

TABLE OF **C**ONTENTS
REGULATORY MONITORING UNIT

I.	BACKGROUND	PAGE - 2
II.	OBJECTIVES	PAGE - 2
III.	REGULATORY MONITORING UNIT COMPOSITION	PAGE - 3
IV.	RMU ORGANIZATIONAL CHART	PAGE - 3
V.	RMU CHAIN OF COMMAND & FUNCTIONS	PAGE 4 - 5
VI	DOCUMENTS UTILIZED BY THE RMU	PAGE 5,6,7
VI.	INSPECTION PROTOCOL	PAGE - 7
VIII	PERMIT-GRADE- DEFICIENCY MATRIX	PAGE 8
IX	PROCESS FLOW	ANNEX
X.	GRADE – PERMIT MATRIX AND POSSIBLE RESULTS	PAGE - 8
XI.	MINOR DEFICIENCIES	PAGE - 8
XII.	MAJOR DEFICIENCIES	PAGE - 9
XI.	SCORING	
	A. WEIGHT DISTRIBUTION TABLE - RATING CONSTANTS	PAGE - 10
XIV.	ANNEXES	

REGULATORY MONITORING UNIT
REGULATORY GROUP, SBMA

I. BACKGROUND

To date, there are 1,058 locators in the SBFZ that require annual renewal of various permits. With the entry of AYALA mall and other major investments /anchor industries, we expect an increase in the number of locators as well.

Since July 2012, the previous CRTE was divided into 3 documents: the Registration Certificate (RC) and the Certificate of Tax Exempt (CTE) which are both automatically renewed upon payment of fees and the 3rd is the Business Permit to Operate (BPTO), which is the subject for annual renewal.

The Board of Directors saw the need to enhance the renewal process of the Business Permit to Operate (BPTO) of SBF enterprises in order to reduce the processing time and further enhance the delivery of services of the agency which include the efficient and hassle-free renewal of the various permits and licenses issued by the agency like the Business Permit to Operate (BPTO).

RMU will undertake the inspection and renewal process of BPTO's expiring October 30, 2012 and onwards.

II. OBJECTIVES

a. Conduct proactive and systematic inspection of Locator premises and operations with respect to compliances to the various requirements of the SBMA with regards to the renewal of Locators' Business Permit to operate (BPTO) guided by a Board approved CONSOLIDATED INSPECTION CHECKLIST from the following SBMA departments:

- | | |
|---|--------------------------------|
| ▪ Ecology Center; | ▪ Accounting Dept.; |
| ▪ Accreditation Office; | ▪ Legal Dept.; |
| ▪ Transportation and Communication Dept.; | ▪ Labor Dept.; |
| ▪ Building Permit & Safety Dept.; | ▪ Fire Dept.; and |
| ▪ Land & Asset Management Dept.; | ▪ Public Health & Safety Dept. |

b. Reduce time and resources spent in BPTO renewal process;

c. Enhance working relationship between Locators and SBMA by providing quality services thru the RMU.

III. RMU's COMPOSITION

ATTY. JOCELYN G. ALVARADO	HEAD-RMU
MR. BENITO M. NATIVIDAD JR.	Adviser
ENGR. EDWIN A. INCLETO	Team Leader

MEMBERS:

ENGR. DENNIS DALE V. JACOB (Team Leader Understudy)
MR. JULIUS N. VILLEGAS (Team Leader Understudy)
MR. RESTITUTO R. MIRANDA
MR. BIENVINIDO C. TUNGOL

MEMBER - SPECIALISTS:

