clients at 19,454 and total loan Portfolio at P204,095,453.86 (as of May 31, 2020). Collection of loan amortizations was made even at the height of the crisis, with effective management of funds and disbursements of loan, as well as the securing of insurance renewal of client-members, all the while complying with health and safety work protocols.

Meanwhile, the Financial status of the Institution as of May 31, 2020 may be gleaned from the table below:

KFI Center for Community Development and MicroFinance Foundation, Inc-KCCDMFI
 PRESIDENT AND CEO REPORT
 FROM JANUARY TO MAY 2020 ACCOMPLISHMENT

1. Performance Accomplishment As of May 31, 2020

Indicators	Target-Jan to Dec 2020	Actual-(Jan to May 2020)	Inc./(Dec) in terms Amount	Increased/(Decreased) In Ratio
PORTFOLIO QUALITY				
Outreach	28,081 clients	19,227 clients	(9,574)	(34 %)
Loan Portfolio	290.7 M	205 M	(98.6 M)	(34%)
Par Rate	3%	27.7%	24.5%	21.5%
PAR amount				
Past Dues				
Statement of Financial Conditions				
Assets	346 M	288 M	(58 M)	(16%)
Liabilities	275.9 M	262 M	(13.9 M)	(0.5%)
Reserved Funds				
Capital Build Up	116 M	101 M	(15 M)	(12%)
KCC Fund	17 M	13 M	(4 M)	(23%)
Damayan Fund	7.3 M	5.4 M	(1.9 M)	(26%)
Loans Payable				
Land Bank		75 M		
MBA		29 M		
Statement of Financial Income and Expenditures				
Revenue	135.5 M	36 M	(99.5 M)	(73%)
Operating Expenses	49.4 M	9.7 M	(39.7 M)	(80%)
Personnel Cost	62.6 M	21.4 M	(41.2 M)	(65%)
Interest Expenses	16.9 M	6.2 M	(10.7 M)	(6.2%)
Provision for loan loss	9 M	2.4 M	(6.6 M)	(2.4%)
Total Expenses	135.5 M	40 M	(95.5 M)	*(40%)
Taxes	2.3 M	600 T	(1.7 M)	(74%)
Net Income	37.4 M	(4.6 M)	(42 M)	(112%)

Meanwhile, the table below shows the Operations Update as of June 30, 2020:

OPERATIONS REPORT
JUNE 30, 2020

BRANCH	ACTIVE CLIENTS	SAVERS	LOAN PORTFOLIO	REVENUE	LOAN COLLECTION	LOAN DISBURSEMENT
CABALUAY	900	0	9,622,293.02	346,560.58	1,917,635.07	1,205,000.00
CURUAN	444	74	5,501,065.25	141,859.80	766,887.94	60,000.00
IMELDA	1105	185	16,254,803.67	328,781.59	2,782,575.81	2,581,000.00
IPIL	960	127	13,827,264.21	289,516.82	3,066,331.60	2,628,000.00
KABASALAN	910	110	8,201,383.07	241,473.97	2,367,822.84	2,026,000.00
LILUY	624	82	3,152,066.38	71,900.07	498,877.18	281,000.00
MAASIN	833	64	7,810,138.68	266,878.77	1,679,291.27	1,312,000.00
MARIKINA	404	97	2,735,977.47	60,024.33	304,534.66	35,000.00
MERCEDES	1435	95	20,487,925.80	362,578.81	2,057,414.71	369,000.00
OLUTANGA	515	43	6,239,697.46	175,174.70	1,224,553.41	1,174,000.00
PUTIK	1137	84	11,352,141.78	471,448.70	3,149,836.27	2,424,000.00
SANGALI	1272	87	11,091,783.77	551,986.74	3,276,323.66	2,129,000.00
SINUNUC	1135	107	9,063,602.98	396,362.99	2,274,013.09	991,000.00
SIOCON	726	107	4,774,562.43	117,957.51	1,096,079.94	626,000.00
STA. CATALINA	1125	100	12,749,568.05	388,901.51	2,375,221.96	1,336,000.00
STA. MARIA	1169	143	12,743,827.50	492,825.83	3,523,214.65	2,365,000.00
TALISAYAN	995	280	9,356,157.74	398,321.97	3,284,602.58	0.00
TALON-TALON	1190	121	12,686,575.60	315,760.66	1,734,012.91	0.00
TETUAN	1055	154	10,288,310.84	404,410.99	2,635,080.95	1,054,000.00
VITALI	573	99	4,209,124.48	190,969.83	1,255,769.71	731,000.00
TOTAL:	18,507	2,159	192,148,270.18	6,013,696.17	41,270,080.21	23,327,000.00

“Annex A”

Board Resolutions Approved, FY 2019

No.		Resolution No.	Title and Summary	Approval Date
1		001 Series of 2019	WRITE –OFF OF MATURED ACCOUNTS The Board of Trustees of KCCDMFI unanimously approved the writing-off of matured accounts amounting to the total of P23,812,781.44 Million, for the purpose of declaring such accounts receivable as bad debts, thereby reflecting accurate data in its accounting books.	Jan-29
2		002 Series of 2019	APPROVAL OF THE MEMORANDUM OF AGREEMENT (MOA) BETWEEN KCCDMFI AND KMBA a.6% interest per annum shall be applied to the loan of KCCDMFI; b.In turn, 3% service charge shall be applied to the premium of MBA Insurance which KCCDMFI Field Credit Officers collect weekly; and c. KCCDMFI added real estate collateral, which included the properties in Sibugay and in Binaloy.	Jan-29
3		003 Series of 2019	APPROVAL IN PRINCIPLE OF THE STRATEGIC PLAN (2019-2023) AND OF THE FINANCIAL PROJECTION FOR FY 2019 the Board approved, in principle, said Strategic Plan with the caveat that a framework for the KFI-KMFI-KMBA-KCC synergy business model must first be developed by Mr. Jonas George Soriano before implementation of the Plan shall be made.	Jan-29
4		004 Series of 2019	HIRING OF EXECUTIVE ASSISTANT The Board of Trustees of KCCDMFI approved the hiring of Ms. Diesto for the position of Executive Assistant.	Jan-29
5		005 Series of 2019	APPROVAL OF REQUEST FROM CLIENT CAÑOLAS TO REDUCE THE AMOUNT COLLECTIBLE FROM HER OUTSTANDING LOAN UNDER THE INDIVIDUAL LOAN ASSISTANCE PROGRAM (ILAP) The Board of Trustees of KCCDMFI granted the request of Ms. Cañolas to reduce the amount collectible from her, from P659,996.67 to P550,000.00.	Jan-29
6		006 Series of 2019	ADOPTION AND RATIFICATION OF THE GOVERNANCE MANUAL the Board of Trustees of KCCDMFI authorized Management to compensate Mr. Allan Sicat at	Jan-29

