



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA 1099

July 16, 2013

CUSTOMS MEMORANDUM ORDER

NO. 3-2013

TO: All Bureau Officials and Employees

SUBJECT: Rules, Regulations and Procedures in the Processing/Payment of Retirement Benefits of BOC Employees

I. Objectives:

1. To implement Republic Act No. 10154, otherwise known as an Act Requiring All Concerned Government Agencies to Ensure the Early Release of Retirement Pay, Pensions, Gratuities and Other Benefits of Retiring Government Employees, as implemented by Civil Service Commission (CSC) Resolution No. 1300237 and Department of Budget and Management (DBM) Circular No. 2013-1.
2. To fully comply with the documentary requirements in the processing and payment of retirement benefits as per Commission on Audit (COA) Circular No. 2012-001, DBM Circular No. 2013-1 and other related issuances.
3. To define the roles, responsibilities, and accountabilities of concerned offices and personnel in order to ensure the timely and expeditious release of retirement gratuity and terminal leave benefits of retiring employees.

II. Coverage:

This order shall cover the release of retirement gratuity and terminal leave benefits of retiring employees, either optional or compulsory. It does not cover the release of benefits of resigned/separated employees, hence, preparation and submission of forms, reports and records covering the latter shall be separated from retirees.

III. General Provisions:

1. The early and expeditious release of retirement benefits shall be dependent upon the submission by the retiring employee of complete documentary requirements within the specific period as herein prescribed. **Hence, should the retiring employee fail to comply with the same, the release of benefits shall be moved corresponding to the number of days of delay of submission of the complete requirements.**
2. Likewise, the occurrence of force majeure or other insuperable causes shall toll the running of the prescribed period. Upon cessation of the occurrence of force majeure or other insuperable causes, the running of the prescribed period shall continue.

3. Benefits of retiring employee may only be withheld if the employee has a pending administrative case, the outcome of the case involves a possible pecuniary liability on the employee, and the law specifically authorizes the withholding of the retirement benefits. In no case, however, shall the terminal/accrued leave benefits of a retiring employee be withheld because of a pending administrative case.
4. It shall be the responsibility of the Legal Service to ensure that a pending administrative case with the Bureau of Customs against a retiring customs employee shall be terminated/resolved within a period of ninety (90) days from the effectivity date of retirement of the concerned employee. After the lapse of such period and the case has not yet been terminated/resolved, without justifiable reason/s and/or without fault or delay attributable to the retiring employee, the retirement benefits due shall be immediately released to him/her without prejudice to the outcome of the case. For this purpose, appeal taken by the employee shall constitute a justifiable reason for the non-release of his/her retirement benefits.
5. On the other hand, if the case is pending with agencies, other than the Bureau of Customs, e.g. OMB, DOJ, CSC, OP, etc., it shall be incumbent upon the retiring employee to seek for the early termination/resolution of his/her case with that agency.
6. The Legal Service shall also ensure that all Requests for Adjudication of Legal Heirs in the case of death claims of deceased employees shall be acted upon within a period of thirty (30) days from the date of referral by the Accounting Division.
7. Customs personnel, who without justifiable reason/s fail to comply with the rules, regulations and procedures as herein prescribed, shall be subject to Rule VI, Penal Provisions of CSC Resolution No. 1300237 or the Implementing Rules of RA 10154.
8. In order to expedite the processing of BOC Clearances, the following clearances shall be applied for by the retiring employee and issued by the concerned office/division separately:

Type of Clearance	Issuing Office/Division	Covered Personnel
Office/Port Clearance	Group/Collection District (to be signed by Head of Office/Division, Disbursing Officer, Supply Officer, and others as maybe required by the Port and approved by the District Collector/Deputy Commissioner)	All
Clearance of Pendency/Non-Pendency of Case	Legal Service	All

Clearance of No Outstanding Accountabilities	RAD, FS/Accounting Division, FMO/Budget Division, FMO	All Accountable Officers
Clearance of No Unliquidated Cash Advance	Accounting Division	All
Clearance of No Outstanding Property Accountability	GSD, FMO MISTG	All
Clearance of No Outstanding Obligations	Provident Fund, Philippine National Bank, Land Bank of the Philippines	All
Clearance of Pendency/Non-Pendency of Case	OMB	All
	CSC (per Resolution 1300237)	CSC No. All
	OP (per Resolution 1300237)	CSC No. Presidential Appointees

IV. Operational Procedures:

The following are the procedural steps, documentary requirements, periods of submission and responsible division/office in the processing of retirement benefits:

1. Claims for Retirement Gratuity (RG) and Terminal Leave (TL) benefits of compulsory retirees:
 - 1.1. On the first working day of each month, the Human Resources Management Division (HRMD), using the Human Resource Information System (HRIS) shall generate the list of employees who are due for compulsory retirement one (1) year prior to that month, i.e. all compulsory retirees for the month of October 2014 shall be listed on September 2, 2013.
 - 1.2. Based on such list, and within a period of fifteen (15) days, HRMD shall send a letter to each concerned employee, through his/her Service Director/District Collector informing him/her of the effectivity of his/her retirement with instructions for him/her to submit a written expression of intent to retire as provided under Section 9, Rule IV of CSC Resolution No. 1300237, form attached as ANNEX A.