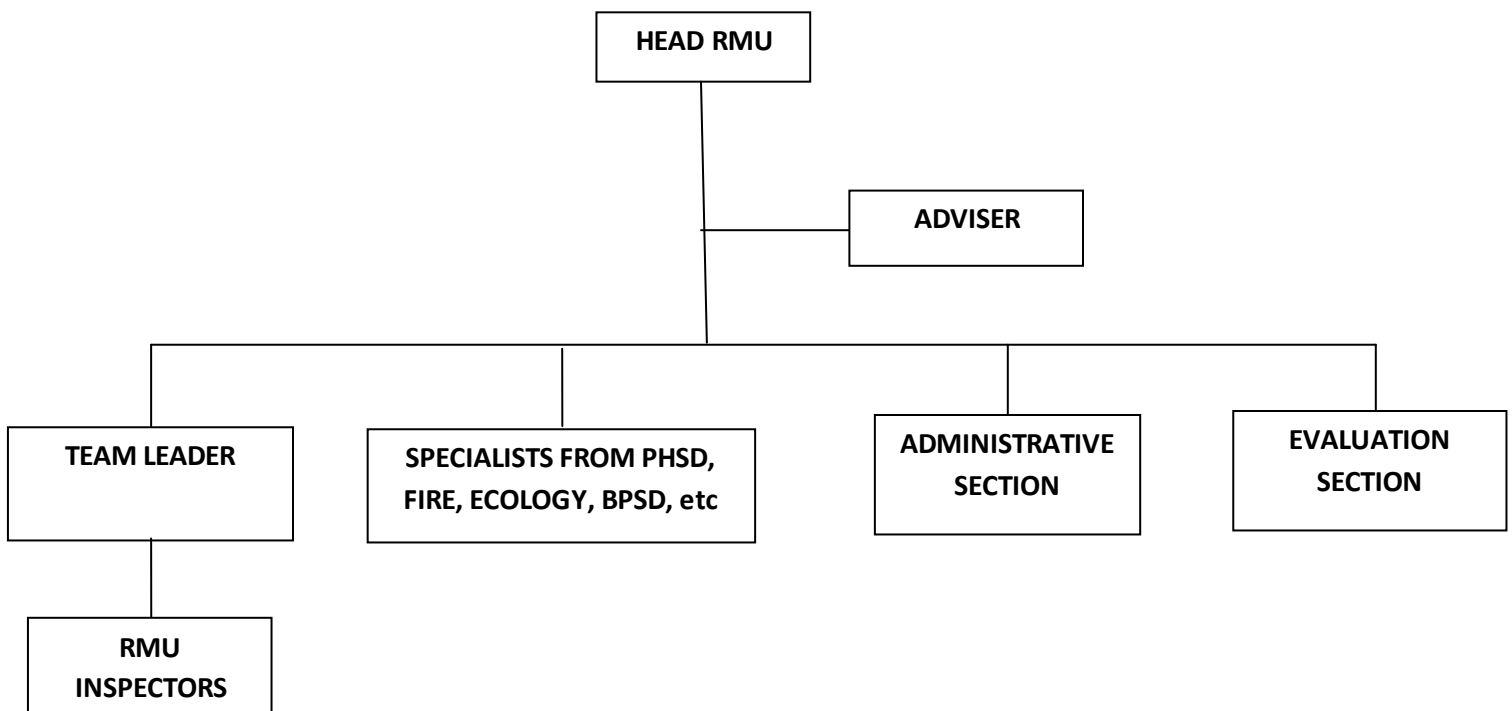
MS. MA. CARMELITA M. GUIAO (Representing PHSD)
MS. ROSALYN MILLENA (Alternate Member PHSD)
MR. PEPITO JOSE VISEY (Alternate Member PHSD)
MR. LORETO ABELLA (Alternate Member PHSD)

MR. JOSEPH T. TORRES (Representing FIRE DEPT.)
MR. RINO B. BANAYLO (Alternate Member FIRE DEPT.)
MR. JAY S. TOMELDAN (Alternate Member FIRE DEPT.)

MS. ALICIA S.DE ASIS Administrative Officer (detailed)
MS. AMEBEL V. ANTONIO Administrative Assistant (detailed)

If and when the need arises, the Ecology Center, Land & Asset Management Department and the Building Permit and Safety Department shall send representatives to the Regulatory Monitoring Unit.

