



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management

Building I, General Solano Street, San Miguel, Manila



CIRCULAR LETTER

No. 2012 - 10

JUNE 21, 2012

- TO :** HEADS OF DEPARTMENTS AND AGENCIES OF THE EXECUTIVE BRANCH, INCLUDING GOVERNMENT-OWNED AND/OR -CONTROLLED CORPORATIONS (GOCCs), GOVERNMENT FINANCIAL INSTITUTIONS (GFIs), AND ALL OTHERS CONCERNED
- SUBJECT :** CERTAIN GUIDELINES ON THE AVAILMENT OF RATIONALIZATION PROGRAM INCENTIVES OF AFFECTED PERSONNEL WHO OPTED TO RETIRE/BE SEPARATED FROM THE SERVICE PURSUANT TO EO 77¹ DATED 08 MAY 2012

1.0 Purpose

This Circular Letter is being issued to provide certain guidelines that shall be adopted relative to the personnel who were affected as a result of the approval of the Rationalization Plan of an agency and who would avail themselves of the retirement/separation/unemployment benefits under the Rationalization Program in accordance with **Section 2 of EO 77**.

2.0 Guidelines

- 2.1 Affected employees, who previously opted to remain either in their mother agency and whose positions have been marked coterminus with the incumbent *or* transferred to recipient agencies of the placement mechanism, shall be allowed to avail of the retirement/separation/unemployment benefits under the Rationalization Program within one (1) month from the effectivity of EO 77, i.e., **from** May 16 **to** June 16, 2012.
- 2.2 The effectivity date of the retirement/separation of the aforementioned employees shall not go beyond **16 June 2012**.
- 2.3 To give them ample time to complete their assignments/tasks, and turn over files, records, properties and other accountabilities, employees concerned who availed themselves of EO 77 benefits may be allowed to report for work not to go beyond **16 July 2012** or two (2) months upon the effectivity of EO 77.

¹ Amending Executive Order (EO) No. 637 (s. 2007), on the Basis of the Computation of the Incentives of Personnel Affected by the Implementation of the Rationalization Program under EO No. 366 (s. 2004) which became effective on 16 May 2012 upon its publication in the Manila Bulletin

Said personnel who intend to extend their service must submit a written request to their respective Personnel Division, as endorsed by their respective Bureau/Service/Unit Head, for approval by the Department Secretary/Head of Agency concerned.

They would be paid only their salaries and Personal Emergency Relief Allowance on a "no work, no pay" policy after 16 June 2012.

- 2.4 Services rendered during said period shall no longer be credited in the computation of their retirement/separation/unemployment benefits and incentives.

In addition, the affected personnel concerned shall no longer earn commutative and cumulative leave credits for services rendered after the effectivity date of their retirement/separation.

3.0 Responsibility Clause

It shall be the responsibility of the Department Secretaries and equivalent Agency Heads to strictly implement the provisions of this Circular Letter, including the laws, rules and regulations indicated herein. In case of any violation of the same, the official authorizing such action shall be held responsible for whatever expenses the government incurred for not strictly following this issuance.

4.0 Applicability Clause

The provisions of this Circular Letter shall be applicable until revoked.

5.0 Effectivity

This Circular Letter shall take effect immediately.



MARIO L. RELAMPAGOS
Officer-in-Charge