



Republic of the Philippines
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS
OFFICE OF THE SECRETARY

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DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS
JUNE 13 2014
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DEPARTMENT ORDER NO. 2014-008

To : ALL OFFICIALS AND EMPLOYEES
This Department

Subject : RETIREMENT PLAN FOR THE DOTC-CENTRAL OFFICE,
DOTC-MRT3/CAR/CARAGA, AND SECTORAL OFFICES AS
PART OF THE DOTC STRATEGIC HR PLAN

Date : 13 June 2014

I. LEGAL BASIS:

The CSC Omnibus Rules Implementing Book V of Executive Order No. 292 and Other Pertinent Civil Service Laws, particularly Section 7, Rule VIII (Career and Personnel Development) thereof, prescribes that agencies shall establish a continuing program for the development of its personnel, including a Pre-Retirement Program, intended to familiarize would-be retirees on the government retirement plans and benefits as well as available business opportunities or other productive options/pursuits.

Corollary to this, the Agency Strategic Human Resource Plan Toolkit, which was anchored on Civil Service Laws and Rules, was issued by the Civil Service Commission to all government Agencies to serve as their guide in developing their respective Agency Strategic HR Plans. Part of the Strategic HR Plan is the development of the Agency Retirement Plan.

II. RATIONALE:

Employees spend most of their productive years in this Department. To recognize their loyalty and their dedication to duty, it is imperative for the Department to prepare, assist, or guide them, as holistically as possible, to live an active life upon separation from the service. Hence, the **Retirement Plan** for the DOTC-Central Office, DOTC-MRT3, CAR and CARAGA Regional Offices, and the Sectoral Offices is hereby established to prepare them as they re-integrate themselves into their respective communities and pursue a meaningful life outside the government service.

III. COVERAGE

The DOTC Retirement Plan shall cover all officials and employees of the DOTC-Central Office, DOTC-MRT3, CAR and CARAGA Regional Offices, and Sectoral Offices, whether career or non-career. ***For Attached Agencies and Corporations that do not have a Retirement Plan, they may adopt this Retirement Plan or establish their own program.***

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IV. PROGRAMS AND ACTIVITIES UNDER THE RETIREMENT PLAN

The DOTC Retirement Plan shall include the following programs and activities, which may be conducted separately or in conjunction with each other, and which may further be subject to the availability of funds and/or resource persons:

PROGRAM/ ACTIVITY	TIMELINE	RESPONSIBLE PERSONS/LEAD IMPLEMENTING OFFICE/DIVISION/BODY
1. Posting of List of Compulsory Retirees	January every year	Personnel Division/Section
2. GSIS Pre-Retirement Orientation	One (1) year prior to retirement (for compulsory retirees); Six (6) months prior to projected retirement (for optional retirees)	GSIS Representative/s (as arranged by the HRD Division/Section)
3. Application for Retirement	One (1) year prior to retirement (for compulsory retirees); Six (6) months prior to projected retirement (for optional retirees)	Retiree/s concerned
4. Counselling Service/ Exit Interview		Personnel Division/Section
5. Livelihood, health, financial and investment education programs	Any time upon application of concerned retirees	HRD Division/Section
6. Processing of terminal leaves, retirement claims, and benefits	Refer to the provisions of Office Order No. 2011-04 entitled "Guidelines and Procedures on Personnel Movement Including Separation from the Service" to Incorporate the Guidelines in the Submission of Documentary Requirements, particularly Item 6 (Retirement), Rule IV thereof	Personnel, Budget, and Treasury Divisions/Sections; GSIS
7. "Salu-Salo" or other social activities (optional)	On the birthday or last day of service of concerned retirees, whichever comes first	Supervisors concerned
8. Conferment of Retirement Awards and Tokens	January every year	PRAISE Committee

V. GUIDELINES IN THE IMPLEMENTATION OF THE RETIREMENT PLAN

In order to operationalize this Plan, the following guidelines are hereby prescribed:

1. Programs and activities shall be assigned to lead implementing offices/divisions with specific timelines within which to undertake said programs and activities.

The lead implementing persons/offices/divisions may request assistance from, or coordinate with, other offices/divisions and agencies for the successful undertaking of said programs and activities.