IV. ORGANIZATIONAL STRUCTURE



Head	-	01
Adviser	-	01
Team Leader	-	01
Members	-	04
Member-Specialists	-	02 (Fire Dept.)
		04 (PHSD)
Evaluation Section	-	02
Administrative Section	-	02
TOTAL	-	17

IV. REGULATORY MONITORING UNIT'S CHAIN OF COMMAND

POSITION	FUNCTIONS
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">HEAD</div>	<ul style="list-style-type: none"> ⊕ Overall management of the Regulatory Monitoring Unit ⊕ Final Approval on Inspection Results ⊕ Recommends to Chief Operating Officers Matters of BPTO Renewal
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">ADVISER</div>	<ul style="list-style-type: none"> ⊕ Review all RMU Documents going to RMU-HEAD and advise/recommend accordingly; ⊕ Review RMU Operation, Policies and Process, and advise RMU-HEAD on solutions for improvement (this involves recommendation of revision of existing practice, new policies and other processes) ⊕ Join RMU Inspection strictly as an observer and advises Inspection Team ⊕ Conduct Locator's Briefing other functions as directed by the HEAD
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">TEAM LEADER</div>	<ul style="list-style-type: none"> ⊕ Leads Inspection and Evaluation Team guided by RMU Procedures, Policies and the Consolidated Inspection Checklist ⊕ Prepares necessary RMU Documents (i.e.: Docs-Formats, Correspondences, Reports, etc.) and Recommendation (i.e.: Inspection Schedules, Results Summary Package, Policies, etc.) ⊕ Submits Accomplishment Report ⊕ Conduct Locator's Briefing and other functions as directed by the Head
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">INSPECTION TEAM</div>	<ul style="list-style-type: none"> ⊕ Guided by the Inspection Checklist conduct pro-active and systematic inspections of Locators premises and operations with respect on compliances to existing relevant SBMA Rules and Regulations to determine Business Permit to Operate Renewal ⊕ Prepares accomplishment Report ⊕ Conduct Locator's Briefing
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">EVALUATION TEAM</div>	<ul style="list-style-type: none"> ⊕ Conduct Scoring, prepares Schedule of Inspection, Inform Locators on Briefing Schedule, Upkeep Locators Data Base, Liaison with Concerned SBMA Departments (Account Officers, Ecology, Etc.) ⊕ Prepares accomplishment Report ⊕ Conduct Locator's Briefing
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">ADMINISTRATIVE STAFF</div>	<ul style="list-style-type: none"> ⊕ Document (Software and Hardware) Receiving, Control, Storage and Retrieval ⊕ Upkeep Record Log book and Assign Control Number to RMU Working Documents ⊕ Provides Clerical Requirement of the RMU and Upkeep Supplies ⊕ Print and Photocopy Document ⊕ Consolidate Accomplishment Report ⊕ Prepares Template Memorandum reference inspection checklist and List of Locator's Expiration, ID and Authority to Inspect ⊕ Route RMU Document to HEAD, ADVISER, TEAM LEADER, SBMA Department/Offices and Locators

