

RULES AND REGULATIONS GOVERNING THE MONETIZATION OF LEAVE CREDITS OF GOVERNMENT OFFICIALS AND EMPLOYEES

*CSC JOINT CIVIL SERVICE COMMISSION AND DEPARTMENT OF BUDGET AND MANAGEMENT
CIRCULAR NO. 1, June 07, 1991*

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Pursuant to Item No. 3 of the Memorandum of Undertaking for Improved Public Service which took effect May 1, 1991 and CSC Resolution No. 91-665, dated May 30, 1991, the Civil Service Commission and the Department of Budget and Management jointly promulgate the following rules and regulations that shall govern the monetization of leave credits of government officials and employees.

Rule I

Interpretation and Objectives

SECTION 1. Leave laws are social legislations which had been enacted to promote the physical and mental well-being of public servants and should be responsive with the times and be interpreted reasonably in favor of the employee. Monetization of leave credits aims to:

- a. Provide necessary additional funds to finance the education, health or other emergency expenses of the employee, or any member of his family by allowing him to monetize portion of his accumulated vacation leave credits;
- b. Allow the employee to continue reporting for work and be paid his salary for services actually rendered even if he chooses to monetize his vacation leave;
- c. Authorize the payment of the monetized leave credits.

Rule II

Coverage

SECTION 1. These rules and regulations shall apply to all officials, employees and laborers in the national and local governments including those in government-owned and controlled corporations with original charters, state universities and colleges, judiciary and legislative who are appointed on a permanent, provisional, casual or temporary status in the career and non-career service.

Rule III

Definition of Terms

SECTION 1. The following terms are defined as follows:

- a. Monetization of leave credits. Payment of the money value of accumulated vacation leave credits without actually going on leave of absence.
- b. Accumulated vacation leave refers to the vacation leave credits earned by an employee.

Rule IV

Monetization of Leave/Service Credits

SECTION 1. Officers and employees in the career and non-career service, whether permanent, provisional, temporary or casual, who have accumulated at least fifteen (15) days vacation leave/service credits shall be allowed to monetize a portion of their vacation leave/service credits in accordance with the Rules herein prescribed.

SECTION 2. An officer or employee shall be allowed to monetize a maximum of ten (10) working days vacation leave/service credits. It shall be availed of only once a year.

SECTION 3. If an officer or employee does not avail of the privilege of monetizing his vacation leave/service credits in a year, it shall be deemed included in his accumulated leave credits.

SECTION 4. An officer or employee who availed of the maximum ten (10) days vacation leave/service credits shall still go on five (5) days forced leave as provided for under EO 1077 dated January 9, 1986.

Rule V

Monetization of Service Credits of Teachers

SECTION 1. Teachers who have accumulated service credits may also avail of the privilege under this Joint Circular provided that the service credit shall be converted to vacation and sick leave in accordance with the Conversion Rate of Service Credits prescribed in Item 2.2 of CSC MC No. 9, s. 1988.

Rule IV

Restrictions, Funding and Effectivity

SECTION 1. Restrictions – The following restrictions shall be observed in the monetization of vacation leave/service credits

- a. Any employee who avails of this privilege shall not be allowed to go on vacation leave simultaneous with the monetization of leave credits. This provision, however, shall not be applied to those who shall go on sick leave.
- b. An employee who has accumulated more than fifteen (15) days vacation leave/service credits can only avail of the maximum of ten (10) days monetized vacation leave/service credits prescribed under Section 2, Rule IV, of this Rules.

SECTION 2. Funding – Funding for the implementation of monetization of vacation leave credits/service credits shall be charged against savings of the department, agency, or local government unit concerned.

Provided that in the utilization of savings, agencies shall give priority to payment of monetized leave credits/service credits and provided further that employees holding positions below salary grade 19 shall be given preference in the availment of the privilege.

SECTION 3. Effectivity – This Joint Circular shall take effect immediately.

Adopted: 27 June 1991

(SGD.) PATRICIA A. STO. TOMAS
Chairman

(SGD.) GUILLERMO N. CARAGUE
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