2. The DOTC Retirement Plan shall be implemented in conjunction with Office Order No. 2011-04 entitled, "Guidelines and Procedures on Personnel Movement Including Separation from the Service" to incorporate the Guidelines in the Submission of Documentary Requirements, particularly Item 6 (Retirement), Rule IV thereof, to ensure the timely release of retirement benefits pursuant to RA 10154 and the conduct of retirement activities.
3. The Personnel Division/Section shall post the list of compulsory retirees in January of every year in the bulletin boards as advanced information to those retiring from the service.
4. One year prior to retirement (for compulsory retirees) or six months prior (for optional retirees), the employee concerned shall coordinate with the HRD Division/Section for the conduct of pre-retirement orientation to be conducted by the GSIS.
5. Immediately after the orientation, the retiree shall file application for retirement benefits using GSIS Retirement Form No. 02282014-RET (copy attached), unless otherwise revised, and other documents as required by the Department and other agencies.
6. To be eligible for GSIS retirement benefits, the retiree shall strictly observe the following terms and conditions:
 - Eligibility Requirements – a member shall be entitled to the retirement benefit, provided the retiree is separated from the service at the time of application, and on condition that:

Under RA 660	<ol style="list-style-type: none"> 1. Retiree has been in the service on or before 31 May 1977; and 2. Retiree must be on permanent status at the time of retirement with continuous service for the last three (3) years prior to retirement and has made contributions for at least five (5) years. 3. Retiree has met the age and service requirements as indicated below: <table border="1" style="margin-left: 20px;"> <tr> <td>Age</td><td>52</td><td>53</td><td>54</td><td>55</td><td>56</td><td>57</td><td>58</td><td>59</td><td>60</td><td>61</td><td>62</td><td>63</td><td>64</td><td>65</td> </tr> <tr> <td>YOS</td><td>35</td><td>34</td><td>33</td><td>32</td><td>31</td><td>30</td><td>28</td><td>26</td><td>24</td><td>22</td><td>20</td><td>18</td><td>16</td><td>15</td> </tr> </table> <p>Benefit Options:</p> <ul style="list-style-type: none"> • Below age 60: monthly annuity payable annually for 5 years • Aged 60 to below 63: 3-year lump sum, 2 years balance payable on the 63rd birthday; monthly annuity after the 5-year guaranteed period • Aged 63 and above: 5-year lump sum, monthly annuity after the 5-year guaranteed period 	Age	52	53	54	55	56	57	58	59	60	61	62	63	64	65	YOS	35	34	33	32	31	30	28	26	24	22	20	18	16	15
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YOS	35	34	33	32	31	30	28	26	24	22	20	18	16	15																	
Under PD 1146	<ol style="list-style-type: none"> 1. Retiree should have been separated/retired on or before 23 June 1997; and 2. Retiree has rendered at least fifteen (15) years of service in the government. <p>Benefit Options:</p> <ul style="list-style-type: none"> • Immediate Monthly Pension • 60 months x Basic Monthly Pension (BMP), and BMP after 5 years 																														

Under RA 8291	<ol style="list-style-type: none"> 1. Retiree should have been separated/retired on or after 24 June 1997; 2. Retiree has rendered at least fifteen (15) years of service at the time of retirement; 3. Retiree is at least sixty (60) years of age at the time of retirement; and, 4. Retiree is not receiving a monthly pension benefit due to permanent total disability. 5. Retiree must not be a uniformed personnel of the PNO, BJMP and BFP. <p>Retirement Benefit Options:</p> <ul style="list-style-type: none"> • 60 months x Basic Monthly Pension (BMP), and BMP after 5 years • 18 months x BMP and BMP to start on date of retirement <p>Separation Benefit Options:</p> <ul style="list-style-type: none"> • Below 60 years old with less than 15 years in service = Cash Benefit only • Below 60 years old with more than 15 years in service = Cash Benefit then pension upon reaching age 60
Under RA 1616	<ol style="list-style-type: none"> 1. Retiree has been in the service on or before 31 May 1977; 2. Retiree, regardless of age, must have at least twenty (20) years of service in the government at the time of retirement. 3. Retiree must have rendered continuous service for the last three (3) years and must not incur leave without pay of more than one (1) year except in cases of death, disability, abolition or phase-out of position due to reorganization. Except for teachers who are allowed more than one (1) year leave without pay under Magna Carta for Teachers. <p>Retirement Benefit:</p> <ul style="list-style-type: none"> • Refund of Retirement Premiums (retirement gratuity to be paid by the last employer)