			P28,000.00 for the authorship of the Governance Manual and that the Board approved and ratified said Governance Manual.	
7		007 Series of 2019	APPROVAL OF THE 2019 BUDGET PROPOSAL The Board approved the 2019 Budget Proposal as presented.	Feb-28
8		008 Series of 2019	INSTALLATION OF ADDITIONAL CLOSED-CIRCUIT TELEVISION (CCTV) CAMERAS TO STRENGTHEN VIDEO SURVEILLANCE AT HEAD OFFICE The Board approved the installation of additional closed-circuit television (CCTV) cameras for the purpose of strengthening video surveillance at the Head Office and in order to accurately document transactions made.	Feb-28
9		009 Series of 2019	RESOLUTION TO APPLY AS LENDING CONDUIT UNDER THE AGRICULTURAL CREDIT POLICY COUNCIL (ACPC) PROGRAM FOR UNIFIED LENDING TO AGRICULTURE (PUNLA)/PRODUCTION LOAN EASY ACCESS (PLEA) AND DESIGNATING AUTHORIZED REPRESENTATIVE/S TO ENTER INTO AGREEMENT WITH THE AGRICULTURAL CREDIT POLICY COUNCIL The Board approved that KCCDMFI shall apply as lending conduit of the ACPC Program for Unified Lending to Agriculture (PUNLA)/Production Loan Easy Access (PLEA) in order to address the needs of marginal farmers and fisher folk in the provinces of Zamboanga del Sur and Basilan, whereby the request for fund allocation is in the amount of TWENTY MILLION PESOS (P20,000,000.00)] to support the agri- and fishery production activities of marginal farmers and fisher folk.	Feb-28
10		010 Series of 2019	APPROVAL OF THE WRITE-OFF POLICY The Board approved the Write-off Policy presented by Management.	Feb-28
11		011 Series of 2019	APPROVAL OF THE "MIA CASA" HOUSING LOAN PRODUCT The Board approved the "Mia Casa" Housing Loan Product for the purpose of catering better to low-income households, in accordance with the goals of the Foundation to better the lives of the Filipino.	Feb-28
12		012 Series of 2019	APPROVAL OF FARM TOURISM PROGRAM The Board approved the Farm Tourism Program and the Authorization of Mr. Tan, Mr. Quinday, Mr.	Feb-28

			Deles and Mr. Perez to Travel to the Farm Tourism Locations including Sunflower Maze at Tayub, Pangasinan, Costales Nature Farm at Majayjay, Laguna and Kahariam Farm at Batangas to study the business model of similar programs.	
13		013 Series of 2019	APPROVAL OF MEDICAL AND DENTAL BENEFITS POLICY The Board approved the Medical and Dental Benefits Policy presented by Management.	Feb-28
14		014 Series of 2019	APPROVAL TO OPEN A NEW ACCOUNT WITH FIRST VALLEY BANK FOR OLUTANGA BRANCH The Board approved the opening of a new account with First Valley Bank for Olutanga Branch in consideration of the efficiency, safety and convenience in the remittance of collection of loan payments.	Feb-28
15		015 Series of 2019	APPROVAL OF CONTRACT PRICES FOR THE DEVELOPMENT/IMPROVEMENT AND INITIAL IMPLEMENTATION OF THE OPERATIONS MANUAL AND OF THE AUDIT MANUAL The Board of Trustees of KCCDMFI approved the contract prices for the development and/or improvement of the Operations Manual at P220,00.00, excluding logistical support; and of the Audit Manual at P150,000.00, likewise excluding logistical support. KCCDMFI commissioned Mr. Erwin M. Idong to develop an Operations Manual, and Mr. Robert Abao to develop the Audit Manual.	Mar-15
16		016 Series of 2019	TERMINATION OF INSURANCE CONTRACT WITH CLIMBS LIFE AND GENERAL INSURANCE COOPERATIVE The Board of Trustees of KCCDMFI hereby approve the termination of contract pertaining to the Mortuary Program with CLIMBS Life and General Insurance Cooperative and for Management to retrieve the accumulated patronage refund from CLIMBS Cooperative.	Mar-15
17		017 Series of 2019	DECLARATION OF MEMBERS IN GOOD STANDING The Board of Trustees of KCCDMFI, using its powers to define the profile of members in good standing within the organization and to declare the names of KCCDMFI members in good standing, who shall have the right to attend its annual	Mar-15

			<p>membership and special meetings, declared fourteen (14) members to be so qualified and eligible to participate in the 2019 Annual General Membership Meeting, which included:</p> <p>(01) IBARRA A. MALONZO (02) ANGELA L. BAES (03) ILUMINADA L.E. CABIGAS (04) CZARMILSON P. MANZA (05) JOSE T. DELES, JR. (06) JUN JAY E. PEREZ (07) MERCEDES G. FAUSTINO (08) JANETTE G. PEJANA (09) CATHERINE A. ELUMBRA (10) GRECIA B. ROSALES (11) HERMIS S. TAN (12) REBECCA ANTONIO (13) ESTHER SALINDONG (14) WILFREDO BIWANG</p>	
18		018 Series of 2019	<p>APPROVAL OF INSTAFIN TEXT MESSAGING FEATURE</p> <p>The Board approved the purchase of Instafin Text Messaging feature at P1, 471,675.00 for the benefit of KCCDMFI clients, so that proper monitoring of loan releases shall be made, and risks pertaining to the incidence of fraud shall be lessened.</p>	May-18
19		019 Series of 2019	<p>CONTRACT FOR CONSULTANCY SERVICES OF MS. ILLUMINADA L.E. CABIGAS</p> <p>the board allocates and approves the consultancy fee in the amount of P30, 000.00 a month for management to consult with Ms. Cabigas on KCCDMFI management matters covering matters concerning the institution, specifically those pertaining to accounting, budget, audit, field operations, human resource management, community development and business development through field visits, staff meetings, and consultation through phone and electronic mail</p>	May-18
20		020 Series of 2019	<p>APPROVAL OF LOAN APPLICATION WITH SMALL BUSINESS CORPORATION (SBC)</p> <p>The Board approved for KCCDMFI to apply for a loan from Small Business Corporation (SBC), and further authorized Chief Executive Officer Atty. Ibarra A. Malonzo and Chief Operating Officer Mercedes G. Faustino to apply for, negotiate, and obtain said loan.</p>	May-18
21		021 Series of 2019	<p>ACCEPTANCE OF THE AUDITED FINANCIAL STATEMENTS FOR FY 2018</p> <p>The Board accepted the revised Audited Financial Statement for FY 2018 prepared by the team of BDO Roxas Cruz Tagle and Company.</p>	May-18
22		022 Series of 2019	<p>APPROVAL OF PRODUCTIVITY INCENTIVE SCHEME</p> <p>The Board approved the productivity incentive</p>	May-18

