



Republic of the Philippines
NATIONAL POLICE COMMISSION
NATIONAL HEADQUARTERS, PHILIPPINE NATIONAL POLICE
OFFICE OF THE CHIEF, PNP
Camp BGen Rafael T Crame, Quezon City

PNP MEMORANDUM CIRCULAR
NO.: 2020-025

APR 02 2020

**SUPPLEMENTAL GUIDELINES AND PROCEDURES IN THE PROCESSING
OF RETIREMENT/SEPARATION CLAIMS OF THE PNP PERSONNEL
UNDER PNP MC No. 2014-14**

1. REFERENCES:

- a. Republic Act No. 10154 dated July 14, 2011, entitled "An Act Requiring All Government Agencies to Ensure the Early Release of the Retirement Pay, Pensions, Gratuities and Other Benefits of Retiring Government Employees";
- b. Civil Service Commission Resolution No. 1300237 dated January 30, 2013, entitled "Implementing Rules and Regulations (IRR) of RA No. 10154" as amended by CSC Resolution No. 1302242 dated October 1, 2013 entitled "Amendments to Implementing Rules and Regulations of RA No. 10154 Otherwise known as An Act Requiring All Concerned Government Agencies to Ensure the Early Release of the Retirement Pay, Pensions, Gratuities and Other Benefits of Retiring Government Employees"; and
- c. Department of Budget and Management Budget Circular No. 2013-1 dated April 12, 2013 entitled "Guidelines Prescribing the Documentary Requirements and Procedures in Processing/Payment of Retirement Benefits of Government Employees."

2. RATIONALE:

The thrust of the government is to ensure the timely and expeditious release of retirement pay, pensions, gratuities, and other benefits of all retiring employees of the government through RA No. 10154.

In recognition of the sacrifices and gallantry shown by our retired PNP personnel, it is but fitting that when they retire, they should be accorded with services which they could enjoy without any expense on their part.

In order to lessen the burden of processing their retirement and separation claims, the integration/linkage of systems between concerned offices/units will be utilized so that the retiring PNP personnel will not be required to submit retirement folders for their claims and to ensure that the set period for the standard processing is being observed.

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On the other hand, this Memorandum Circular (MC) will also provide additional guidelines and procedures for the expeditious settlement of outstanding liabilities of retiring personnel with the PNP and PNP-accredited Financial Institutions.

3. SITUATION:

The present retirement process entails so much effort and expense on the part of the retirees as they are being required to submit documents that are already in possession of the office that requires them.

4. PURPOSE:

This MC provides the guidelines and procedures for the processing of compulsory and optional retirement benefits of the PNP personnel. The implementation of this new system aims to reciprocate the selfless and dedicated services rendered by the retirees while they were still in the active service.

5. DEFINITION OF TERMS:

- a. **Affidavit of Authority to Deduct** - written statement of willingness of the retiring personnel and his/her beneficiaries authorizing the PNP to deduct his/her money and/or property accountability from his/her retirement benefit claims;
- b. **Certificate of Money/Non-Money Accountability** - refers to the document being issued by the office/unit of last assignment of the retiring personnel as well as the Directorate for Comptrollership: stating the amount of money obligation of the retiring personnel and from where the accountability is to be paid;
- c. **Certificate of Property/Non-Property Accountability** - refers to the document being issued by the office/unit of last assignment of the retiring personnel as well as the Directorate for Logistics stating the amount of obligation of the retiring personnel for the payment of property accountability;
- d. **Mandatory Clearances** - are clearances to be attached to the retirement benefit claims such as NAPOLCOM Clearance, Ombudsman Clearance, DLOD Clearance, DC Clearance and DL Clearance; and
- e. **Retirement Benefits** - refer to benefits (CAL, Lump Sum and Pension) due to employee or personnel as a result of his/her retirement from the service subject to existing laws and regulations.

6. GUIDELINES:

a. General Guidelines

The pertinent requirements and procedures are as follows:

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- 1) One year prior to the effective date of retirement, RPRMDs/ARMDs shall update the service record as well as the breakdown of leave credits of the retiring PNP personnel in the online PAIS/DPRM Database. Mandatory and special leaves of the retiring personnel shall be reserved for his/her use for the remaining period in the active service after the Breakdown of Leave Credits and Commutation of Leave Order shall be issued. In addition, to prevent falsification of documents, required documents shall be requested and/or prepared by the unit's RPRMDs/ARMDs and placed in two folders prior submission to PRBS/PRBUs;
 - 2) Should a retiring PNP personnel will have an existing loan balance and/or property accountability, it shall be deducted from the retirees CAL and/or Lump Sum which should not be more than 50% of the gross claim. In case that the retirement benefits are not sufficient to cover their accountabilities, treatment of such balances shall be in accordance with the existing valid PNP MOA with the concerned Financial Institutions (FI). In case of optional retirement, the retiree must first secure his/her loan balances from all accredited FIs as a requirement for the issuance of a retirement order. Computation for the loan deduction should be the remaining balance from the effectivity date of his/her retirement as stated in his/her retirement order;
 - 3) For PNP personnel who will avail of the Optional Retirement, the letter request addressed to C, PNP; Affidavit of Irrevocable Undertaking to Avail Optional Retirement; Certificate of Loan Balances; and Authority to Deduct shall be submitted to RPRMDs/ARMDs who will forward the same to PRBS/PRBUs for processing of retirement order;
 - 4) The retirement claims of PNP personnel with pending case shall be processed in the same manner as those retiring without pending case. Processing should start immediately upon receipt of the documentary requirements. However, the outright pension will only commence on the fourth month from the retirement date; and
 - 5) The list of the documentary requirements are attached as:
 - a) Requirements for Retirement Claims (Compulsory, Optional & TPPD (Annex 1);
 - b) Requirements for Commutation of Accumulated Leave (CAL) Claim for Posthumously Retired/ Separated (Annex 2); and
 - c) Additional requirements for Posthumous Retirement/Separation (Annex 3).
- b. Specific Guidelines**
- 1) DICTM shall oversee the development of a system similar to e-payslip which a retiring PNP personnel can access to monitor the

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progress of the processing of his/her retirement benefit with the use of PNP-issued username and password on the system; and

- 2) Integration/linkages of systems of DPRM, DL, DC, PRBS and FS to ensure that the set period for the standard processing of retirement claims is being observed.

c. Responsibilities

- 1) Nine months prior to the effective date of retirement of PNP personnel, the following PNP offices/units shall perform the following tasks:
 - a) **DPRM** - Issue DLOD Clearance;
 - b) **DL** - Issue Provisional Clearance for retiring personnel (those who are assigned in field units) valid until the time they will be on Non-Duty Status.
 - c) **PROs and NSUs**
 - (1) Direct the retiring PNP personnel to ascertain the correctness and completeness of their data in the PNP online PAIS; and
 - (2) Coordinate with concerned PNP offices/units and NAPOLCOM and Ombudsman for the issuance of clearances of the retiring PNP Personnel.
- 2) Six months prior to the effective date of retirement of PNP personnel, the PNP offices/units shall perform the following tasks:
 - a) **PROs and NSUs** - Ascertain the completeness, authenticity, accuracy and consistency of data reflected in the documents required for retirement/separation claims.
 - b) **PRBS**
 - (1) Provide copy of the amount of claims with complete documentary requirements to Retirement and Pension Benefits Section, Fiscal Division, DC thru Accounting Division, DC; and
 - (2) Prepare separate DVs for each accountability or obligation which shall be deducted from the Retirement Benefits with the sum total not exceeding 50% of the total receivable benefits of the retiree.
- 3) Not later than 90 days prior to the effective date of retirement of PNP personnel, the following PNP offices/units shall perform the following tasks:
 - a) **DC** - Submit to DBM the amount of retirement claims for funding.

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b) **FS**

(1) Implement the deductions of retiree's outstanding accountabilities including their loan balances from the retirement benefits which should not be more than 50% of the claim. In case that the retirement benefits are not sufficient to cover their accountabilities, treatment of such balances shall be in accordance with the existing valid PNP MOA with the concerned Financial Institution (FI); and

(2) Remit the deductions to the designated account and FIs.

4) The retiring PNP personnel shall perform the following:

a. One year prior to the effectivity date of retirement:

1) Turn in any PNP property/equipment and secure a Non-Property Accountability Clearance **EXCEPT** for those who are assigned in the field units in which case, a provisional clearance shall be issued;

2) Ensure that the data in the online PAIS are correct and complete; and

3) Have the biometric/s of dependent/s uploaded in the online PAIS.

b. Upon receipt of Retirement Order, submit the following to RPRMDs/ARMDs:

1) Affidavit of Authorization to Deduct authorizing the PNP to deduct their accountabilities from their Retirement those with accountabilities; and

2) Pre-retirement seminar certificate.

c. File their ending SALN as of their last day in government service not later than 30 days after their retirement to be administered by their respective RPRMDs/ARMDs who shall in turn submit the same to RMD, DPRM and PRBS. This SALN is different from that required in the claims folders which is the latest SALN submitted.

