

Republika ng Pilipinas
(Republic of the Philippines)
KAGAWARAN NG EDUKASYON, KULTURA AT ISPORTS
(DEPARTMENT OF EDUCATION, CULTURE AND SPORTS)
Manila

August 28, 1989

DECS O R D E R
No. 80, s. 1989

**GUIDELINES ON THE FILING AND PROCESSING OF DOCUMENTS PERTINENT
TO THE PAYMENT OF RETIREMENT/TERMINAL LEAVE BENEFITS**

To: Undersecretaries
Assistant Secretaries
Bureau Directors/Cultural Agency Directors
Regional Directors
Schools Superintendents
Chiefs of Services and Heads of Units/Centers
Presidents, State Colleges and Universities
Vocational School Superintendents/Administrators

1. Inclosed is a copy of Joint Civil Service Commission, Department of Budget and Management and Government Service Insurance System Circular No. 1-89 dated July 15, 1989, prescribing the guidelines on the filing and processing of documents pertinent to the payment of retirement/terminal leave benefits of employees in the Government.
2. It is desired that this Order be given wide dissemination for the information and guidance of all concerned.
3. Compliance is enjoined.

(SGD) LOURDES R. QUISUMBING
Secretary

Incl.:

As stated

References:

DECS Orders: Nos. 39, s. 1988 and 23, s. 1989

MECS Memorandum: No. 136, s. 1984

Attachment: 1-2-3--(M.O. 1-87)

To be indicated in the Perpetual Index
under the following subjects:

APPOINTMENT, EMPLOYMENT,
REAPPOINTMENT
BUREAUS & OFFICES
EMPLOYEES
LEAVE

OFFICIALS
RECORD
RETIREMENT
RULES & REGULATIONS
SERVICE

(Inclosure to DECS Order No. 50, s. 1989)

JOINT
CIVIL SERVICE COMMISSION
DEPARTMENT OF BUDGET AND MANAGEMENT
GOVERNMENT SERVICE INSURANCE SYSTEM
CIRCULAR NO. 1 - 89
July 13, 1989

TO : HEADS OF DEPARTMENTS, BUREAUS AND AGENCIES OF THE NATIONAL AND LOCAL GOVERNMENTS, INCLUDING GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS AND STATE UNIVERSITIES AND COLLEGES

SUBJECT : Guidelines on the Filing and Processing of Documents Pertinent to the Payment of Retirement/Terminal Leave Benefits

I. Purpose

This Circular is being issued to prescribe guidelines on the filing/processing of retirement applications covering all modes of retirement, the updating of service records and other documents relative thereto, the verification/confirmation by Personnel Officers/Administrative Officers or equivalent positions of the authenticity of services rendered before certifying to same, and the determination of terminal leave in order to facilitate the prompt payment of retirement/terminal leave benefits.

II. Filing of Retirement Applications

- A. The employee shall submit the application for retirement in the prescribed GSIS form to his/her agency at least four (4) months before the effective date of retirement for preparation of necessary documents/certifications by the Personnel Officers/Administrative Officer concerned.
- B. The agency shall prepare the documents/certifications to support the application for retirement, which shall include such basic requirements as:
1. Complete and updated Service Record, indicating thereat the period of both sick leave and vacation leave without pay and last day of actual service rendered;

3. Certification that employee concerned has been cleared of money and property accountability;
 3. Certification that retiree-applicant has no pending administrative and/or criminal case;
 4. Certification that retiree-applicant has filed his/her latest statement of assets, liabilities and net worth.
- C. The agency head or any authorized official with specimen signature at GSIS shall endorse the retirement application with complete documentary requirements to the Government Service Insurance System two (2) months before the effective date of retirement.
- D. In cases of deceased retirees, or when a GSIS member dies, the beneficiaries and/or legal heirs shall submit, in addition to a complete statement of service record of the deceased, the following requirements:
1. Death certificate of member or retiree issued by the Local Civil Registrar;
 2. Birth certificate of children of deceased member/retiree;
 3. Marriage contract/certificate issued by the Local Civil Registrar
 - a. Of parents of deceased (if deceased is single);
 - b. Of claimant spouse with the deceased;
 4. Proofs of surviving legal heirs;
 5. Bond of indemnity for guardianship of minors;
 6. Such other requirements as may be needed in certain cases.