			scheme presented by Management whereby outreach, PAR rate and revenue are significant factors in determining the incentives awarded.	
23		023 Series of 2019	APPROVAL OF ACPC LOAN PRODUCT DEVELOPMENT AND SUPPORT SERVICES PROJECT The Board approved the implementation of the ACPC Loan Product Development and Support Services Project, with funding of P5000,000.00.	May-18
24		024 Series of 2019	APPROVAL OF PILOT-TESTING TABLET USE FOR FIELD WORK IN TWO (2) BRANCHES The Board approved to pilot-test the use of tablets in field work subject to further study of the Field Operations Unit and Management of its viability.	May-18
25		025 Series of 2019	ALLOCATION OF FIVE PERCENT (5%) SHARE OF ALL COMMUNITY FUND-RAISING PROJECTS TO THE KCC FEDERATION The Board resolved to allocate five percent (5%) share of all community income-generating projects to the KCC Federation for their utilization in federation meetings, transportation, and other related activities;	May-18
26		026-A Series of 2019	GRANTING APPROVAL AND AUTHORITY FORMANAGEMENT TO FILE LOAN APPLICATIONS WITH LAND BANK OF THE PHILIPPINES The institution experienced substantial increase in its outreach and in its loan applications for the purpose of financial saturation and expansion of its agricultural loan product; The Board granted KCCDMFI Management the authority to file for loan applications with Land Bank of the Philippines (LBP) limited to and not exceeding the amount of Php100 million; it further authorized signatories in the persons of Chief Executive Officer Atty Ibarra A. Malonzo, Chief Operating Officer Mercedes G. Faustino, and Finance Department Head Janette G. Pejana.	Jun-29
27		026-B Series of 2019	GRANTING APPROVAL AND AUTHORITY FOR MANAGEMENT TO FILE LOAN APPLICATIONS WITH BANK OF THE PHILIPPINE ISLANDS The Board granted KCCDMFI Management the authority to file for loan applications with Bank of the Philippine Islands (BPI) limited to and not exceeding the amount of Php100 million; it further authorized signatories in the persons of Chief Executive Officer Atty Ibarra A. Malonzo, Chief Operating Officer Mercedes G. Faustino, and	Jun-29

			Finance Department Head Janette G. Pejana.	
28		026-C Series of 2019	GRANTING APPROVAL AND AUTHORITY FOR MANAGEMENT TO FILE LOAN APPLICATIONS WITH FOUNDATION FOR A SUSTAINABLE SOCIETY (FSSI) The Board granted KCCDMFI Management the authority to file for loan applications from FSSI.	Jun-29
29		026-D Series of 2019	GRANTING APPROVAL AND AUTHORITY FOR MANAGEMENT TO FILE LOAN APPLICATIONS WITH SECURITY BANK The Board granted KCCDMFI Management the authority to file for loan applications from Security Bank.	Jun-29
30		026-E Series of 2019	GRANTING APPROVAL AND AUTHORITY FOR MANAGEMENT TO FILE LOAN APPLICATIONS WITH KMBA The Board granted KCCDMFI Management the authority to file for loan applications from KCCDFI Mutual Benefit Association (KMBA) limited to and not exceeding the amount of Php10 million.	Jun-29
31		026-F Series of 2019	GRANTING APPROVAL AND AUTHORITY FOR MANAGEMENT TO FILE LOAN APPLICATIONS WITH UNITED COCONUT PLANTERS' BANK (UCPB) The Board granted KCCDMFI Management the authority to file for loan applications from United Coconut Planters' Bank.	Jun-29
32		027 Series of 2019	APPROVAL OF BINALOY DEMO FARM PROJECT The Board approved the Binaloy Demo Farm Project subject to compliance of the following conditions. 1. Management must determine the status of the land as to the presence of 'tenants'; 2. Management must determine the metes and bounds of the property through a land surveying activity; 3. The property must be planted with coconut trees along the perimeter to serve as boundary markers and to serve as an assertion of ownership.	Jun-29

33	028 Series of 2019	APPROVAL OF CONSULTANCY SERVICES CONTRACT OF MR. ANTONIO M. LIPIT FOR MARIKINA BRANCH OPERATIONS The Board approved the consultancy services contract of Mr. Lipit, for the purpose of for the purpose of guiding the Marikina Branch staff in attaining institutional goals, and for the purpose of reversing its negative income.	Jun-29
34	029 Series of 2019	APPROVAL OF CONSULTANCY SERVICES CONTRACT OF MR. JEROME G. RABARA AS INFORMATION OFFICER The Board approved the consultancy services contract of Mr. Rabara, for the purpose of serving as Information Officer from July 2019 to January 2019.	Jun-29
35	030 Series of 2019	DESIGNATION OF KASANYANGAN MINDANAO FOUNDATION, INCORPORATED (KFI) AS THE TRAINING ARM OF KCCDMFI WITH BUDGET ALLOCATION OF PHP1.8 MILLION The Board approved the designation of Kasanyangan Mindanao Foundation, Incorporated (KFI) as the training arm of KCCDMFI with budget allocation of php1.8 million; this move is in correlation with KCCDMFI's strategic plan, particularly its governance objective to synergize the different institutions (KMFI - microfinance, KFI - support and KMBA - insurance) that deliver capacity building and enterprise development services.	Jun-29
36	031 Series of 2019	RATIFICATION OF THE APPROVAL BY REFERENDUM IN ALLOCATING THE PRINTING COST OF P150,000.00 FOR THE PUBLICATION OF THE KCCDMFI 2018 ANNUAL REPORT The Board approved the publication of the KCCDMFI 2018 Annual Report and the corresponding printing cost of P175,000.00 for immediate release subject to the usual accounting rules and procedure.	Oct-15 (by referendum)
37	032 Series of 2019	APPROVAL OF SALARY STANDARDIZATION OF KCCDMFI OFFICERS AND EMPLOYEES In the interest of equality and equity, and in demonstration of the value placed by the Board on the services rendered by KCCDMFI officers and	Aug-08