7. PENAL CLAUSE:

Heads of PNP offices/units concerned as well as personnel in-charge in the processing of retirement benefits, pension and other benefits shall be responsible for the observance of these guidelines and procedures. Any violation/s hereof shall be dealt with accordingly.

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8. SEPARABILITY CLAUSE:

Any provision of this MC which is found to be inconsistent with the law and its implementing rules and regulations shall not invalidate the other provisions of this MC.

9. REPEALING CLAUSE:

All PNP policies, directives and other issuances which are inconsistent with the provisions of this Circular are hereby repealed or modified accordingly.

10. EFFECTIVITY:

This MC shall take effect after 15 days from filing of a copy hereof at the University of the Philippines Law Center in consonance with Section 3 and 4, Chapter 2, Book VII of Executive Order No. 292, otherwise known as "The Revised Administrative Code of 1987," as amended.



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ANNEXES

REQUIREMENTS FOR RETIREMENT CLAIMS

Compulsory, Optional & TPRD

(To be prepared by RPRM/Ds/ADMOs)

1. Retirement Order
2. Updated Service Record from RMD, DPRM
3. Updated Breakdown of Leave Credits from RMD, DPRM
4. Commutation Order from RMD, DPRM
5. Directorate for Logistics (DL) Clearance
6. Directorate for Comptrollership (DC) Clearance
7. SALN
8. Certificate of Last Payment (For Optional Only)
9. STI 1 (Account Number)
10. Affidavit of Authority to Deduct (if deemed needed)
(Overpayment and Outstanding Loan balance from PNP Provident Fund)
11. Pre-retirement Seminar Certificate
12. Affidavit of Pendency/Non-Pendency of Case

*Note:

- Only the requirements §§-12 shall be required from the retiring personnel.

ANNEX 2

REQUIREMENTS FOR COMMUTATION OF ACCUMULATED LEAVE (CAL) CLAIM

Posthumously Retired/Separated

(To be prepared by RPRMDS/ADMOS)

1. Posthumous Order from concerned Unit
2. Directorate for Logistics (DL) Clearance
3. Confirmation of Posthumous Order from RMD, DPRM
4. Directorate for Comptrollership (DC) Clearance
5. Updated Breakdown of Leave Credits from RMD, DPRM
6. SALN
7. Certificate of Last Payment from Finance Service
8. Commutation Order from RMD, DPRM
9. Affidavit of Authorization to Deduct if deemed needed (Money/Property Accountabilities)

*Note:

- Only the requirement #9 shall be required from the beneficiary.

ANNEX 3

ADDITIONAL REQUIREMENTS FOR POSTHUMOUS RETIREMENT/SEPARATION

IF PNP personnel is MARRIED:

1. Advisory on Marriages of both husband and wife from NSO
2. Marriage Contract from NSO
3. Birth Certificate of Minor Children from NSO

IF PNP personnel is SINGLE:

1. Certificate of Singleness from NSO
2. Marriage Contract of Parents
3. Birth Certificate of PNP Personnel

TIMELINE OF PROCESSING RETIREMENT CLAIMS

12-9 Months Prior	9-6 Months Prior	6-3 Months Prior
<p>RPRMD, PROs/ Admo, NSUs</p> <ul style="list-style-type: none"> ▪ Prepare two (2) folders for the retiring personnel ▪ Update the Service Record and Breakdown of Leave Credits of retiring personnel ▪ Seek Clearance of Pendency/Non-Pendency of Administrative Case from DLOD ▪ Request for Clearances from Concerned Offices/Units <p>Retiring Personnel</p> <ul style="list-style-type: none"> ▪ Turn-in any issued PNP property (except for fas of personnel assigned in field units) ▪ Settle Money/P/Property accountability ▪ Secure loan balances from all accredited FIs as requirement for issuance of retirement order 	<p>DPRM</p> <ul style="list-style-type: none"> ▪ Issue/provide the following: <ul style="list-style-type: none"> - Retirement Orders copy furnished DC, DL, DLOD & concerned Units - Updated Service Records - Updated Breakdown of Leave Credits - Commutation Orders; ▪ Provide PRBS and concerned PROs/NSUs with the list of PNP personnel with pending administrative case/s with status on a monthly basis. ▪ Ascertain the completeness, authenticity, accuracy and consistency of the documents required 	<p>RPRMD, PROs/ Admo, NSUs</p> <ul style="list-style-type: none"> ▪ Consolidate and insert clearances to the folders of retiring personnel ▪ Ascertain the completeness, authenticity, accuracy and consistency of data reflected in the documents for CAL and Retirement Gratuity ▪ Submit two (2) folders to PRBS <p>PRBS/PRBUS</p> <ul style="list-style-type: none"> ▪ Ascertain the completeness, authenticity, accuracy and consistency of data reflected in the documents ▪ Issue ID Application Form ▪ Issue Letter of Introduction (LOI) for LBP <p>Retiring Personnel</p> <ul style="list-style-type: none"> ▪ Executes Waiver of Rights (Personal Appearance is Mandatory) ▪ Apply ATM Pension Account ▪ Submit copies of ST1 and Bank Confirmation Slip to RPRMD/ADMO for inclusion in the folder