V. DOCUMENTS UTILIZED BY THE REGULATORY MONITORING UNIT

Document	Description	Utilization	Status
CONSOLIDATED INSPECTION CHECKLIST	<p>A seven (7) page document:</p> <ul style="list-style-type: none"> ⊕ 1st page is the General Profile - Records Common Information ⊕ 2nd Page Checks the Operation standing of the Locator from the records of LABOR, LAMD, LEGAL, REGISTRY, Accounting, Transportation and Communications, and Accreditation; ⊕ 3rd to 6th Page checks Technical compliance of the Locator reference the compliance requirements of ECOLOGY, Building Permit and Safety, FIRE, OCC-HEALTH ⊕ 7th Page is the Inspection Result Summary and Recommendation. 	Utilized by the RMU Team during BPTO Renewal Compliance Inspection within the Locator's Premise / Facility	Board Approved
SCORE SHEET	<p>Mirror Document to the Checklist provides numerical equivalent of the negative and positive inspection findings:</p> <ul style="list-style-type: none"> ⊕ YES or POSITIVE Remarks Scores = 1pt. ⊕ Not Applicable Remarks Scores = 1pt. ⊕ NO Remarks Scores = 0pt. 	Utilized by the RMU Team after BPTO Renewal Compliance Inspection scoring take place at the RMU Office	Board Approved
IDENTIFICATION CARD	Identification card issued to each RMU member signed by the SDA-RG/RMU-HEAD and the Hon. Chairman/Administrator	Worn at all time by the RMU during BPTO Renewal Compliance Inspection.	Existing under RMU implementing Policies and Guidelines
AUTHORITY TO INSPECT	<p>A written Authority signed by the SDA-RG/RMU-HEAD containing the names of RMU Inspectors, date of Inspection and Locator's Name subject for inspection.</p> <p>This Authority instructs the RMU to enter the Locator's Premise and Facility to conduct BPTO Compliance Inspection.</p>	<p>Presented before the Locator before entry of Premise/Facility</p> <p>Further, a copy of this Authority shall remain with the Locator</p>	Existing under RMU implementing Policies and Guidelines
MEMORANDUM FOR SBMA DEPTS FOR LOCATOR CLEARANCE TO RENEW BPTO	<p>Request BIG for an updated list of Locators' Expiration (CRTE/BPTO);</p> <p>Request the Locator's Operational Standing from concerned SBMA Department/Offices</p>	<p>Released at the end of every quarter</p> <p>Released maximum of 2months before Locator's Expiration</p>	Existing under RMU implementing Policies and Guidelines
TEMPLATE LETTER to LOCATORS	Letter of Notice to Locator Informing Expiration of Permit and the request attendance to RMU Briefing	Released maximum of 2months before Locator's Expiration	Existing under RMU implementing Policies and Guidelines
TEMPLATE RESPONSE FROM CONCERNED DEPARTMENT / OFFICES	Locator's RESPONSE to RMU validating Operational Standing of Locators	<p>Response from Dept./Offices is 10working days before Locator's Expiration</p> <p>RMU utilize this information as it completes the 2nd page of the consolidated inspection checklist</p>	Existing under RMU implementing Policies and Guidelines

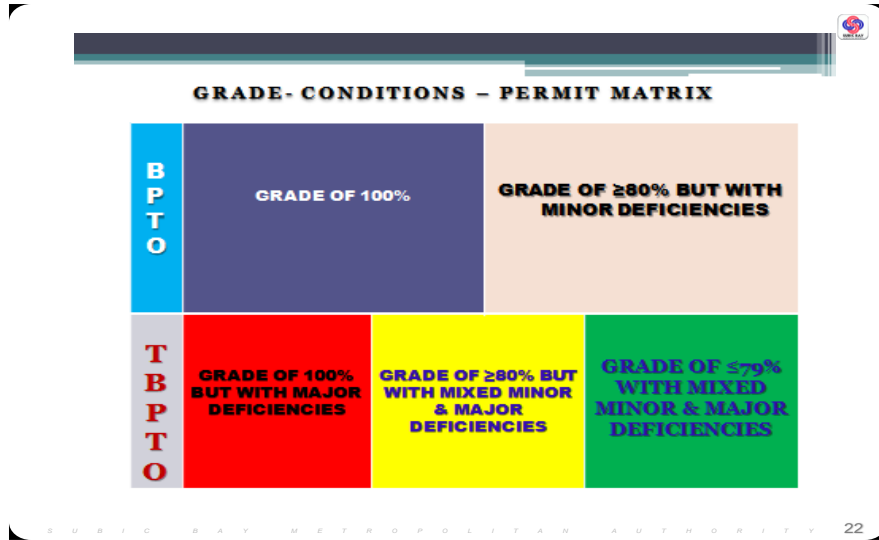
DOCUMENT UTILIZED BY THE REGULATORY MONITORING UNIT (Continuation)