			employees, the Board unanimously approved the salary standardization scheme as revised, retroactively applicable starting July 2019.	
38		033 Series of 2019	SETTING A CEILING PERCENTAGE FOR AGRI-LOANS AT 25% OF THE TOTAL LOAN PORTFOLIO The Board had set the ceiling percentage of agri-loans at 25% of the total loan portfolio to effectively control and manage agri-loans, the Board has set a ceiling percentage for agri-loans at 25% of the total loan portfolio.	Aug-08
39		034 Series of 2019	APPROVAL OF REVISED PRODUCTIVITY INCENTIVE SCHEME (SECOND REVISION) The previously-approved scheme overstepped the compensation boundaries between the Field Development Officer and the Branch Manager, once the incentive has reached maximum proportions; the Board approved the revised scheme in its second revision, for the purpose of affording Field Operations personnel the most beneficial incentive and yet the most equitable scheme, in recognition of their exemplary work and dedication.	Aug-08
40		035 Series of 2019	APPROVAL OF REVISED PRODUCTIVITY INCENTIVE SCHEME (THIRD REVISION) the approved scheme overstepped the compensation boundaries between the Area Manager and the Field Operations Head, once the incentive has reached maximum proportions	Oct-26
41		036 Series of 2019	HIRING OF BRANCH MANAGER FOR MARIKINA BRANCH The Board approved the hiring of one (1) branch manager for Marikina Branch, for the purpose of steering the branch into generating positive income and lowering the PAR rate, as well as imbuing KCCDMFI principles and policies in the staff.	Oct-26
42		037 Series of 2019	CONFERMENT OF SERVICE AWARDS TO KCCDMFI EMPLOYEES WHO HAVE RENDERED SERVICE FOR FIVE YEARS AND ABOVE The Board approved the conferment of service awards to KCCDMFI employees who have rendered service for five years and above, with such recognition coupled with cash gifts and tokens corresponding to the length of service rendered.	Oct-26
43		039 Series of 2019	APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES	Nov-29

			<p>WITH PHILIPPINE NATIONAL BANK (PNB) FOR IPIL BRANCH</p> <p>There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as signatories of the bank accounts managed by the branch.</p>	
44		039-A Series of 2019	<p>APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES WITH ONE NETWORK BANK FOR KABASALAN BRANCH</p> <p>There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as signatories of the bank accounts managed by the branch.</p>	Nov-29
45		039-B Series of 2019	<p>APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES WITH BANK OF THE PHILIPPINE ISLANDS FOR MARIKINA BRANCH</p> <p>There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as signatories of the bank accounts managed by the branch.</p>	Nov-29
46		039-C Series of 2019	<p>APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES WITH LAND BANK OF THE PHILIPPINES FOR LILOY BRANCH</p> <p>There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as signatories of the bank accounts managed by the branch.</p>	Nov-29
47		039-D Series of 2019	<p>APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES WITH BANK OF THE PHILIPPINE ISLANDS-GUIWAN FOR CABALUAY BRANCH</p> <p>There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as</p>	Nov-29

			signatories of the bank accounts managed by the branch.	
48		039-E Series of 2019	APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES WITH BANK OF THE PHILIPPINE ISLANDS-GUIWAN FOR MERCEDES BRANCH There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as signatories of the bank accounts managed by the branch.	Nov-29
49		039-F Series of 2019	APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES WITH BANK OF THE PHILIPPINE ISLANDS-GUIWAN FOR PUTIK BRANCH There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as signatories of the bank accounts managed by the branch.	Nov-29
50		039-G Series of 2019	APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES WITH ONE NETWORK BANK- AYALA FOR SINUNUC BRANCH There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as signatories of the bank accounts managed by the branch.	Nov-29
51		039-I Series of 2019	APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES WITH ONE NETWORK BANK- AYALA FOR SINUNUC BRANCH There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as signatories of the bank accounts managed by the branch.	Nov-29
52		039-J Series of 2019	APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES WITH ONE NETWORK BANK- AYALA FOR	Nov-29

			<p>TALISAYAN BRANCH</p> <p>There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as signatories of the bank accounts managed by the branch.</p>	
53		039-L Series of 2019	<p>APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES WITH ONE NETWORK BANK- SANGALI FOR CURUAN BRANCH</p> <p>There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as signatories of the bank accounts managed by the branch.</p>	Nov-29
54		039-M Series of 2019	<p>APPROVAL TO UPDATE THE ACCOUNT SIGNATORIES WITH ONE NETWORK BANK- SANGALI FOR VITALI BRANCH</p> <p>There are a number of resignations, reassignments and new hiring of personnel in the Field Operations unit and these changes in personnel designations must coincide with the duties and responsibilities of personnel as signatories of the bank accounts managed by the branch.</p>	Nov-29
55		040 Series of 2019	<p>APPROVAL TO OPEN A NEW ACCOUNT WITH CHINA BANK-SUTERVILLE OR MAASIN BRANCH</p> <p>The Board approved the opening of a new account with China Bank-Suterville for Maasin Branch in consideration of the efficiency, safety and convenience in the remittance of collection of loan payments</p>	Nov-29
56		040 - A Series of 2019	<p>APPROVAL TO OPEN A NEW ACCOUNT WITH BANK OF THE PHILIPPINE ISLANDS-GUIWAN FOR STA. CATALINA BRANCH</p> <p>The Board approved the opening of a new account with Bank of the Philippine Islands-Guiwan for Sta. Catalina Branch in consideration of the efficiency, safety and convenience in the remittance of collection of loan payments.</p>	Nov-29
57		040 - B Series of 2019	<p>APPROVAL TO OPEN A NEW ACCOUNT WITH BANK OF THE PHILIPPINE ISLANDS-GUIWAN FOR STA.MARIA BRANCH</p>	Nov-29

			The Board approved the opening of a new account with China Bank-Suterville for Maasin Branch in consideration of the efficiency, safety and convenience in the remittance of collection of loan payments.	
58		041 Series of 2019	APPROVAL IN PRINCIPLE OF THE 2020 PLANS AND BUDGET The Board approved in principle, the KCCDMFI Plans and Budget for 2020, subject to further review by the Board on January 2020.	Nov-29
59		042 Series of 2019	ACCEPTANCE OF RESIGNATION OF MS. KEITH A. PEREZ The Board accepted the resignation of Ms. Keith A. Perez, Accounting Department Head, effective January 12, 2020. Ms. Perez tendered her resignation citing the fact that she accepted a job offer to work in her hometown, at a higher salary rate than that provided by the Institution.	Dec-13
60		043 Series of 2019	APPROVAL OF WRITE-OFF OF P2,173,094.09 PERTAINING TO 332 ACCOUNTS The Board approved to write off P2, 173,094.09, in accordance with the policy on writes-off, Management has requested that P2,173,094.09, pertaining to 332 accounts	Dec-13

“Annex B”

KCCDMFI Covid-19 Pandemic Business Continuity Plan

The purposes of KCCDMFI’s Business Continuity Plan (BCP) are to maintain responsible treatment of clients; to support them in coping with the Covid-19 situation; to minimize risk of infections and to ensure responsible treatment of employees during the crisis, in order to ensure business continuity as well as proactive communications with key stakeholders.

