: CLEARANCE PROCESSING : Resignation from Employment PREPARED BY: AGUSTIN J. NESPEROS JR. RICA A. POLACHE

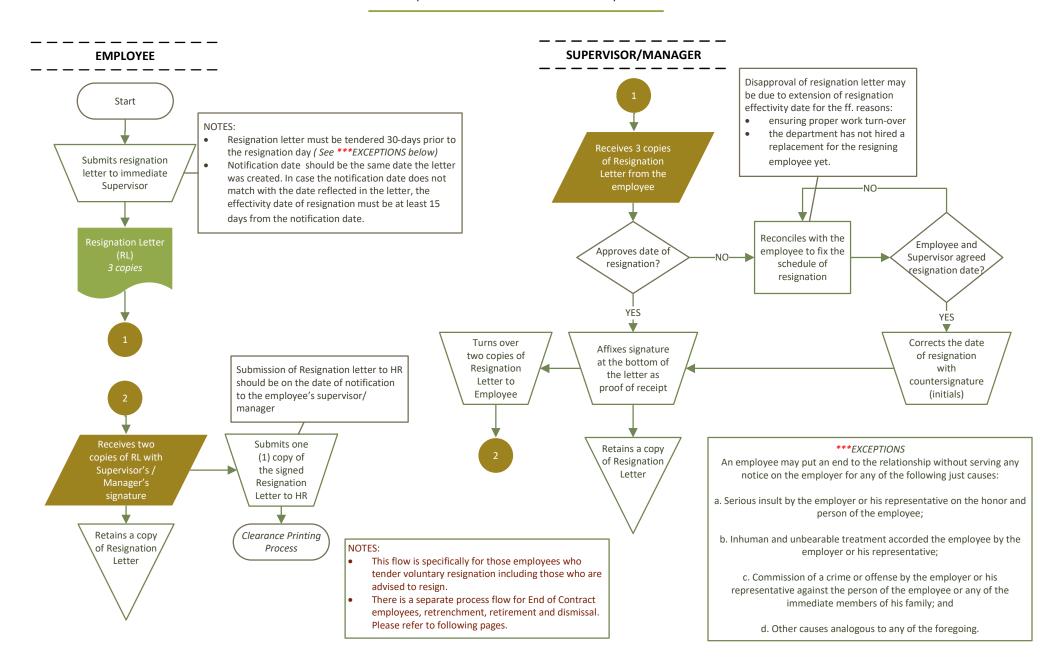
REVIEWED BY:

MARIA NELIZA U. FUERTES,CPA,CIA, CSCU, CISA, REB, REA,
CICA CrFA

1.1.1

CLEARANCE PROCESSING

(RESIGNATION FROM EMPLOYMENT)





: CLEARANCE PROCESSING : Change of Resignation Date

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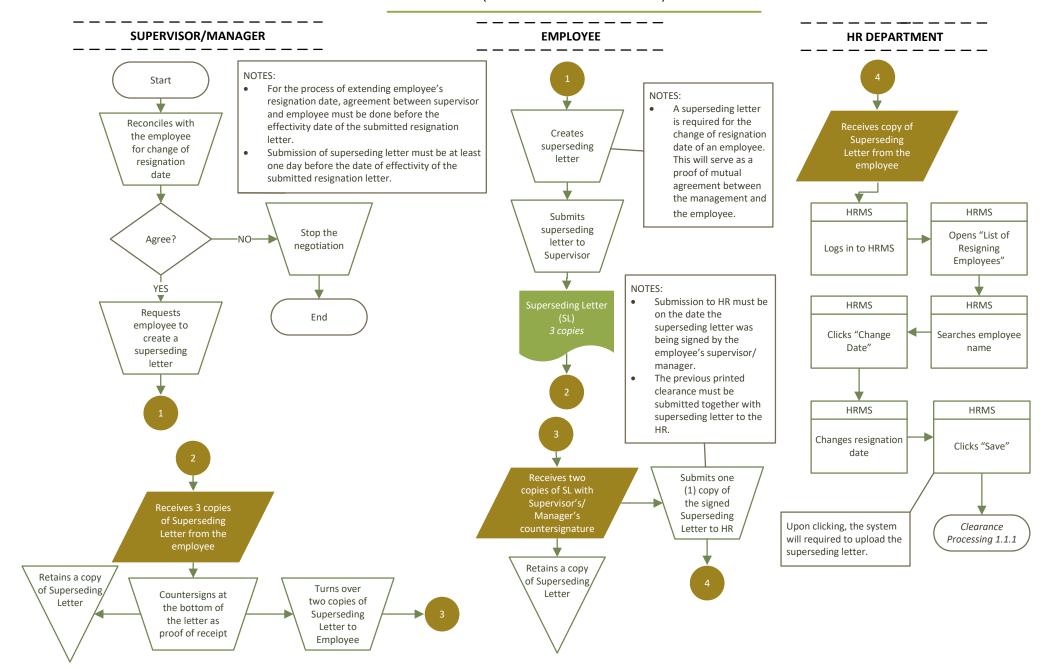
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1.1.2