Document	Description	Utilization	Status
DEED OF UNDERTAKING	Document executed by the Locator acknowledging Major/Minor deficiency (ies) found during RMU Inspection, to continue operation. Thus, Locator understood that SBMA will not be held liable for any of its operational misfortune during the period.	Executed by the Locator alongside the Temporary and Regular BPTO, only when RMU finds Major/Minor deficiency (ies)	Existing under RMU implementing Policies and Guidelines
TEMPORARY BUSINESS PERMIT TO OPERATE (TBPTO) BOARD APPROVED LAST 10.12.12	The TBPTO has a validity of 2 months which allows the Locator continuous operation while implementing corrective measures for the deficiencies noted by the RMU during its inspection of Locator operations and premises WRT the renewal of their BPTO. This TBPTO is non-renewable. Fifteen (15) days prior to the expiration of this TBPTO, the RMU will conduct a re-inspection to determine if the Locator has satisfactorily complied with the requirements for BPTO renewal	Issued to a locator AFTER it continues to FAIL in implementing corrective measures for deficiencies noted by the RMU during its inspection This Temporary BPTO replaces the regular BPTO during this compliance period This may lead to a suspension / revocation of the BPTO if the Locator continues to FAIL	RMU Proposes to the C.O.O. to approve the use of this TEMPORARY BPTO RMU to prepare this document ready for COO signature, attached with the recommendation to the COO
BUSINESS PERMIT TO OPERATE (BPTO)	A written Authority with 1 year validity granting locator continuous business operation and it states that locator is compliant to SBMA REQUIREMENTS.	Issued to the locator when it PASSED the RMU Compliance Inspection with a score of 100% or 80% and above with Minor Deficiency (ies). Issuance is on or before expiration of Current Permit.	Existing Document currently in practice by the Business and investment Group
NOTICE of CONTINUED NON-COMPLIANCE (NCNC)	AN ORDER issued to a Locator who continue to have unresolved deficiencies to stop operation , and shall remain as such until resolution of these continued Non-Compliances. AT THIS point, the specific department/s concerned shall be directed by the COO to implement its existing SYSTEM OF FINES & PENALTIES and the Locator shall be subject to the usual inspections and other procedures necessary.	An ORDER issued to a Locator who remain NON-COMPLIANT with the deficiencies earlier noted by the RMU even after the issuance and EXPIRY of the TBPTO SINCE THE SUSPENSION / REVOCATION of operations remains with the Board, this NCNC will only take effect after the board approval of the same	The RMU will prepare this document ready for COO signature and attached to the recommendation made to the COO The COO will need Board approval for his authority to SUSPEND / REVOKE the BPTO
RMU RECOMMENDATION PACKAGE TO C.O.O.	<u>Composed of the following documents:</u> <ul style="list-style-type: none"> ⊕ JGA / RMU recommendation ⊕ Notarized Deed of Undertaking signed by the Locator ⊕ Inspection Report (Original Copy) ⊕ Inspection Scoring Sheet (Original Copy) ⊕ Memorandum from concerned Department validating "OPERATIONAL STANDING" of Expiring Locators ⊕ Prepared TBPTO or Regular BPTO - Ready for Signature of the C.O.O IF WITH CONTINUED NON-COMPLIANCES, the RMU will prepare: the NOTICE of CONTINUED NON-COMPLIANCE (NCNC)	Forwarded 15 working days before Locator's Expiration	Existing under RMU implementing Policies and Guidelines

VI. INSPECTION PROTOCOL

PROCESS	DESCRIPTION	WHERE/WHEN/HOW
<p style="text-align: center;">Presentation of Credentials</p>	<ul style="list-style-type: none"> ⊕ RMU & SBMA ID cards to be worn at all times during inspection ⊕ Authority to Inspect 	<p>Before entering SITE / FULL courtesy & respect</p>
<p style="text-align: center;">Conduct Entrance Briefing</p>	<ul style="list-style-type: none"> ⊕ Team Leader discusses with the company representative the outline and procedures of Inspection; ⊕ Present inspection Forms to be utilized; ⊕ and indicate all areas to be inspected 	<p>Within the company premises / PRIOR to actual inspection / FULL courtesy & respect</p>
<p style="text-align: center;">ACTUAL INSPECTION</p>	<ul style="list-style-type: none"> ⊕ RMU conducts a “walk-through” inspection of Locator premises guided by the Board APPROVED Consolidated Inspection Checklist ⊕ Conduct inspection only from 8:30AM-11:00AM / 1:30PM-4:00PM 	<p>Within and around the Locator premises / FULL courtesy & respect; DON'T ACCEPT ANY ITEM from the Locator (food and/or money or gifts)</p>
<p style="text-align: center;">Conduct Exit briefing</p>	<ul style="list-style-type: none"> ⊕ Team Leader are advised NOT to discuss the outcome of the inspection with the company representative, for this might lead to negotiations; ⊕ Make sure that all pages of the checklist are duly signed by all present in the inspection ⊕ Take note of all Locator comments and complaints about the inspection. 	<p>Within and around the Locator premises / FULL courtesy & respect; DON'T ACCEPT ANY ITEM from the Locator (food and/or money or gifts)</p>
<p style="text-align: center;">Assessment and Evaluation</p>	<ul style="list-style-type: none"> ⊕ Evaluation and Scoring of inspection results ⊕ Review and discuss non-compliance issues ⊕ Get input from all team members regarding issues ⊕ Prepare & submit RMU recommendations to the Head of the RG not more than 3 days from the inspection date 	<p>REGULATORY OFFICE / RMU OFFICE</p>
<p style="text-align: center;">HEAD RG Recommendation for the COO</p>	<ul style="list-style-type: none"> ⊕ SDA-RG RECOMMENDS to the COO not later than five(5) days from the conduct of inspection; ⊕ Recommends BPTO or TBPTO to the COO 	<p>REGULATORY OFFICE / RMU OFFICE</p>