1. Crisis Management Team

a. Purpose

The Crisis Management Team is formed for the purpose of managing an appropriate institutional response to an emergency or a crisis. This is done by leading employees towards a unified action, by communicating important information to all stakeholders, by analyzing all the aspects of the situation, by calculating the potential damages from such crisis and by applying solutions to the problems arising from the crisis. In essence, the team must take the right step at the right time so that the Institution may overcome critical situations.

b. Roles and functions

b1. The Crisis Manager: The President/CEO

Responsible for:

- i. Acknowledging and declaring an emergency or a crisis of any nature;
- ii. Activating the team;
- iii. Leading the creation and implementation of the appropriate responses to such crisis.

b2. The members of the Team: the KCCDMFI Management Committee (ManCom)

Responsible for:

- i. Informing employees about the crisis using a common platform, and discussing issues relevant to the Institution;
- ii. Formulating plans and guidelines to allow business continuity, especially in compliance with relevant laws and regulations;
- iii. Implementing the guidelines set, and monitor compliance by all units/departments;
- iv. Gathering feedback from stakeholders pertaining to effectivity of the set guidelines; and

v. Ensuring that the Team stays true to its purpose of taking the right step at the right time so that the Institution may overcome critical situations.

2. Critical Activities for 2020

(I) Key Departments	(II) Critical Activities	(III) Non-Critical Activities	(IV) Remarks
A. Field Operations			
	1. Loan Collection and Loan Recovery (past due collection)		The uncertainty pertaining to the duration of the pandemic renders businesses unstable and recoveries difficult. Loan insurance coverage for matured accounts is necessary.
	2. Loan Disbursement		Fund necessity is crucial.
	3. Outreach		There's a need for strategies in member retention as the number of clients' resignation have increased.
	4. Staff security in going to field		There is a risk of being victims of crime/hold-up.
	5. CI/BI and Validation		This may be conducted at the center level and may be done quicker than the usual visit to clients' business.
	6. Staff mobility		Ensure that Field Operations staff may be able to access areas though public or private transport.

(I) Key Departments	(II) Critical Activities	(III) Non-Critical Activities	(IV) Remarks
B. Finance			
	<p>1. Process of fund transfer and disbursement:</p> <p>a. Banking transaction</p> <p>b. Face to face transactions- from processing clients claims to disbursement of payment.</p> <p>c. Face to face processing payment to various payables.</p>	<p>1. Programing of expenditures:</p> <p>a. Budget Monitoring</p> <p>b. Forecasting/Cash flow projection</p> <p>c. Monitoring of Scheduled payables & loan amortization</p>	<p>-Online fund transfer.</p> <p>-Online submission of requirements documents, and disbursing of claims thru Palawan, MLhuillier and Bank Deposits.</p> <p>-Supplier or agencies may send their statement of account (SOA) thru email and disbursement of payment thru MLhuillier and bank transaction.</p>
	<p>2. Access of New Loans</p> <p>a. Conduct validation thru actual visit to head office with face to face meeting with authorize representative.</p>		<p>-Update Credit dealings</p> <p>-Online submission of Loan application and required documents.</p>
B. Finance			
	<p>3. Regulatory requirements</p> <p>a. Face to face required transaction, such as:</p> <p>a1. Renewal of various regulatory documents.</p> <p>a2. Submission of various annual requirements for clearance.</p>		<p>Online submission of required documents or sending the original required documents thru LBC and another registered courier.</p>

(I) Key Departments	(II) Critical Activities	(III) Non-Critical Activities	(IV) Remarks
C. Accounting			
	1. Maintaining the ongoing financial record-keeping of the Institution, which includes the following: a. Identifying, recording, classifying and summarizing transactions (both Instafin and QuickBooks)	1.Reconciliation of Head Office versus Branches' interbranch accounts excluding those enumerated in Critical Activity No. 3	
	2. Computing periodical tax due on: a. Expanded Withholding Tax b. Percentage Tax c. Income Tax	2. Designation of alternate work area	
	3. Reconciliation of some accounts for the current month HO versus Branches such as: a. Due to Head Office account; b. Insurance Premium Collection; c. Insurance Claims	3. Trainings	- These trainings were plotted on the 2020 Plans and Budget such as Refresher, CPD, Accounting Updates
	4. Conduct of external audit may be done through the web/internet.	4. Updating of charts of accounts in compliance with MNRC standards	
		5. Accounting Manual generation	
D. Administrative and Human Resources			
	1. Maintenance of the Mental Health and well-being of employees	1. Employee Communication	
	2. Monitoring compliance to Safety Protocols	2. Recruitment and training of additional personnel.	

(I) Key Departments	(II) Critical Activities	(III) Non-Critical Activities	(IV) Remarks
D. Administrative and Human Resources			
	3. Availability and distribution of personal protective equipment and other items for sanitation & disinfection to branches and departments	3. Preparation of On-Line Module Refresher Training for Staff	
	4. Preparation of Payroll and other Benefits	4. Availability of Branch Forms necessary for their daily transactions such as promissory notes, passbooks and others.	
	5. Ensures the renewal and coverage of insurance to all/qualified employees		
E. Management Information Systems			
	1. Ensure continuous flow of accurate information to and from clients o Instafin Text Messaging Service o Facebook Page	1. Loan Schedule Adjustment – (June 2020)	
	2. Enhance and improve internet connectivity in the office and among the staff (mobile phone)	2. Sit down with Internal Audit to discuss audit parameters using Instafin	

(I) Key Departments	(II) Critical Activities	(III) Non-Critical Activities	(IV) Remarks
	3. Explore available communication platform or application wherein clients and KCCDMFI staff could use to improve communication and information delivery to and from clients.	3. Sit down with AMs and Accounting Department to reconcile Instafin record	
	4. Explore online payment system with Instafin and other providers	4. Start working on Human Resource Information System – Sept 2020 – December 2020	
	5. Website Improvement (June 2020 – August 2020) o Embed Client Membership in the website o Data Privacy Notice	5. Submit monthly monitoring report on Instafin data.	
E. Management Information Systems			
	6. Sit down with Acctg and Internal Audit to level off MNRC Standard Chart of Accounts (COA) implementation and compliance • Membership Form revision to include data privacy notice • PN Form revision to make it CISA compliant	6. Provide constant support to field operations on Instafin concerns.	