III. Updating of Pertinent Documents

A. Service Records

1. Personnel Officers/Administrative Officers of all agencies shall prepare updated service records of all employees in their respective agencies to cover the complete history of employment, i.e., period of service and office/agency where such was rendered, duly certified by authorized officials whose specimen signatures are filed at GSIS.

2. Such updating shall include services of elective officials whose service records shall be prepared by the Personnel Officer/Administrative Officer or its equivalent position in the local government unit, duly certified by the authorized local official concerned. A COMELEC certification or oath of office may be submitted as supporting documents.
3. The preparation/updating of record(s) of an employee's previous employment or service in another government agency or agencies shall be the responsibility of the Personnel Officer and/or Administrative Officer of the agency where the employee is presently employed. If such records are not available, the employee concerned is given 15 working days to submit to the Personnel Division of the employee's present agency all records of his/her previous government service duly authenticated by the Personnel Officer of his previous offices or agencies.
4. Copies of appointments or notices of salary adjustments duly certified by the Personnel Officer/Administrative Officer of the agency concerned may be submitted in lieu of the service records of previous employment if such are not available/obtainable.
5. Original copies of all updated service records in the original form shall be submitted to the Government Service Insurance System, and certified true copies of same shall be submitted to the Civil Service Commission not later than 90 days after the issuance of this Circular.
6. Personnel Officers/Administrative Officers shall, thereafter, regularly update all service records, as follows:
 - 6.1 Service records of employees with 15 years or more of government service shall be updated yearly.
 - 6.2 Service records of employees with less than 15 years of government service shall be updated every (3) years until the 15th year of service, after which such shall be updated every year.

B. Accountability and Other Documents

1. Accountability documents shall refer to records of all money and property accountabilities and other responsibilities for which an employee is liable

or answerable upon separation from the service. These may be in the form of loans, membership fees, cash advances (including travel expenses), and other legal dues supported by the necessary receipts and/or memorandum receipts in the case of equipment, motor vehicles, office furniture and other materials issued to an employee.

2. Updating of such records shall be done as may be needed and shall be the responsibility of both the employee concerned and the unit involved in the transactions and in the maintenance of said records. A summary report, however, shall be made by the unit concerned, e.g., accounting for money accountabilities and property for property accountabilities, at the end of the year.

C. Other Documentary Requirements for Retirement

1. The Personnel/Administrative Division of each agency shall be responsible for keeping an updated record of each employee's leave credits and of furnishing all employees a record or certification of same every six (6) months.
2. Copies of statements of assets, liabilities and net worth of employees shall be kept by the Personnel/Administrative Division and updated yearly. These shall be stored by 10-year periods.
3. The Personnel/Administrative Division shall likewise keep file copies of each employee's latest appointment and notice of salary adjustment.

IV. Certification of Services Rendered

- A. Agency Heads and their Personnel Officers/Administrative Officers shall be responsible for determining the authenticity of services rendered for purposes of updating and issuing certifications on same.
- B. Certifications of services rendered by employees in regional offices/agencies shall be made by their respective Personnel Officers/Administrative Officers or their equivalent positions, duly signed by the regional office/agency head whose specimen signature shall likewise be submitted to GSIS.
- C. In certifying to services rendered, Heads and Personnel Officers/Administrative Officers of agencies shall be guided by the existing laws, rules and regulations followed by GSIS in determining creditable services for retirement purposes which are as follows:

1. All previous services rendered by an official/employee pursuant to a duly approved appointment, including those of Presidential appointees, to a position in the Civil Service with compensation or salary or pay whether on permanent, provisional, temporary, emergency, substitute, or casual status and whether paid monthly, daily, or hourly, subject to these conditions:
 - 1.1 The services are supported by appointment duly approved by the Civil Service Commission (except those of Presidential appointees), official records and/or other competent evidence which GSIC and/or CSC may require in case of doubt/discrepancies.
 - 1.2 Said services are on full-time or part-time basis, of which the three (3) years immediately before retirement are continuous.
2. The period during which an employee is on official leave of absence with pay.
3. The period during which an official/employee was on an authorized sick leave of absence without pay provided that it shall not exceed one year in a single instance, except in the case of teachers who are allowed three (3) years of sick leave without pay.
4. The period during which an official/employee was out of the service as a result of illegal termination of his services as finally decided by the proper authorities, provided the official/employee concerned was paid for the said period.
5. The period of Japanese Occupation of the Philippines (January 1, 1942 to February 28, 1946) even if the official/employee was not actually in the service during said period provided he was in the service at the outbreak of World War II in the Pacific on December 8, 1941.
6. The period of active service in the military of reserve officers and enlisted men who were integrated in the regular force of the Armed Forces of the Philippines but were honorably discharged or separated from the military service without receiving any benefits under RA 340, as amended, or other retirement laws covering military personnel, as duly certified to by the Armed Forces of the Philippines.

7. Period of cadetship in the Philippine Military Academy.
 8. Period of cadre training and training for a commission in the reserve force of the Armed Forces of the Philippines.
 9. Period of student-assistantship, with compensation, in state-owned colleges and universities pursuant to a valid appointment.
 10. The period during which an official/employee was in the service of an international organization and/or foreign government in compliance with an international commitment of the Philippine Government, provided that the salary received from the foreign government or international organization with which the Philippines has a commitment/agreement shall not be considered in computing the money value of the employee's retirement benefit.
 11. Period of honorable service in the Philippines under the authority of the U.S. government rendered prior to July 4, 1946. Also, services rendered in the Philippines for the American Red Cross up to July 4, 1946.
 12. Period of pensionadoship if appointment as pensionado was made while retiree was an employee of the government and expenses thereof shall have been defrayed by the government, provided that subject employee has not resigned his position as a condition for accepting the pensionadoship and that premiums were paid during the period of such employment/services.
 13. Period during which an employee is on authorized study leave with pay.
 14. Service of elective officials who receive compensation.
 15. Services of government employees paid on per diem basis, up to June 15, 1956 only.
- D. All cases not covered by the procedures/guidelines above shall be referred to OSIS for final determination.
- E. Agency Heads and Personnel Officers/Administrative Officers shall be held liable for any certification made without appropriate basis or for any false statement and misrepresentation of facts in certifying services rendered.

V. Payment of Terminal Leave Benefits

- A. Confirmation by the Civil Service Commission of a retiring government employee's terminal leave credits shall no longer be made before payment thereof, except for local government units. Personnel records on attendance and leave shall, however, be made available to the Civil Service Commission whenever required.
- B. Determination of legal heirs for purposes of payment of terminal leave benefits due a deceased government official/employee shall be the responsibility of the Head of the agency concerned or his duly authorized representative.
- C. Funds for payment of terminal leave benefits of retiring employees shall be released to the agency by the Department of Budget and Management together with the funds needed to pay for retirement gratuity as approved by GSIS. For this purpose, Agency Heads are required to submit to DBM a list of their respective retirees-applicants with the corresponding terminal leave credits and highest salary of each whenever applications for retirement are submitted to GSIS.
- D. Heads of agencies and their Personnel Officers/Administrative Officers shall be held responsible for any payment of terminal leave benefits not in accordance with the provisions of pertinent laws, rules and regulations.

VI. Processing of Retirement Applications

- A. The Government Service Insurance System shall process all retirement applications supported by complete documentary requirements within a period of one (1) month upon receipt of same.
- B. Approved Applications under RA 1616 shall immediately be forwarded by GSIS, copy furnished the Department of Budget and Management, to the agency concerned.
- C. They shall process the payment of gratuity benefits within one (1) month upon receipt of the GSIS approval to ensure that the retiree is paid on the date of his/her retirement.
- D. Overall processing time, including the release of funds by DBM to the agency concerned, should not take more than two (2) months from the time the retirement application is submitted to GSIS.

VII. Effectivity

This Circular shall take effect immediately.

(Sgd.) PATRICIA A. STO. TORRES
Chairman, Civil Service Commission

(Sgd.) GUILLERMO N. CARAQUE
Secretary

Department of Budget and Management

(Sgd.) FELICIANO BELMONTE JR.
President and General Manager

Government Service Insurance System

A true copy