



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
CENTRAL OFFICE
MANILA

097.7 DPWH
01-26-2018

January 25, 2018

DEPARTMENT MEMORANDUM)


CIRCULAR NO. 10)
Series of 2018 01.24.18)

FOR / TO : Undersecretaries
Assistant Secretaries
Service Directors
Bureau Directors
Regional Directors
Heads of UPMOs
District Engineers
This Department

For information and guidance, attached is a copy of **BUDGET CIRCULAR LETTER NO. 2018-4** dated January 24, 2018 "**Modified Guidelines for the Payment of Retirement Gratuity and Terminal Leave (RG/TL) Benefits**".

A copy of said Memorandum may also be downloaded from the **DPWH website: <http://dpwhweb>**. If an office cannot access the DPWH website, a hard copy may be obtained from the Records Management Division, HRAS upon request.

For dissemination to all concerned.


B. ELIZABETH E. YAP, Ph.D., CESO II
Assistant Secretary for Support Services

Encl: Budget Circular Letter No. 2018-4 dated January 24, 2018

Cc: Office of the Secretary

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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
BONCODIN HALL, GENERAL SOLANO STREET, SAN MIGUEL, MANILA



CIRCULAR LETTER

No. 2018 - 4
January 24, 2018

TO : All Heads of Departments/Agencies/State Universities and Colleges and Other Offices of the National Government, Budget Officers; Heads of Accounting Units, COA Auditors, Heads of Modified Disbursement System-Government Servicing Banks (MDS-GSBs) and All Others Concerned

SUBJECT : **Modified Guidelines for the Payment of Retirement Gratuity and Terminal Leave (RG/TL) Benefits**

- 1.0 Pursuant to Budget Circular No. 2013-1, dated April 12, 2013 (Guidelines Prescribing the Documentary Requirements and Procedures in Processing/Payment of Retirement Benefits of Government Employees) and Circular Letter No. 2011-15, dated December 26, 2011 (Validity of Notice of Cash Allocation (NCA)) the following are being observed in the issuance and crediting of NCAs for the payment of RG/TL benefits:
 - 1.1 NCAs for the purpose shall be credited to Special MDS Sub-Accounts effective upon issuance; and
 - 1.2 Shall be valid up to the last working day of the following month.
- 2.0 In line with the policy of maximizing the use of the available resources in FY 2018 and reducing the number of existing MDS sub-accounts, operating units (OUs) are directed to use their **Regular MDS-Sub Accounts** for payment of RG/TL benefits effective February 1, 2018.
 - 2.1 The validity of NCAs issued for RG/TL shall thus be from the date of issuance of the NCA until the end of the quarter said NCA was issued.
 - 2.2 All OUs concerned shall make the necessary coordination with their respective MDS Government Servicing Banks for the closing of their Special MDS Sub-Account.
- 3.0 All NCAs issued for RG/TL benefits prior to February 1, 2018 shall still follow the lapsing of one month after issuance.
- 4.0 It is understood that all OUs shall use the Advice to Debit Account (ADA) mode of payment in the settlement of RG/TL benefits.
- 5.0 All provisions of existing circulars and other issuances inconsistent with this Circular are hereby rescinded/repealed and/or modified accordingly.

- 6.0 Except as expressly repealed, or by necessary implication, modified by this Circular, the existing provisions regarding the documentary requirements for the processing of requests for payment of RG/TL Benefits, shall remain in full force and effect.
- 7.0 This Circular shall be effective immediately and remain to be in force unless otherwise repealed/amended.

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BENJAMIN E. DIOKNO
Secretary *gn*