(I) Key Departments	(II) Critical Activities	(III) Non-Critical Activities	(IV) Remarks
F. Internal Audit			
	1. Conduct regular monthly audit of branches in a. Sibugay b. Zamboanga Del Norte Marikina	1. Conduct regular monthly audit of branches in a. Zamboanga City b. Head Office	Auditors will be assigned by team for auditing the areas mention.
	2. Conduct Special audit mandated by top management and board	2. Assist in updating client information in the Instafin.	
	3. Conduct audit online (Instafin) without documents	3. Assist BDS in the conduct of research such as: a. KCCDMFI tabulators for client assessment MCPI survey for client	
		4. Webinar on Instafin (additional information)	
G. Business Development Service			
	1.Review of loan products	1.Conduct Client assessment and MCPI survey	Doable via phone Interview
	2. Compliance with Social Performance Management (SPM) survey	2.Assist operations in farm validation	Doable, practice safety protocols
		3.Development of Binaluy, planting of agri products	Doable, practice safety protocols
		4.Conduct study on agri trading: Seaweeds, Rice, Vegetable	Doable, practice safety protocols
		5.Dissemination of COVID 19 Infection Prevention and Control	Doable via virtual platforms such as zoom meeting app

(I) Key Departments	(II) Critical Activities	(III) Non-Critical Activities	(IV) Remarks
H. Community Development			
	1. Establish communication line with members in response to Health and Safety Protocols thru virtual platform	1. KCC Outreach and Expansion	Group chat created for active KKC leaders and center officers has been created for faster communication and updates
	2. Create a disaster and response team for disaster preparedness and relief service.	2.KCC fund generation campaign and assemblies	Un –attainable due to this Pandemic situation
	3. Strengthen linkage and network with LGU's and other agencies for possible support and assistance to members	3.Community Integration and Project implementation	affected due to site and area validation process and meetings
		4. Meetings, focus group discussions (FGD), trainings and assemblies for leaders and members, and center formations	
		5. Mangrove Tree growing and promotion of household gardening	

3. Critical Stakeholders

Stakeholders	Interests
1. Board of Trustees	<ul style="list-style-type: none"> a Financial viability of the Institution b Health and safety of the Board, and of all KCCDMFI personnel c Compliance with relevant laws and regulations by the Institution d Transparency, risk management, governance processes and internal controls are being monitored and provide an unbiased and objective view even during the crisis.

Stakeholders	Interests
2. Clients	<ul style="list-style-type: none"> a Provision of loans for additional capital b Provision of calamity loan at a lower interest rate c Collection Moratorium d Loan Refinancing e Loan restructuring with lower interest rate, longer term and optional mode of payment (weekly, semi-monthly and monthly) f Loan increment for good payer clients g Provision of “ayuda,” in cash or in kind
3. Employees	<ul style="list-style-type: none"> a Continuous employment b Payment of the appropriate salaries, wages and benefits c Protection from the crisis
4. Suppliers/Vendors	<ul style="list-style-type: none"> a Non-cancellation of existing contracts b Payments made on time c Continuous purchase of products
5. Retainers/Consultants	<ul style="list-style-type: none"> a Non-cancellation of existing contracts b Renewal of contracts, if such have expired c Payments made on time
6. Government regulatory institutions	<ul style="list-style-type: none"> a Compliance with relevant laws and regulations and documentary requirements
7. Other regulatory institutions	<ul style="list-style-type: none"> a Compliance with regulations; documentary requirements
8. Creditors	<ul style="list-style-type: none"> a Institution’s capability to pay b Compliance with documentary requirements

4. Scenario Analysis

The resumption of operations of Kasanyangan Center for Community Development and Microfinance Foundation, Incorporated (KCCDMFI) is largely impacted by the type of community quarantine declared by the Local Government Unit (LGU) of Zamboanga City.

During General Community Quarantine (GCQ), KCCDMFI adopts a 50% skeleton-staff requirement, whereby Head Office employees are divided into two (2) groups, and are required report to their respective work stations on alternate days, for only 2-3 days per week. The rest of the days would be spent working from home. Employees rely on public transportation on their commute to and from the workplace. Meanwhile, Field Operations employees report to their work stations five (5) days a week; they need not practice 50% skeleton-staff office duty since most of their time are spent on the field. They likewise must rely on public transportation on their commute to and from their work stations as well as on doing field work. Clients are entertained at the Head Office and at the Branches, subject to standard health protocols and social distancing.

During Enhanced Community Quarantine (ECQ), KCCDMFI adopts the same policies as those implemented during GCQ, with the addendum that transportation is provided by the company since no public transportation is available. Further, clients are not entertained at the Head Office and at the Branches; interactions and transactions are made online.

Compliance with health protocols issued by the Department of Health (DOH) and by the Department of Labor and Employment (DOLE) and other similar agencies affects how the Institution conducts its business and its activities. Face-to-face meetings must only have ten (10) participants or less; and all participants must observe social distancing and wearing of facemasks. Further, consistent disinfection of work spaces and reporting of one's health status to the Administrative and Human Resources Department have become necessary.

5. Work Arrangements

Head Office	Head Office staff are divided into 2 groups; one group will report on Monday, Wednesday and Friday while the other group reports on Tuesday and Thursday; the groups report on alternately every week.
Field Operations	Reports every day from Monday to Friday

6. Health and Safety Guidelines

KCCDMFI issued a set of guidelines effective May 25, 2020 to ensure that all employees may conduct themselves in accordance with standard protocols concerning reporting to work, staying healthy and practicing prevention of COVID-19 infection.

Work Guidelines under Community Quarantine ***Date of effectivity: May 25, 2020 (Monday)***

I. Introduction

The COVID-19 pandemic has impacted lives in a global scale. The microfinance industry has been heavily hit by the crisis, and as microfinance institutions like the KCCDMFI slowly ease into the “new normal,” it is absolutely imperative to observe safety, health and sanitation protocols in order to ensure that employees shall be kept protected in the workplace.

