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DEPARTMENT OF EDUCATION
Region X – Northern Mindanao
DIVISION OF MALAYBALAY CITY

Corner Don Carlos-Guingona St., City of Malaybalay



DIVISION MEMORANDUMNo. 287, s. 2013

TO: Education Program Supervisors/Division Coordinators
Public Schools District Supervisors
Elementary and Secondary Public School Heads
All Others Concerned

FROM: *Edilberto L. Oplenaria*
EDILBERTO L. OPLENARIA
OIC-Schools Division Superintendent

Date: October 11, 2013

Subject: **Dissemination of Adoption of Prescribed Procedures in the Processing and Payment of the Retirement Benefits of the Employees of this Region**

For information and guidance, enclosed is a copy of Regional Memorandum No. 136, s. 2013 entitled **Adoption of Prescribed Procedures in the Processing and Payment of the Retirement Benefits of the Employees of this Region** which is self-explanatory.

Immediate dissemination of this memorandum is desired.

Enclosed: As stated



August 15, 2013

REGIONAL MEMORANDUM
No. 136, s. 2013

**ADOPTION OF PRESCRIBED PROCEDURES IN THE PROCESSING AND PAYMENT
OF THE RETIREMENT BENEFITS OF THE EMPLOYEES OF THIS REGION**

To: **Schools Division Superintendents/
Officers Incharge**

1. **Department of Budget and Management Budget Circular No. 2013-1, as amended.** So as to implement the provision of Republic Act No. 10154, s. 2011 and its Implementing Rules and Regulations (IRR) prepared by the Civil Service Commission, the Department of Budget and Management (DBM) issued Budget Circular No. 2013-1, dated April 12, 2013, which provides for procedures to ensure that the retirement benefits of a government employee is received within a period of thirty (30) days from the actual date of retirement. To enforce a uniform adoption of these various directives, the following time lines and policies shall likewise be henceforth adopted by this Region:

1.1. **Retiree**

1.1.1. Not later than one hundred twenty (120) days prior to the effective date of retirement, the employee shall submit to the regional/division office concerned a written expression of interest to retire. A suggested format of the letter-intent is hereunto attached as Enclosure 1. This letter-intent shall be required even for the compulsory retiree as a matter of procedure;

1.1.2. Not later than one hundred (100) days prior to the effective date of retirement, the employee shall submit to the same office the following documentary requirements prescribed by the employer-agency and as listed in the attachment to the above cited DBM Circular, as amended which states, as follows :

a. **Retirees Under R. A. 1616, 660 and 8291**

- 1) Duly accomplished Retirement Application Form;
- 2) Certified true copy of the updated Service Record and latest Notice of Salary Adjustment (with Certification of inclusive dates of Leave Without Pay), if any;

(As a matter of policy, the issuance of the Service Record is preconditioned by the employee requesting clearance from the employer-office and a certificate of last salary paid. The latter

document is issued by the regional office except for secondary schools categorized as implementing units).

- 3) Letter of Intent to Retire duly approved by the head of office;
- 4) Statement of Leave Credits Earned certified by the Human Resource Management Officer (HRMO);

(Again under the presently adopted procedure, approval on the total earned leave credits of a retiree is within the authority of the Regional Director).

- 5) NSO Marriage Certificate - For change of name of married woman;
- 6) GSIS Clearance/Approval

(Under the Civil Service Commission Memorandum Circular No. 007, s, 2013, the retiring employee is required to seek clearance of Pendency/Non Pendency of Administrative Case from his employer-agency, the Civil Service Commission and the Office of the Ombudsman. In the case of presidential appointees, from the Office of the President);

- 8) Latest Notice of Salary Adjustment;
- 9) Form 6 for the Additional Leave Credits Earned Duly Approved by the Regional Director.

b. Deceased Retirees/Employees - Payable to Declared Heirs

In addition to the requirements enumerated above (Par. 1, 1.1.2, a)

- 1) Copy of the deceased retiree's/employee's death certificate;
- 2) Marriage Contract;
- 3) Judicial or Extra Judicial Settlement of Estate (duly notarized),

c. Incentive Benefits per Executive Order No. 77 (Rationalization Plan)

In addition to the requirements enumerated above (Par 1, 1.1.2, a)

- 1) Copy of the approved Rationalization Plan;
- 2) List of affected personnel and corresponding amount required for TLB and Incentive Benefits.

