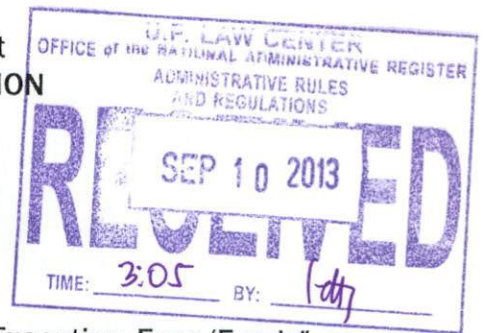


Republic of the Philippines
Department of Labor and Employment
NATIONAL LABOR RELATIONS COMMISSION
Banawe, Quezon City

EN BANC RESOLUTION NO. 08-12
(Series of 2012)



The following "Guidelines in the Collection and Use of Execution Fees/Funds" are hereby adopted and approved:

1. Legal Basis

- a. Batas Pambansa Bilang 325 authorizes the heads of ministries, offices, agencies and commissions of the National Government, including the Supreme Court and Constitutional Bodies to revise fees and charges which shall be just and reasonable, sufficient to cover administrative costs and, wherever practicable, be uniform for similar or comparable services and functions
- b. NLRC Manual on Execution of Judgment
- c. En Banc Resolution No. 19-11 on the Revised Nominal Fees to be collected by the Commission, signed on the May 30, 2011, published on March 5, 2012 and took effect on March 20, 2012

2. Objectives

- a. To define specific purposes for which the Execution Fees are collected including its uses to defray administrative costs and charges incurred in the execution/enforcement of judgment awards of the final decisions, orders and resolutions of the Commission;
- b. To prescribe a procedure in ensuring collection of execution fees and its proper utilization.

3. Definition/Purpose of Execution Fees/Fund

- a. Execution fees are fees/charges collected from the losing respondent, individual or companies, in the implementation of the final decisions in labor cases due to the involuntary act to cause satisfaction of the monetary judgment awards after exhausting the allowed maximum pre-settlement conferences between the parties pursuant to the NLRC Revised Rules of Procedures.
- b. Execution fees/fund is specifically intended to defray the administrative costs and expenses incurred in the enforcement of the judgment awards of the decisions, orders or resolutions in the labor case. For this purpose, the following costs and expenses are chargeable to this funds:
 1. Cost of mailing writs or notices of executions/garnishments and orders of releases;
 2. Reimbursements of travelling expenses of sheriffs who are ordered to serve the writs/notices of executions/garnishments;
 3. Premiums of Fidelity Bond for Sheriffs and officers deputized to enforce the monetary judgment awards in the final decisions of labor cases;

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4. Rental of warehouse for storage of levied property;
5. Office supplies, printing of forms and other materials utilized for the execution of the monetary judgment awards in labor cases;
6. Other related expenses incurred in the enforcement of the final decisions, orders or resolution of the Commission.

4. Strict Application of the Rule on Collection of Execution Fees

- a. The Sheriff or duly designated officer shall collect the following execution fees which shall be charged against the losing party:

Amount of Awards	Execution Fees
For awards less than P5,000.00	P200.00
P5,000 or more but less than P20,000.00	400.00
P20,000.00 or more but less than P50,000.00	600.00
P50,000.00 or more but less than P100,000.00	800.00
P100,000.00 or more but less than P150,000.00	1,000.00
P150,000.00 or more	1,000.00 plus 10.00 for every 1,000.00 in excess of P150,000.00

The Sheriff or duly designated officer shall be administratively liable in case of failure to collect and remit the execution fees without any justifiable reason (Rule IX, Section 6, second paragraph of the Manual on Execution of Judgment).

- b. All Executive Labor Arbiters, Labor Arbiters and Commissioners shall indicate in the Writ of Execution the exact amount of execution fees as well as the corresponding deposit fees to be charged against the losing party as prescribed in the NLRC Manual on Execution of Judgment and in the En Banc Resolution No. 19-11.
- c. All computation units, Labor Arbitration Associates and personnel in charge of computation of awards shall assist Executive Labor Arbiters/ Labor Arbiters/ Commissioners in computing the exact amount of execution fees as well as deposit fees to be indicated in the Writ of Execution. The amount of execution fees shall be based on the above rates and the monetary judgment awards.
- d. In case the property or fund deposited with the cashier/acting cashier or levied by the sheriff/acting sheriff is insufficient to satisfy both the judgment award and the execution fees, then the execution fees shall be assessed and collected from such property or fund on a pro-rata bases. This covers all amounts deposited with the cashier/acting cashier during the appellate and execution proceedings (e.g., appeal bond and garnished funds). The cashier/acting cashier is hereby authorized to deduct the execution fees from the said amount in the same manner as deposit fees.
- e. In case of partial satisfaction of judgment, the amount of execution fees to be charged shall also be on pro-rata bases.
- f. In case of auction sale, the winning bidder must first pay the execution fees and the deposit fees to the cashier/acting cashier as part of the bid price before the sheriff/acting sheriff issues the certificate of sale in his/her favor. If the winning bidder is also the judgment creditor, then he/she shall shoulder the execution fees and the deposit fees as part of the bid price.


