

**SENATE OF THE PHILIPPINES** )  
**SIXTEENTH CONGRESS** )  
**First Regular Session** )



'14 MAY 28 AM 11:49

**SENATE**

RECEIVED BY: jc

Senate Bill No. 2253

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Introduced by **SENATOR JOSEPH VICTOR G. EJERCITO**

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**AN ACT ENHANCING THE GSIS ACCOUNT SYSTEM THROUGH  
LEGISLATIVE-EXECUTIVE BODY AND POOL OF FORENSIC  
ACCOUNTANTS AND AUDITORS AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

The report of the Commission on Audit indicates that there is a whopping Eleven Billion Pesos (P 11,000,000,000) in unreconciled accounts of the Government Service Insurance System (GSIS).

Theoretically, a policy failure of this scope and magnitude translates in possible negative effects unto the retirement/life claims, loan proceeds and other benefits of every bonafide member of the Government Service Insurance System.

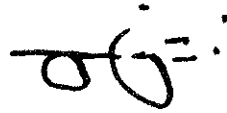
Congress therefore cannot look at this emerging serious weakness in the fiscal management of a giant government insurance system with non-chalance, much less total inaction.

It is hereby proposed that a form of legislative-executive audit body be formed or so created to do work in reconciliation, in-depth study of the capabilities and weaknesses of the computer programs, identification of the system errors (if any), and toward recommending if not developing enhancements of the system.

Apparently, with GSIS' 1.3 active members as of December 2012, its ability and capacity to account for every peso in member's contribution is deemed to have crashed as not to be able to account with

specific and technical validity on all its monetary and financial affairs as the only legitimate insurance system for public employees.

In view of the foregoing, the passage of this bill is earnestly sought.

A handwritten signature in black ink, appearing to be 'J. Ejercito', with a horizontal line extending to the left of the first letter.

**JOSEPH VICTOR G. EJERCITO**

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*Be it enacted by the Senate and the House of Representatives of the  
Republic of the Philippines in Congress assembled:*

**SECTION 1.** This Act shall be known as the "GSIS Accounts Reconciliation Act of 2014".

**SECTION 2.** Under this Act, there shall be created a Legislative-Executive Reconciliation Body composed of representatives from the Commission on Audit and Congress to perform reconciliation of accounts of the Government Service Insurance System.

**SECTION 3.** To effectively carry out the provision of this Act, said audit body shall be authorized to commission a private organization to help in its work.

**SECTION 4.** When the technical framework shall have been tested, validated and evaluated, GSIS shall henceforth adopt it in its measures, systems and programs.

**SECTION 5.** This Act shall take effect after its publication in the Official Gazette and in at least two (2) newspapers of general circulation.

Approved,