VII. PERMIT – GRADE – DEFICIENCY MATRIX



VIII. PROCESS FLOW

(see attached annex E)

IX. POSSIBLE RESULTS

GRADE	DEFICIENCIES	PERMIT
100%	none	BUSINESS PERMIT TO OPERATE (BPTO)
100%	With MAJOR deficiencies	TEMPORARY BUSINESS PERMIT TO OPERATE (TBPTO)
≥80%	w/ MINOR	BPTO
≥80%	w/ mixed MINOR & MAJOR	TBPTO
≤79%	w/ mixed MINOR & MAJOR	TBPTO

IX. MINOR DEFICIENCIES

- Inspection items on the Consolidated Checklist that are not marked RED

X. MAJOR DEFICIENCIES

- Negative remarks on Renewal Clearances from Labor, Accounting, PHSD, LEGAL, TCD, LAMD, Registry Office
- Inspection items on the Consolidated Checklist that are marked RED:

CATEGORY / DEPARTMENT	ITEM DESCRIPTION	REMARKS
1. Statutory Requirements	Lease Agreement Sub-lease Agreement CRTE (2012 until some part of 2013) PTO/RC(2012 until some part of 2013)	FOR BOARD APPROVAL
2. BPSD	Structural concerns: <ul style="list-style-type: none"> • beam/column/walls Sanitary/Plumbing <ul style="list-style-type: none"> • grease traps • sewer line system • septic tank Electrical <ul style="list-style-type: none"> • wiring system • fire alarm system • overhead cables PERMITS <ul style="list-style-type: none"> • Building Permit • Occupancy Permit 	COORDINATED WITH BPSD FOR BOARD APPROVAL
3. ECOLOGY Center	Haz Waste <ul style="list-style-type: none"> • Proper storage • Proper Disposal Waste Water <ul style="list-style-type: none"> • Connected to sewer line/s-tank • No direct discharge to envi Grease Traps Permits <ul style="list-style-type: none"> • ECC • CNC 	Discussed with ECOLOGY FOR BOARD APPROVAL
4. FIRE DEPT.	HOUSEKEEPING practices <ul style="list-style-type: none"> • Waste disposal FIRE WARNING FIRE PROTECTION LIFE SAFETY <ul style="list-style-type: none"> • Emergency EXIT doors • Fire ESCAPE OUTDOORS/SURROUNDING AREA <ul style="list-style-type: none"> • Exit to public way cleared • Fire Lane/FD connection free from obstruction 	FOR BOARD APPROVAL
5. PHSD	ADMINISTRATIVE COMPONENTS <ul style="list-style-type: none"> • No occupational safety, health and sanitation violation / discrepancy from the Public Health and Safety Department that has not been resolved or complied? • Update Sanitary Clearance (if Food Establishment) • DOLE Certificate of Registration (Compliance to Rule 1020 of the OSH Standard) • Updated Health Certificates (for Food Handlers) Sanitary Inspection of Food Establishment <ul style="list-style-type: none"> • Liquid Waste management on Plumbing • Solid Waste Management on Storage 	

