



Republic of the Philippines
Department of Social Welfare and Development
Batasan Pambansa Complex, Constitution Hills
Quezon City
Telephone No. 931-8101 to 07

MEMORANDUM CIRCULAR

NO. 16
Series of 2005

**SUBJECT: Guidelines on the Payment in Cash of
Clothing Allowance to Employees due
For Separation from the Service**

This Memorandum Circular is hereby issued to provide guidelines on the grant of clothing allowance in cash to employees of the Department who are due for separation from the service during the year, except those dropped from the rolls.

1. Coverage

- 1.1 Officials and employees who will be retiring under compulsory or optional retirement;
- 1.2 Officials and employees who will resign or transfer to another government agency.
- 1.3 Employees whose appointments are co-terminous with a special project to be terminated during the year.

2. General Guidelines Pursuant to Section 305 of the General Accounting and Auditing Manual (GAAM)

- 2.1 Annual clothing allowance shall be given to all employees whether employed on permanent or emergency basis, who have rendered six (6) consecutive months of service, provided he/she serves the department for another six (6) months.
- 2.2 Appropriations provided for the department may be used for uniform and clothing allowance of employees at an amount fixed under existing regulations.

3. Payment of Clothing Allowance to Separating Employees

- 3.1 An employee who is due for compulsory retirement but who is entitled to clothing allowance based on the above-stated guidelines, shall be allowed to receive the clothing allowance for the year in cash. Likewise, an employee who will be retiring under optional retirement, who will resign from government service or will transfer to

another government agency, shall also be allowed to receive the clothing allowance for the year in cash, provided, that the application for retirement, letter of resignation or transfer has already been accepted.

- 3.2 Employees whose appointments are co-terminous with a special project to be terminated during the year, who are qualified to receive clothing allowance, may also receive such allowance in cash, provided, that they have no pending appointment to regular position or to a contractual position in the Department.

Cases not covered by this guideline shall be submitted to the Office of the Undersecretary In-charge for General Administration and Support Services (GASS) for resolution.

This Circular takes effect immediately and revokes Memorandum Circular No. 21, series of 2003.

Issued in Quezon City, this 13th day of July, 2005.


LUWALHATI F. PABLO
Officer In-charge

MASG/CAA/cys