EXTENSION PROCESS

(CHANGE OF RESIGNATION DATE)





: CLEARANCE PROCESSING : Termination/End of Contract

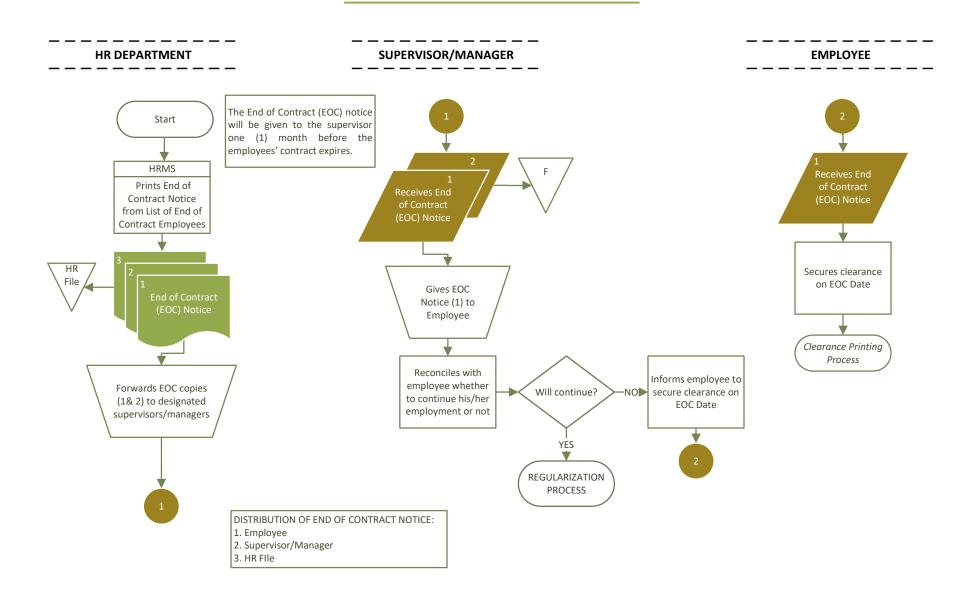
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1.2.1

CLEARANCE PROCESSING

(TERMINATION/END OF CONTRACT)





Clicks "Raters Sign off"

: REGULARIZATION PROCESS : Probationary/Regularization

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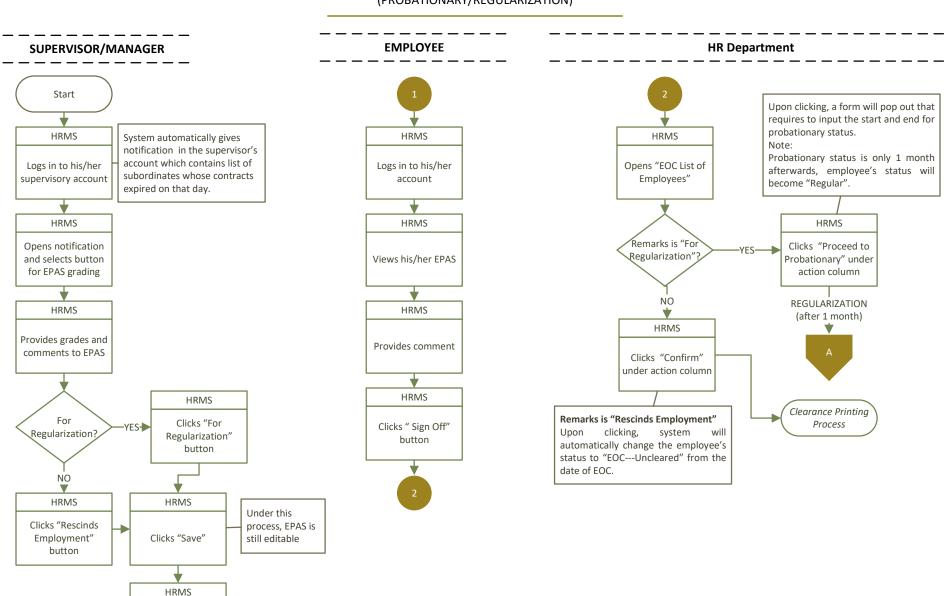
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1.2.2