XI. SCORING

A. COMPUTATION STEPS/PROCEDURES VIA SCORING SHEETS

- Step 1 : Get Score Sub-Total
- Step 2 : Get Score Per Category
- Step 3 : Compute Rating Per Category
- Step 4 : Sum-up all Rating per category
- Step 5 : Compare Total Rating to Passing Rate

Passing Rate : "80% and Above"	
Points System	Positive Findings or YES = <u>1</u>
	Negative Findings or NO= <u>0</u>
	NOT Applicable = <u>1</u>

INSPECTION ITEMS	SCORE	ITEM WEIGHT in %	RATING
Considerations: A. points system = 1 or 0; B. Total Points gained divided by the Total # of Inspection items per category.			
1 STATUTORY REQUIREMENTS - 12 INSPECTION ITEMS		10.00%	
LEASE AGREEMENT	1		
ASSIGNMENT OR SUB-LEASE AGREEMENT	1		
Security & Exchange Commission (SEC) Certificate	1		
Updated General Information Sheet	1		
Updated Audited Financial Statement	0		
BIR FORM 2303	1		
CERTIFICATE OF REGISTRATION AND TAX EXEMPTION	1		
PERMIT TO OPERATE / REGISTRATION CERTIFICATE	1		
CERTIFICATE OF TAX EXEMPTION	1		
BUSINESS PERMIT TO OPERATE	1		
CERTIFICATE OF REGISTRATION	1		
CONSENT RESOLUTION	1		
2 LAND AND ASSET - 3 insp. Items		9.00%	
LAND AND ASSET MANAGEMENT DEPARTMENT			
a. Is there an Existing Lease, assignment or Sub-lease Agreement?			
b. Is there any New Improvement /s in the leased / subleased property?			
REGISTRY OFFICE			
a. Is the Existing Lease, Assignment or Sub-lease Agreement Registered with the Registry Office?			

B. WEIGHT DISTRIBUTION TABLE - RATING CONSTANTS

1. STATUTORY REQUIREMENTS	10.00%
2. LAND AND ASSET – LAND AND ASSET DEPARTMENT	9.00%
3. LEGAL ISSUES - Legal Department	9.00%
4. LABOR ISSUES - Labor Center	9.00%
5. TAX EXEMPT VEHICLE REGISTRATION - Transportation and Communications Department	9.00%
6. FINANCIAL OBLIGATIONS - Accounting Department	9.00%
7. ACCREDITATION OF COMPANY CONTRACTORS - Accreditation Office	9.00%
8. BUILDING SAFETY - Building Permit and Safety Department	9.00%
9. ENVIRONMENTAL COMPLIANCE STATUS - Ecology Centre	9.00%
10. FIRE PREVENTION & SAFETY - Fire Department	9.00%
11. OCCUPATIONAL HEALTH AND SAFETY - Public Health and Safety Department	9.00%

A N N E X
REGULATORY MONITORING UNIT

CONSOLIDATED INSPECTION CHECKLIST	ANNEX-A
SCORE SHEET	ANNEX-B
IDENTIFICATION CARD	ANNEX-C
AUTHORITY TO INSPECT	ANNEX-D
PROCESS FLOW	ANNEX-E
DEED OF UNDERTAKING	ANNEX-F
TEMPORARY BUSINESS PERMIT TO OPERATE (TBPTO)	ANNEX-G
BUSINESS TO OPERATE (BPTO)	ANNEX-H
NOTICE of NON-COMPLIANCE (NNC)	ANNEX-I
TEMPLATE LETTER FOR LOCATOR NOTIFYING RMU PROCESS AND BRIEFING SCHEDULE	ANNEX-J
OFFICE ORDER NO. 12-06-0156 Series of 2012 ISSUED June 18 th 2012	ANNEX-K
OFFICE ORDER NO. 12-06-0157 Series of 2012 ISSUED June 18 th 2012	ANNEX-L
OFFICE ORDER NO. 12-07-0179 Series of 2012 ISSUED July 20 th 2012	ANNEX-M
OFFICE ORDER NO. 12-09-0216 Series of 2012 ISSUED September 20 th 2012	ANNEX-N