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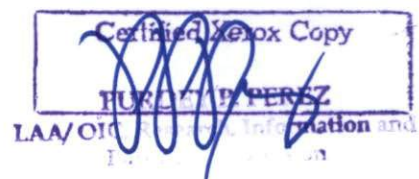
- g. In case the parties enter into a compromise agreement after the issuance of the writ of execution, the execution fees shall be shouldered by either or both of the parties, subject to their agreement. In the absence of agreement regarding the payment of the execution fees, then the losing party in the final decision shall be charged with the payment of the execution fees. All Executive Labor Arbiters, Labor Arbiters and Commissioners should take this into consideration before approving compromise agreement or quitclaims.

5. Reporting & Monitoring

- a. All sheriffs/acting sheriffs shall include in their periodic reports to the Executive Labor Arbiter/ Labor Arbiter/ Commissioner a status of execution fees collection and remittance copy furnished the cashier/acting cashier, for recording purposes.
- b. The cashier/acting cashier or the bank (UCPB) at Central Office and NCR collections shall issue an official receipt or special bank receipt to the sheriff/acting sheriff or to the payor upon remittance or receipt of payment of the execution fees and deposit fees.
- c. In case of payment by manager's check or cashier's check that covers the judgment awards and the execution fees as well as the deposit fees, the cashier/acting cashier shall indicate clearly the breakdown of the amount of execution fees, deposit fees and for the judgment award.
- d. All Executive Labor Arbiters, Labor Arbiters and Commissioners are required to monitor strict compliance of sheriffs/acting sheriffs with the aforementioned rule, and to report violations thereof to the Office of the Chairman, through the Legal and Enforcement Division, Central Office, for appropriate administrative action.

6. Recording, Accounting and Utilization

- a. Collections from execution fees shall be treated as Execution Fund, a fund solely for the purpose to cover administrative costs and expenses in the execution/enforcement of the final judgment awards in labor cases as enumerated in par. 3, sec. b.
- b. A separate set of books shall be maintained for this fund to account for the collection & its utilization and to ensure that charges under this account are proper and in accordance with the purpose for which it was created.
- c. Accounting entries in the recording of this fund and the utilization thereof in the books of accounts shall be made in conformity with the National Government Accounting System (NGAS).
- d. Monthly and annual financial reports for this fund shall be prepared and submitted to the Commission On Audit within the prescribed time of submission pursuant to the NGAS.
- e. The cashier/acting cashier or the bank (UCPB) in the case of Central Office and NCR, shall prepare in three (3) copies a daily report of collections of execution fees and submits the same to the accounting unit.
- f. Upon receipt of the report, the accounting unit shall prepare Journal Entry Voucher and submits the original copy of the report of collection to the Commission on Audit.



- g. Disbursements out of this fund shall be covered with the approved disbursement vouchers and through checks. The supporting documents for each disbursement out of this fund must conform to the prescribed supporting documents under the government accounting and auditing rules and regulations.
- h. The cashier/acting cashier shall likewise prepare report of checks issued relating to all payments out of this fund to the accounting unit who will check and verify the report and cause the recording of the transactions in the books of accounts on a daily basis and the submission of reports to the Commission on Audit.

7. Effectivity

These guidelines shall take effect immediately 15 days after the publication of the Enc Banc Resolution for this purpose.

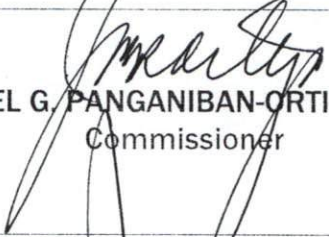
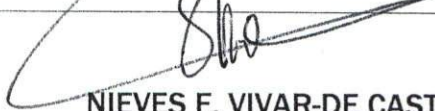

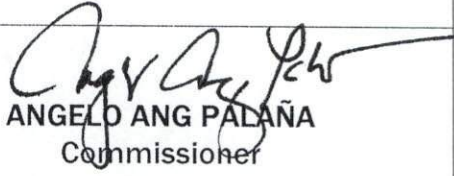
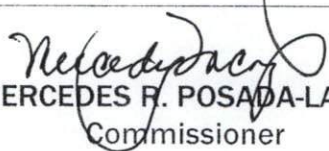


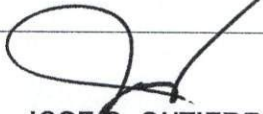


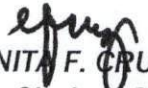
Signed this 28th day of September 2012 at Quezon City, Philippines.


GERARDO C. NOGRALES
 Chairman

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 HERMINO V. SUELO Presiding Commissioner	 LEONARDO L. LEONIDA Presiding Commissioner
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