- Request for conversion from one mode of retirement to another shall not be allowed.
 - The retirement proceeds shall at all times be subject to deduction for any outstanding indebtedness the member may have incurred with GSIS, pursuant to Articles 1231 and 1278 of the Civil Code, GSIS Laws (RA 660, RA 1616, PD 1146 and RA 8291) and existing policies.
7. In the processing of retirement claims and benefits, all concerned shall refer to Office Order No. 2011-04 entitled "Guidelines and Procedures on Personnel Movement Including Separation from the Service" to Incorporate the Guidelines in the Submission of Documentary Requirements, particularly Item 6 (Retirement), Rule IV thereof.
 8. In addition to the preceding terms and conditions, the processing of GSIS retirement benefits, especially for those would-be retirees who have pending cases relating to graft and corruption in violation of RA 3019, shall further be subject to GSIS Memorandum Circular No. 002, s. 2014 dated 03 June 2014 (copy attached).
 9. Upon the employee's application for retirement, the HRD Division/Section shall arrange for a free pre-retirement orientation seminar to be conducted by the GSIS.
 10. Meanwhile, the Personnel Division/Section shall conduct counselling/exit interview. In this phase, the Personnel Division/Section shall, among others,

surface the impressions, experiences and knowledge of the retiring employee about the Department and how these could be used to improve organizational policies and standard operating procedures. The Personnel Division/Section shall also encourage the expression of the needs and personal future plans of the retiring employee to determine the appropriate HR intervention to address such need.

11. Once the counselling/exit interview is conducted, the Personnel Division/Section shall refer the retiree to the Human Resource Development Division/Section. In turn, the latter shall assist the would-be retirees in making their own arrangements for an independent retirement through personal health, financial and investment education programs. This shall be done by providing seminars/training/workshops on health and financial wellness, and livelihood programs.
12. A retiree is entitled to only one (1) livelihood seminar/training program of choice prior to retirement, to be sponsored by the Department/Office. Any excess livelihood program shall be on the personal account of the retiree. However, the retiree is not precluded from attending as many free health and financial wellness fora that the Department/Office could possibly arrange.
13. If for any reason the seminars/fora cannot be done in-house, the HRD Division/Section shall facilitate and/or arrange the retiree's attendance with other concerned agencies/offices (i.e., GSIS, LandBank, DOH, TLRC, TESDA, PTTC, DTI, etc.). If there are fees that may be incurred from such attendance, the concerned offices (DOTC-CO, MRT3, CAR and Caraga Regional Offices, or Sectoral Offices) shall charge these against their respective training funds, subject to the usual accounting and auditing rules and regulations.
14. All the aforementioned training activities and fora shall be included in the Annual Training and Development Program of the concerned Admin/HRD Divisions/Sections.
15. The "Salu-Salo" or other social activity is an optional undertaking that may be held in honor of the retiree on the said retiree's birthday or last day of service, whichever comes first. This may be organized within or outside the office premises through the initiative of the supervisor concerned. However, since expenses cannot be charged against the funds of the Department/Office, the supervisor concerned is encouraged to be creative in the conduct of the activity in the most legal and ethical way possible, without spending any government funds.
16. The conferment of Retirement Awards and tokens shall be in January of every year, the procedures of which shall be in accordance with Office Order No. 2013-11 dated 20 May 2013 (DOTC-PRAISE).
17. The Budget Division/Section shall include in its annual budget proposal the funding requirements of the various programs and activities relative to the implementation of the Retirement Plan and the payment of retirement benefits, subject to the usual auditing and accounting rules and regulations. The allocation of funds shall be based on the list of retirees submitted by the Personnel Division/Section annually, including modifications in case of optional retirement, if any.

VI. FUNDING SOURCE

Funds for this Retirement Plan shall be charged against the appropriate funds of the Department, the MRT3, the CAR and CARAGA Regional Offices, and the Sectoral Offices, subject to the usual accounting and auditing rules and regulations.

VII. REPEALING/MODIFICATION CLAUSE

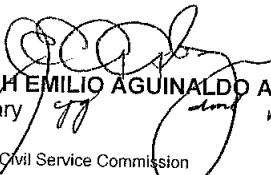
All existing orders and directives that are inconsistent herewith are hereby repealed, revoked, or superseded accordingly. Subject to the prevailing issuances and/or policies of the CSC, DBM, OP, COA, GSIS, and other regulating agencies on the matter, this Retirement Plan may be modified by this Department, as necessary, to conform to said issuances.

VIII. EFFECTIVITY AND DISSEMINATION

This Order shall take effect immediately.

All supervisors shall disseminate this Retirement Plan in their respective Offices upon receipt from the DOTC-Central Office Records Section and the Records Units of the MRT3, CAR and CARAGA Regional Offices, and the Sectoral Offices.

For your information, guidance and compliance.


JOSEPH EMILIO AGUINALDO ABAYA
Secretary

cc: Civil Service Commission



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