1.2. Regional/Division Office

1.2.1. Not later than ninety (90) days prior to the effective date of retirement of the employee, the employer-agency shall :

- a. Ascertain the completeness, authenticity, accuracy and consistency of data reflected in the documentary requirements, as well as in computing the amount of the Terminal Leave/Retirement Gratuity;
- b. Indicate (stamp-mark) the date of submission of complete documents in the Retirement Application Form in clear bold marks, countersigned by the proper receiving and validating employee;
- c. Coordinate with other concerned agencies, e.g. GSIS, Ombudsman and facilitate the needed clearances of their retiring employees;
- d. Submit to the DBM the Special Budget Request/s (SBR) for release of the funds to cover such retirement benefits chargeable against the Pension Gratuity Fund (PGF) together with the documents required under Subparagraph 1.1.2. above, where applicable, and the approved List of Actual Retirees to be Paid (LARP) duly accomplished in accordance to the prescribed format;

1.2.2. The Department of Budget and Management is then given not later than ten (10) days upon receipt of the SBR to ascertain the grant and amount of retirement benefits are in accordance with law and release the required funds to the employer-agency;

1.2.3. The region/division where the fund is released is given the remaining period prescribed under the subject retirement law and its IRR to record and effect the payment of the retirement benefits to the retiring employee,

2. Request Clearances and Approval for Retirement Purposes. As discussed above, for division office personnel some of the documents enumerated in the list are obtained at the level of the regional office. To fast tract action on the processing of the documentary requirements, therefore, it shall henceforth be the adopted policy for the division offices to submit a unified request for the following documents, immediately upon the receipt and approval of the letter intent to retire, as duly supported by the hereunder indicated documents needed to process the same :

2.1. Request for Certificate of Last Payment

- 2.1.1. As a precondition to the request, however, the requesting retiree must also beforehand be made aware of the accounting and auditing policies, rules and regulations that the issuance of a Certificate of

Last Payment by the regional office will result to the retiring employee being removed from the payroll that will be prepared for the month following the issuance of the certificate;

- 2.1.2. The payment of the salary of the retiring employee for the remaining period of service shall then be made by the division office concerned. For this purpose, it shall be the responsibility of the said office to effect the necessary mandatory deductions and remit the same to the corresponding agencies where it is due.
- 2.1.3. Supporting Document Required

For retirement purposes, a copy of the of the approved letter manifesting intention to retire specifically indicating the effective date of retirement.

2.2. Request for Computation of Total Leave Credits Earned

- 2.2.1. Considering that the request for the total of the leave credits earned is at least three (3) months from the actual termination of government service, the total approved leave can only be necessarily issued for the leave credits already earned on the date of the issuance of the same so as to ensure accurateness;
- 2.2.2. On the presumption that the applicant-retiree intends to continue rendering service prior to the set date of retirement and after the Regional Office issued the approved total leave credits earned, the division office is not precluded from submitting additional recommendation for the remaining period served for the already approved earned leave credits. However, the recommendation shall only be for the maximum of three (3) months served;
- 2.2.3. The recommendation for the balance of the service credits earned prior to the actual date of retirement shall be reflected in the CSC Form 6 that is made as an additional attachment to the LARP.
- 2.2.4. To expedite the preparation of the LARP, however, the Schools Division Superintendent, is authorized to already reflect in the said documents the total number of leave credits earned that earlier approved by the Regional Office and the additional leave credits earned reflected in the Form 6 attached and submitted for approval by the Regional Office;