These guidelines have been prepared with standards set by the COVID-19 Inter-Agency Task Force (IATF) thru Executive Order No. 112 (EO 112), the Department of Health, Department of Labor and Employment as well as with directives from the Local Government Unit of Zamboanga City. Furthermore, these guidelines repeal the previously-issued “Return-to-Work Guidelines,” thru Inter-Office Memo No. 03-May-2020 re: “Resumption of Microfinance Operations on May 18, 2020.”

II. Access to Head Office and Branches

- A. Only employees and clients are allowed to enter the Head Office or Branch premises, provided they have undergone health and sanitation protocols enumerated in Item V.*
- B. No vendors shall be allowed inside the Head Office or Branch premises.*
- C. Those allowed to park inside the Head Office or Branch premises include company cars and private vehicles of employees.*
- D. Entry of delivery/courier services crew shall be restricted only up to the guards' booth.*

III. Reporting

A. Employees Covered

1. **All employees** are required to report to their respective work stations starting **May 25, 2020 (Monday)**. Each employee must, at all times, keep the following documents on his/her person:
 - a) Company ID;
 - b) Company-issued certificate of employment;
 - c) Copy of the Omnibus Guidelines¹; and
 - d) MNRC-issued IATF accreditation ID, once available

Transportation services shall NOT be provided by the Institution.

2. **All Head Office employees** shall report to work in accordance with the 50% skeleton-staff requirement. As such, working days for the week shall be divided into two (2) batches: every Mondays, Wednesdays and Fridays (MWF), which comprise Batch 01; and every Tuesdays and Thursdays (TTH) which comprise Batch 02. Employees shall be grouped into "Group A" and "Group B," whereby each group shall be assigned which batch they shall belong to. There shall be a weekly rotation of batch assignments. The schedule is herein attached as "Annex A."

3. The work schedule of **Field Operations personnel** shall be issued in a separate Memorandum.

B. Returning workers/stranded workers

1. Workers who have failed to report to their respective work stations since May 18, 2020 due to unavailability of transportation, area lockdown, or other reasons, shall be categorized into two types:
 - a. Those who are stranded in an area on official travel/official business shall be known as **Type-OB workers**; and
 - b. Those who are stranded in an area for personal reasons not related to work, such as vacation, or visit with the family, shall be known as **Type-VL workers**. **Both Type-OB and Type-VL workers shall be required to report to work on June 01, 2020.**

2. Both Type-OB and Type-VL workers must secure and prepare the necessary documents and must make the necessary application with the Barangay and/or Local Government Unit (LGU) for the purpose of travelling back to the city/municipality where their work station is located. Such documents may include, but are not limited to, health clearance and/or travel pass.

3. *The mandatory 14-day quarantine of Type-OB and Type-VL workers shall be deducted from their respective Sick Leave (SL) and Vacation Leave (VL) credits. Should they still not recover from their affliction and their leave credits are rendered exhausted, the “no work: no pay” policy shall apply.*
4. *Expenses for the LGU-mandated 14-day quarantine of Type-OB workers shall be financed by the Institution, as the travel done by the employee had been on official business. The worker may appoint a particular hotel or lodging house of his/her preference.*
5. *Expenses for the LGU-mandated 14-day quarantine of Type-VL workers shall be shouldered by such worker personally; however, the quarantine may be made at the staff house of his/her work station, provided that there is a room that may be used for the purpose, and the such is allowed under LGU rules.*

C. The absences of employees who fail to report to work shall be charged against their respective Sick Leave (SL) credits and Vacation Leave (VL) credits. Should they still fail to report to work and their leave credits are rendered exhausted, the “no work: no pay” policy shall apply.

D. Employees experiencing health vulnerabilities such as cough, colds, flu or similar symptoms must not report to work. A separate set of guidelines in the management of sick employees shall be issued in a separate memorandum.

IV. Workplace reconfiguration and sanitation

A. Management must ensure that workplaces in the head office and in the respective branches have been reconfigured to comply with social distancing and mandatory sanitation, including but not limited to the following:

- 1. Tables must be placed six (6) feet apart;*
- 2. Employees must not be seated facing each other;*
- 3. Intensive sanitation of areas had been made; and*
- 4. Periodic sanitation is implemented, such as weekend sprays of disinfectants.*

B. It is the responsibility of each employee to sanitize their own area with standard tools provided by the Institution

V. Health and Sanitation Protocols

A. Before leaving home:

- 1. Undergo self-evaluation whether or not you experience coronavirus disease (COVID-19) symptoms, which include flu, cough, fever of 38 Degrees Celsius or higher, and difficulty breathing.*
- 2. Prepare your own lunch, snacks, and water, and don't forget to bring these to work.*
- 3. Bring a bottle of alcohol, soap and face towel.*
- 4. Wear your hair in a bun if you sport long hair.*
- 5. Refrain from wearing jewelry.*
- 6. Bring only things you need.*
- 7. Place your cellular phone inside a clear plastic pouch.*
- 8. Wear closed shoes.*

B. Before entering the office building:

- 1. Wear an appropriate face mask/face shield. The "No Facemask: No entry" rule shall be strictly imposed.* W
- 2. Disinfect your hands with alcohol provided, with the assistance of the guards.* D
- 3. Place a foot bath placed near the main entry point.* Step
- 4. Undergo temperature check, with the assistance of the guards.*
- 5. Answer the symptoms checklist.*
- 6. Allow the guards to spray disinfectant on your things.*
- 7. Observe hand hygiene before and after logging in via the biometric scan machine.*

C. While inside the building and performing work:

- 1. Before settling yourself in your work station, make sure that your unit/department/branch had been reconfigured in accordance with social distancing protocols aforementioned in Item III;*
- 2. Keep your own bottle of disinfectant alcohol or hand sanitizer within reach.*
- 3. You must stay within your work station and must refrain from visiting your coworkers. If physical and face-to-face interaction is necessary, you must converse with your co-worker/s in open space and you must observe social distancing at all times. If you need to hand over documents, you may do so by leaving the papers in a box placed near the entrance of the unit/department concerned, specifically for such purpose.*
- 4. When interacting with co-workers or clients within your unit/department, make sure that both of your facemasks*

stay on and that space of one (1) meter from each other is maintained at all times.