REGULARIZATION PROCESS

(PROBATIONARY/REGULARIZATION)





Process Flow : REGULARIZATION PROCESS **Sub-Process** : Probationary/Regularization

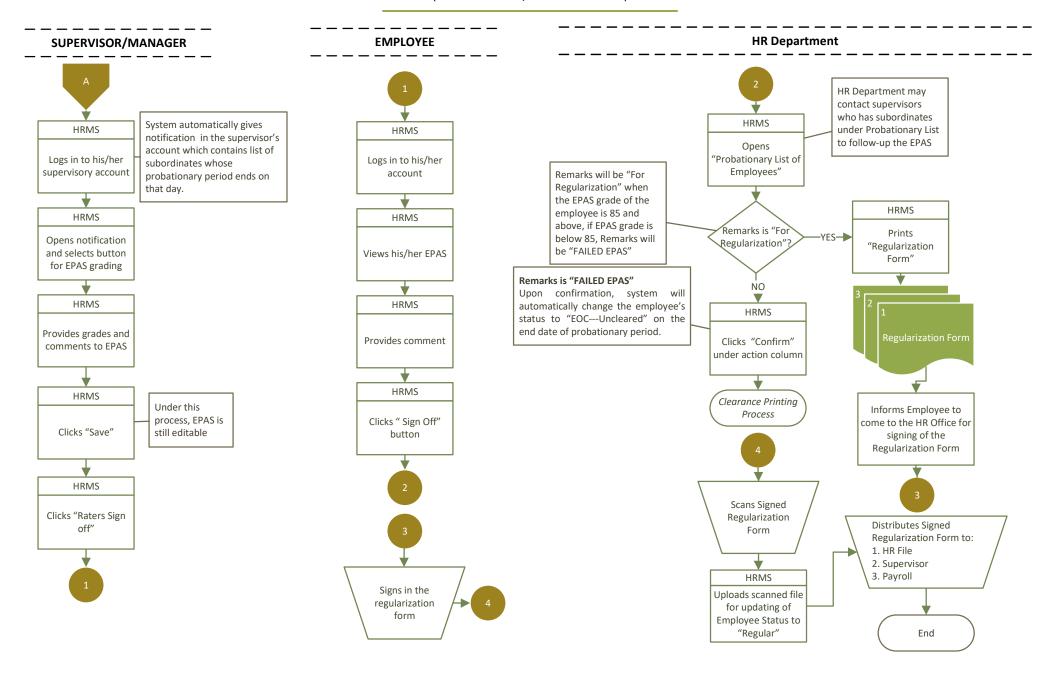
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1.2.3

REGULARIZATION PROCESS

(PROBATIONARY/REGULARIZATION)