2.2.5. Also, since the approval to the total number of leave credits is to be issued prior to the actual retirement of the applicant-retiree, it is understood that the same shall be issued prior to the GSIS clearance, contrary to the presently adopted procedure. It shall then be the responsibility of the division office concerned to ensure that the GSIS Clearance is obtained and made part of the documents to support the LARP,

2.2.5. Supporting Documents Required .


So as to make the initial computation of the leave credits earned by the applicant-retiree, the attachment of the original Employee's Leave Card shall remain to be a requirement. This is without prejudice, however, to the requirement that the pertinent document shall be attached as additional support to any claim of earned leave credits in instances where allowed, eg. designation of a teacher as head teacher.

2.3. Request for Approval for Retirement

2.3.1. For some division offices served by the GSIS Office in the City where the Regional Office is situated, the application for retirement of its personnel is still coursed through the latter office for transmittal to the former. In keeping with the thrust of fast tracking the processing of the retirement claim, therefore, and to adopt a uniform procedure the practice of submitting the retirement claim to the Regional Office will henceforth be dispensed with,

2.3.2. All division offices are now authorized to transmit the retirement claim of the personnel under their respective division offices direct to GSIS Branch servicing them without need of passing the documents through the Regional Office. Hence, the responsibility of ensuring that all the required documents for retirement are accurate and attached shall now be lodged primarily with the said office.

3. **Effectivity Date.** This Memorandum shall take effect immediately. Dissemination and compliance to this issued Memorandum is strongly enjoined.


INGRID G. RACOMA, Ph.D., CESO V
Schools Division Superintendent
Officer Incharge, Office of the Regional Director

Encls : As stated

Enclosure No. 1

(Date)

Regional Director/Schools Division Superintendent

Sir/Madam :

The undersigned intends to avail of the **compulsory/mandatory** retirement under Republic Act No. 8291 effective _____. For this purpose his/her preferred mode of payment is through the **Modified Disbursement Scheme (MDS) Checks/Advice to Debit Account (ADA)**.

(For those electing to be paid through ADA) :

... payable to his/her account with the (Name of the Bank), Branch, Address under the following Account No. and Name.

He/She understands that he/she has twenty (20) days from the receipt of this letter to submit the documents listed in the Checklist, herein attached as Annex "A" to ensure that he/she receives his/her retirement benefits within thirty (30) days from the date of his/her actual retirement in accordance to Department of Budget and Management Circular No. 2013-1, as amended.

Thank you.

Very truly yours,

Name of Applicant-Retiree
Position
Station

Approved :

Agency Head

Annex "A"

List of Documents to be Submitted to the employer-office within twenty (20) days from the date of receipt of the Application-Letter Manifesting Intention to Retire :

1. Duly Accomplished Retirement Application Form;
2. Certified True Copy of the Updated Service Record (with certification of the inclusive dates of Leave without Pay, if any);
3. Latest Notice of Salary Adjustment;
4. Letter of Intent to Retire duly approved by the head of office;
5. Statement of Leave Credits Earned approved by the Regional Director;
6. NSO Marriage Certificate - for change of name of married women;
7. GSIS Clearance/Approval;
8. Civil Service Commission Clearance;
9. Office of the Ombudsman Clearance;
10. Office of the President Clearance (for Presidential Appointee);
11. Regional/Division Office Clearance; and
12. Certificate of Last Salary Paid.

Additional Required Documents for those covered under the following conditions :

1. Deceased Retiree/Employee
 - 1.1. Copy of the deceased retiree/employee's Death Certificate;
 - 1.2. Marriage Contract; and
 - 1.3. Judicial or Extra Judicial Settlement of Estate (duly notarized).
2. Incentive Benefits Per Executive Order No. 77 (Rationalization Plan)
 - 2.1. Copy of the Approved Rationalization Plan; and
 - 2.2. List of affected personnel and corresponding amount required for TLB and Incentive Benefits.