<p>PAIS is correct and complete</p> <ul style="list-style-type: none"> ▪ Have the dependent/s biometric uploaded in the online PAIS ▪ Submit to RPRMD/ADMO the following: <ul style="list-style-type: none"> <input type="checkbox"/> Property Turn-in Slip <input type="checkbox"/> Non-Money/ Property accountability Clearance from the Unit <input type="checkbox"/> Affidavit of Authorization to Deduct <input type="checkbox"/> Pre-retirement Seminar Certificate 	<p>NAPOLCOM</p> <p>Provide clearances to all concerned offices/ units, copy furnished PRBS</p> <p>RETIRING PERSONNEL</p> <ul style="list-style-type: none"> ▪ Execute a Declaration of Pendency/Non-Pendency of Case 	<ul style="list-style-type: none"> ▪ Prepares computation Sheet and Disbursement Voucher and reflect the ATM Pension Account within 7 days upon receipt.
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ANNEX 4 (CONTINUATION)

TIMELINE OF PROCESSING RETIREMENT CLAIMS	
3 Months Prior	On the Day of Retirement
<p>PRBS</p> <ul style="list-style-type: none"> ▪ Provide RPBS, DC the funding requirement in advance ▪ Transmit claim folders to DC for funding. <p>DC</p> <ul style="list-style-type: none"> ▪ Request funding in advance ▪ Assess/ process/ pre-audit ▪ Batching, request fund to DBM ▪ Release of NFA/NCA <p>FS</p> <ul style="list-style-type: none"> ▪ Implement deduction of outstanding accountabilities from retirement benefits the amount of which shall not exceed more than 50% of the claim ▪ Remit the deductions to the concerned FIS ▪ Submits ADA to Landbank for crediting to retirees' ATM Pension Account ▪ Submit to PRBS copy furnished DC and DL the Report of Payment of Retirement Benefits in a monthly basis 	<p>RETIREE</p> <p>Withdraws CAL and Lump Sum</p>

NOTE: The head of the government agency concerned and/or Secretary and responsible officers of the Department of Budget and Management (DBM) are mandated to release the retirement pay, pensions, gratuities, and other benefits of a retiring government employee within a period of thirty (30) days from the date of the actual Retirement of the said employee. Provided, that all requirements are submitted at least ninety (90) days prior to the effective date of retirement. (Sec. 2, RA 10154)

ANNEX 5

FLOW OF PROCESSING PER RETIREMENT BENEFIT VOUCHER

STEPS	OFFICE/UNIT	FUNCTION	DAYS
1	PRBS	Consolidation of complete documents and preparation of DV and computation sheet	5
2	Acctg Div, DC	Check entitlement, computation, deduction and completeness of requirements	2-3
3	Mgt Div, DC	Pre-audit	2
4*	RPBS, Fiscal Div, DC	Batching and preparation of Fund Request to DBM thru DILG	7
5*	DILG	Endorses to DBM	PNP has no control
6*	DBM	Approval and fund release	PNP has no control
7*	DILG	Endorses to PNP the availability of fund as approved and released by DBM	PNP has no control
8*	RPBS, FD, DC	Preparation of NFA and processing of DVs	3

9	NFA Sec, Budget Div, DC	Charging of NCA	3
10	AD, DC	Issuance of Journal Entry Voucher (JEV)	3
11	Checking Sec, FS	Preparation of Advice to Debit Account (ADA)	3
12	TDC	Approval and signing of ADA	1
13	D, FS	Approval and signing of ADA	1
14	Checking Sec, FS	Submits ADA to LBP for crediting to retirees PNP ATM Pension Account	1-3
TOTAL NO. OF DAYS			34

Note:

**- Applicable only to Optional Retirement and Posthumous Retirement/Separation*