: CLEARANCE PROCESSING

: Change of End of Contract Date

PREPARED BY: RICA A. POLACHE

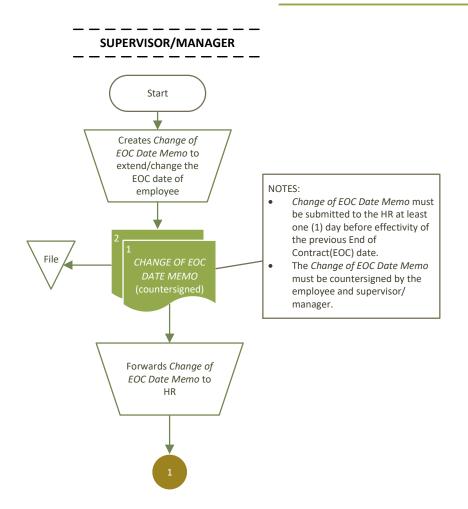
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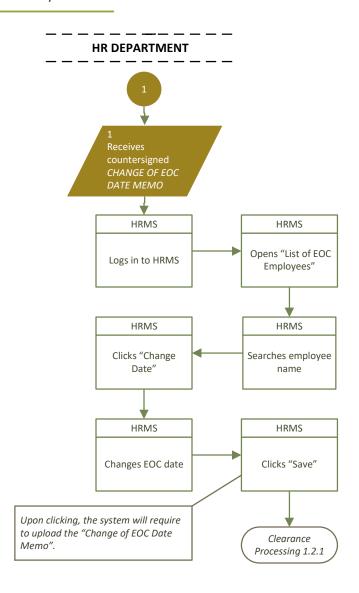
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1.2.4

EXTENSION PROCESS

(CHANGE OF END OF CONTRACT DATE)







: CLEARANCE PROCESSING

: Retrenchment

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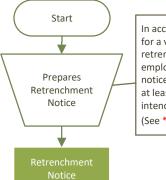
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1.3.0

CLEARANCE PROCESSING

(RETRENCHMENT)

HR DEPARTMENT



Distributes copies to

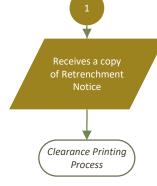
Employee DOLE

Company File

the following:

In accordance with the Labor Code. for a valid implementation of a retrenchment program, the employer must serve written notices on the employees and DOLE at least thirty (30) days prior to the intended date of retrenchment. (See *NOTES below)

EMPLOYEE



*NOTES:

1. The right of management to dismiss workers on the ground of retrenchment to prevent serious losses is governed by Article 283 of the Labor Code. This is one of the authorized causes of termination of employment.

However, There are four elements must be proven before one can dismiss employees on the ground of retrenchment. Firstly, the losses expected should be substantial.

Secondly, the substantial loss apprehended must be reasonably imminent, and such imminence can be perceived objectively and in good faith by the employer.

Thirdly, because of the consequential nature of retrenchment, it must be reasonably and necessary and likely to effectively prevent the expected losses. The employer should have taken other measures prior or parallel to retrenchment to forestall losses such as cutting other costs other than labor cost.

Lastly, the alleged losses if already realized, and the expected imminent losses sought to be forestalled, must be proven by sufficient and convincing evidences. It bears emphasis that serious business losses should be proven by financial statements duly audited by an independent external auditor.

- 2. Employers can also terminate an employee based on authorized causes like business and health reasons. Art. 283 of the Labor Code states that an employee can be terminated due to business reasons such as:
- installation of labor-saving devices;
- . redundancy;
- retrenchment (reduction of costs) to prevent losses; or
- the closing or cessation of operation.

For termination of employment based on health reasons, employers are allowed to terminate employees found suffering from any disease and whose continued employment is prohibited by law or is prejudicial to his health as well as to the health of his co-workers (Art. 284, Labor Code). The employer must obtain from a competent public health authority a certification that the employee's disease is of such a nature and at such a stage that it can no longer be cured within a period of six (6) months even with medical attention.



Process Flow : CLEARANCE PROCESSING

Sub-Process : Retirement

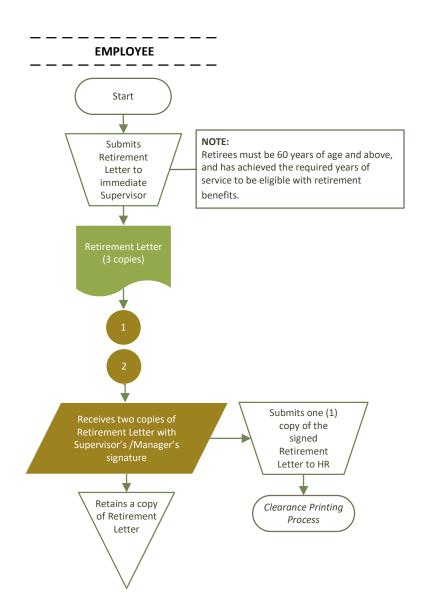
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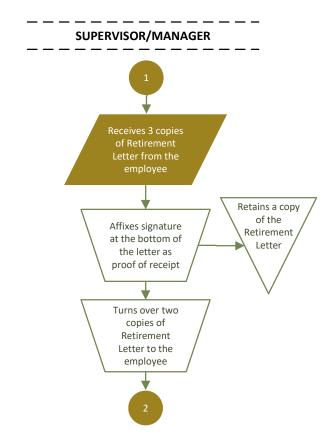
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CLEARANCE PROCESSING