- 5. Practice habitual disinfection of your person and of your work station.*
- 6. Each unit must ensure that signage and markers for habitual disinfection and social distancing protocols stay in place, and remain readable.*
- 7. You must refrain from hugging, touching or shaking hands as a sign of greeting or expression of affection, regardless of relationship status.*

D. Before leaving the office premises:

- 1. Clean your work station; wash your soiled eating utensils and wipe down your table with standard disinfectant.*
- 2. After logging out, disinfect your hands with alcohol.*
- 3. Wear your face mask before heading out.*

E. When returning home:

- 1. Leave your shoes outside the home.*
- 2. Place a box near the door where you may leave things that you have brought with you; disinfect each item before bringing them inside your home.*
- 3. Take a bath immediately after arriving home.*
- 4. Make it a habit to rinse your mouth with medicated mouthwash, or if unavailable, with saline solution of water with salt.*
- 5. Separate the laundry of clothes worn from work, disinfect these thoroughly.*
- 6. Upon arriving home from work or from outside activities, refrain from kissing or hugging your loved ones.*
- 7. When you experience symptoms related to COVID-19, do not hesitate to report your health concern to the Barangay Emergency Response Group in your area. Symptoms include flu, cough, fever of 38 Degrees Celsius or higher, and difficulty breathing.*

7. A) Employees' Duties

1. Comply with all workplace measures in place for the prevention and control of COVID-19, such as, frequent hand washing, wearing of masks, observe physical distancing always, etc.;
2. Observe proper respiratory etiquette;
3. Coughing and sneezing into tissues or into shirt sleeve if tissue is not available.

4. Disposing used tissues properly; and
5. Disinfecting hands immediately through proper washing with soap and water or alcohol-based sanitizer immediately after a cough or sneeze

B) Employer's Duties

- A. Provide the necessary company policies for the prevention and control of COVID-19 in consultation with workers. Advocacy and IEC programs should be taken from DOH, WHO, and reliable sources of information on COVID-19;
- B. Provide resources and materials needed to keep the workers healthy and the workplace safe, e.g. masks, soap, sanitizer, disinfectant and PPEs.
- C. Designate the safety officer to monitor COVID-19 prevention and control measures such as physical distancing, wearing of masks, regular disinfection, compliance to thermal scanning and accomplishing health symptoms questionnaire;
- D. Provide health insurance provision for workers;
- E. Where feasible provide shuttle services and/or decent accommodation on near-site location to lessen travel and people movement;
- F. Put up a COVID-19 hotline and Call Center for employees to report if symptomatic, and daily monitoring scheme of our "suspect" employee condition.

8. Conduct of Activities

Key Departments	Activity	Process/Policy
I. Field Operations		
	A. Collection	drop pay and go, social distancing and wearing of facemask at the center, house to house collection, use of MONEY TRANSFER, follow up thru phone calls, collection will either be picked up by the branch driver or it will be brought by the member to the branch office.
	B. Center meeting	no regular center meeting, wearing of facemask to both staffs and members, senior citizen and pregnant women are not allowed/required to go to the center
	D. Loan Release	social distancing, compulsory wearing of facemask of members when entering to the office, loan release to senior citizen and pregnant may be send thru MONEY TRANSFER, prerelease ceremony is not compulsory
	E. CI/BI and Loan Validation	maybe conducted at the center level and a just a quick visit to clients' business.

Key Departments	Activity	Process/Policy
II. Finance		
	A. Processing requirements for claims	1. This is done by sending data to the appropriate officer or email and disbursing of claims thru Palawan, MLhuillier and bank deposit. 2. Supplier or agencies may send their SOA thru email and disbursement thru bank deposit.
	B. Follow the protocol as per government advice.	1. Skeletal work force (2 for MWF and 2 for TTH) 2. No Mask No Entry 3. Social Distancing
III. Accounting		
	A. Regular updating of records & backing-up of data.	
	B. Filing of documents	(hardcopies) in a way that they are easily transported in emergency cases but not sacrificing the safety of which
	C. Communicating with stakeholders	Open to communication lines for any updates within the organization (FB, email, mobile phone)
	D. Strategizing alternative work arrangements in times of crisis	Suggest to management for an alternative/back up office/workplace Procure a laptop for WFH situation
VI. Internal Audit		
	A. Audit through Instafin Checking of branch transaction through instafin for those branch outside head office	<ul style="list-style-type: none"> - All communications such as conduct audit interviews and meetings, will be via online, text and virtual meeting via zoom or any video conference. - Soft copy of the documents will be use mostly for audit
	B. For head office branches - documents vs inputs in the instafin	
	C. As for departments –we will just pull out the needed documents or any soft copy needed for audit	
	D. Internal audit learning will be webinar and E-learning .	

Key Departments	Activity	Process/Policy
VII. Business Development Service		
	A. Face-to-face (physical) meetings	<ol style="list-style-type: none"> 1. Participants should always follow safety protocols. 2. Venue must be disinfected before and after use. 3. Each participant should have its own supply such as pen, writing pad, calculator etc. 4. Organizer must limit the number of participants or people in the venue. Venue arrangement must always be in accordance with the physical distancing guidelines. 5. All participants must fill up the health declaration form. 6. A participant who exhibits symptom/s of COVID-19 must be prohibited from entering the venue. Organizer should prepare an isolation area in case a participant is needed to be isolated.
	B. Field visits	<ol style="list-style-type: none"> 1. Staff must follow health and safety protocols. 2. Staff must wear appropriate gear such as masks, face shields, gloves, among others to protect themselves from other people who may have the virus. 3. Use only personal materials/supplies, do not share it with others. Also, avoid crowded places
VIII. Community Development		
<p>To facilitate the continuity of our services to our partners and members, a modified way of intervention and interaction among our members were plan to be practice and applied ,such as organizing our members /leaders in Group chat per area for updates and connection, the use of social media and Virtual would be more appreciated and applicable at this time.</p> <p>If new normal prevail, field visits and members encounter could be done in selected areas in minimal manner observing the social distancing protocols, including delivery and implementation of community programs and other services.</p> <p>Monitoring of members concerns and assistance needed could be relayed thru our center and KCC leaders on the ground and can be brought out in the GC account to be created by the Unit.</p>		

9. Conduct of Meetings:

- a. Virtual meetings through the online platform *Zoom*, hosted by the MIS Head, and through Facebook Messenger.
- b. Meetings in person/face-to-face, if absolutely necessary and urgent, may be done as long as participants meet in a large enough space to allow social distancing. Participants must wear face masks at all times and must carry their own disinfectant.

10. Transactions Needing Physical Presence:

1. Savings withdrawals of clients;
2. Banking activities; and
3. CI/BI.