- 1.3. Retiring employee shall submit the duly signed expression of intent to retire within fifteen (15) days from receipt of the letter from HRMD.
- 1.4. Upon receipt of the written expression of intent to retire, HRMD shall process his/her application by submitting the same to the Commissioner of Customs for acceptance/approval. The processing of his/her acceptance letter shall be completed within a period of fifteen (15) days.
- 1.5. HRMD shall then forward such approval/acceptance to the retiring employee through his/her Service Director/District Collector together with the checklist of requirements for compulsory retirement together with applicable blank forms for accomplishment and with notification that the complete requirements shall be submitted not later than one hundred twenty (120) days prior to the effectivity date of his/her retirement in order for him/her to avail of early release of claims, checklist and forms attached as **ANNEX B**.
- 1.6. Upon receipt of the checklist and blank forms, the retiring employee shall accomplish all documents, secure all necessary clearances, including audit of his/her leave cards by HRMD/Administrative Division in all his/her places of assignments as required by COA Circular No. 2012-1.
- 1.7. After accomplishing all forms and securing all requirements in the checklist, the retiring employee shall submit them to HRMD for personnel under Ocom/concerned Administrative Division for personnel in ports/subports on or before 120 days prior to effectivity of his/her retirement.
- 1.8. Upon submission of the requirements to HRMD/concerned Administrative Division, the date of such submission shall be stamp marked on the retirement application form in clear bold marks, countersigned by the proper receiving and validating employee. Only complete and fully accomplished forms shall be received by HRMD/concerned Administrative Division, hence, submission by mail shall be discouraged.
- 1.9. Within thirty (30) days upon receipt, HRMD/concerned Administrative Division shall process the application for retirement, compute the authorized benefits, and verify the authenticity, accuracy and consistency of the data contained in the documents and submit to the proper authorities for approval, as follows:

Document	Processing Authority	Recommending Authority	Approving Authority
Application for Terminal Leave (TL) Benefits	Chief, HRMD for personnel under Ocom & Concerned Chief, Administrative Division for personnel under ports/subports	Director, Administration Office for personnel under Ocom & concerned District Collector of Customs for personnel under ports/subports	Deputy Commissioner for Internal Administration Group
Application for Retirement Gratuity (RG)	Chief, HRMD for personnel under Ocom & Concerned Chief, Administrative Division for personnel under ports/subports	Director, Administration Office for personnel under Ocom & concerned District Collector of Customs for personnel under ports/subports	Deputy Commissioner for Internal Administration Group

Note: It shall be the responsibility of the concerned Chief, Administrative Division for personnel from ports/subports to ensure that the processed documents shall be transmitted to HRMD in a secured and fast manner.

1.10. Not later than ninety (90) days prior to the actual date of retirement, HRMD shall endorse the approved application for retirement benefits as follows:

1.10.1. Retirement Gratuity under RA 8291 & RA 660 - To Government Service Insurance System (GSIS). As per CSC Resolution No. 1300237, GSIS is expected to release benefits to the retirees on his/her last day of government service.

1.10.2. Retirement Gratuity under RA 1616 and Terminal Leave Benefits payable by the Bureau

- To Accounting Division who shall in turn prepare the Disbursement Voucher, after which, it shall be transmitted to the Budget Division for the preparation of the Special Budget Request (SBR) to cover such retirement benefits chargeable against the Pension and Gratuity Fund (PGF) together with the List of Actual Retirees to be Paid (LARP). The Budget Division shall then transmit the SBR and LARP with the supporting

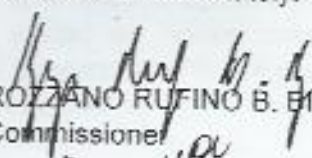
2. Claims for Retirement Gratuity (RG) and Terminal Leave (TL) benefits of optional retirees
 - 2.1. Concerned employee who intends to avail of optional retirement from the service shall submit a written expression of intent to retire indicating the desired date of retirement at least one hundred fifty (150) days prior to his/her actual retirement date to HRMD through his/her Service Director/District Collector.
 - 2.2. Upon receipt of the written expression of intent to retire, HRMD shall process his/her application by submitting the same to the Commissioner of Customs for acceptance/approval. The processing of his/her acceptance letter shall be completed within a period of fifteen (15) days.
 - 2.3. HRMD shall then forward such approval/acceptance to the retiring employee through his/her Service Director/District Collector together with the checklist of requirements for optional retirement together with applicable blank forms for accomplishment and with notification that the complete requirements shall be submitted not later than one hundred twenty (120) days prior to the date of effectivity of his/her retirement in order for him/her to avail of early release of claims, checklist and forms attached as **ANNEX B**.
 - 2.4. The processing of retirement and terminal leave benefits shall proceed in accordance with Section IV.1.6-1.11 above.

V. REPEALING CLAUSE:

This order revokes CMO 49-2009, entitled, Issuance and Signing of BOC Clearance dated November 5, 2009 and all memoranda, circulars, and office orders in conflict with any provision of this order are hereby repealed and/or modified accordingly.

VI. DATE OF EFFECTIVITY:

This Memorandum Order shall take effect immediately.


ROZZANO RUFINO B. BIAZON
Commissioner

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18 JUL 2013