(RETIREMENT)





NOTE:

A report can be generated in the HRMS system containing the list of employees who are of the ages 60 years and above. This is for the purpose of timely monitoring and updating of employee status.



Process Flow : CLEARANCE PROCESSING Sub-Process : Deceased Employee

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Page 1.5.0

CLEARANCE PROCESSING

(DECEASED EMPLOYEE)

ALLOWED REPRESENTATIVE

Start Presents death certificate of the deceased employee to secure clearance Clearance Printing Process

NOTE: Allowed representatives are patterned with the authorized representatives for the claim of mortuary. Allowed representatives can let another person to process the clearance of the deceased employee provided that he/ she gives authorization letter. The authorization letter will also be scanned along with the death certificate.

FOR FURTHER MEETING & DISCUSSION



: CLEARANCE PROCESSING

: Clearance Printing

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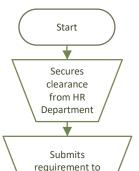
HR DEPARTMENT

2.0.0

CLEARANCE PROCESSING

(CLEARANCE PRINTING)

EMPLOYEE [Allowed Representative (Deceased)]



REQUIREMENTS UPON SECURING CLEARANCE:

Voluntary Resignation --- Resignation letter Advised to Resign --- Resignation Letter Termination/End of Contract --- Notice of End of Contract Retrenchment --- Notice of Retrenchment from the company Deceased --- Death Certificate Retirement --- Retirement Letter

Required document

HR Department

NOTE:

1. Status upon Printing of Clearance before the date of effectivity:

Reasons for Asking Clearance	STATUS	SUB-STATUS
A. Voluntary Resignation	V-Resigned	Active for Resignation
B. Advised to Resign	Ad-Resigned	Active for Resignation
C. Termination/End of Contract	End of Contract	Active for EOC
l		

D. Retrenchment Retrenched Active for Retrenchment E. Retirement Retired Active for Retirement

2. Status upon/after Date of Effectivity:

Reasons for Asking Clearance	STATUS	SUB-STATUS
A. Voluntary Resignation	V-Resigned	Uncleared
B. Advised to Resign	Ad-Resigned	Uncleared
C. Termination/End of Contract	End of Contract	Uncleared
D. Retrenchment	Retrenched	Uncleared
E. Retirement	Retired	Uncleared
F. Deceased	Deceased	Uncleared

- 3. A report can be generated from HRMS containing the list of employees having a sub-status "uncleared" per DTR cutoff to hold the payment of last DTR pay in order to settle any unpaid liabilities in the company. HR Department shall also inform the employee that his/her last pay will be released only after being cleared.
- 4. For Resigned and Retrenched employees, upon printing of clearance the system will automatically tag the employee's respective supervisor/manager for EPAS. Supervisor/Manager should be able to give EPAS on the date of effectivity or until employee submits its clearance to HR upon signing completion. For EOC employees, the system automatically notifies the supervisor/manager the names of employees whose contracts nearly expired. This is for them to give EPAS on the date of EOC or until employee submits its clearance to HR upon signing completion.
- 5. If those employees who are under contractual agreement do not secure clearance from HR, its Status upon date of EOC will automatically change in the system as "End of Contract ---- Uncleared".



Retirement

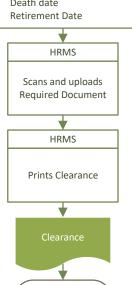
Deceased

HRMS Inputs any of the following dates:

Reason for Asking

Clearance

- Resignation Date
- **EOC Date**
- Retrenchment Date
- Death date



Clearance Signing

Process Flow



: CLEARANCE PROCESSING

: Clearance Signing & Submission

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CLEARANCE PROCESSING

