



Republic of the Philippines  
**Department of Education**  
REGION VII - CENTRAL VISAYAS  
SCHOOLS DIVISION OF NEGROS ORIENTAL


**Office of the Schools Division  
Superintendent**

DIVISION MEMORANDUM  
No. 145, s. 2022

**PROCESSING OF REQUESTS FOR THE MONETIZATION OF LEAVE CREDITS IN THE FISCAL YEAR  
(FY) 2022**

To: Assistant Schools Division Superintendent  
Chief, CID and SGOD  
PSDS/DIC  
School Heads  
Implementing Units  
All Others Concerned

1. For the information and guidance of all concerned, attached herewith is a copy of Circular Letter No, 2022-4 dated February 15, 2022, signed by the Department of Budget and Management ROVII, Officer-in-Charge Tina Rose Marie L. Canda, entitled as '**PROCESSING OF REQUESTS FOR THE MONETIZATION OF LEAVE CREDITS IN FISCAL YEAR (FY) 2022**'.
2. Immediate dissemination of and compliance with this Circular Letter is directed.

  
**SENEN PRISCILLO P. PAULIN, CESO V**  
Schools Division Superintendent  
2/22/2022



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



**CIRCULAR LETTER**

No. 2022 - 4  
February 15, 2022

**TO : All Heads of Departments, Agencies, Bureaus, and Offices of the National Government, including State Universities and Colleges and Constitutional Offices, and All Others Concerned**

**SUBJECT : PROCESSING OF REQUESTS FOR THE MONETIZATION OF LEAVE CREDITS IN FISCAL YEAR (FY) 2022**

- 1.0 This Circular is issued to prescribe guidelines in the processing of the monetization of leave credits (MLC) and clarify its funding source.
- 2.0 The MLC shall be processed by an agency, subject to the provisions of Civil Service Commission (CSC) Memorandum Circular (MC) Nos. 41, s. 1998<sup>1</sup> and 16, s. 2002<sup>2</sup>, and other related prevailing rules and regulations of the CSC and the Department of Budget and Management (DBM).
- 3.0 Special Provision No. 1(d) of the Pension and Gratuity Fund (PGF) under the FY 2022 General Appropriations Act (GAA), Republic Act (RA) No. 11639, authorizes payment for MLC for National Government personnel. However, the appropriated amount for PGF under the FY 2022 GAA was substantially reduced by Congress thereby necessitating the prioritization of the fund to ensure that payment of Retirement Gratuity/Terminal Leave (RG/TL) Benefits and Pension are met/settled.
- 4.0 Consequently, payment of MLC, shall, as a general rule, be charged against the departments/agencies' available Personnel Services (PS) allotments from their built-in appropriations, after satisfying the requirements for the RG/TL of optional retirees.
  - 4.1 Available PS allotments arise under the following circumstances as defined per item 5.3.3 of the National Budget Circular No. 587 dated January 3, 2022, as follows:
    - 4.1.1 Incurrence of leave of absence without pay;
    - 4.1.2 Vacant positions on account of termination; resignation, transfer, retirement or separation;

<sup>1</sup> Amendments to Rules I and XVI of the Omnibus Rules Implementing Book V of the Administrative Code of 1987 (Executive Order No. 292), dated December 24, 1998

<sup>2</sup> Amendment to Section 23, Rule XVI of the Omnibus Rules Implementing Book V of the Administrative Code of 1987, also known as the Omnibus Rules on Leave, dated February 15, 2002

- 4.1.3 Delay in the actual assumption of duty from the date of appointment;
  - 4.1.4 Suspension and other disciplinary sanctions;
  - 4.1.5 Erroneous computation of PS benefits; or
  - 4.1.6 Other similar instances.
- 4.2 Agencies are reminded that when aforementioned savings are used for payment of MLC, the agency is estopped from requesting for payment of PS deficiency caused by paying MLC beforehand.
- 4.3 The use of available PS appropriations intended for payment of optional RG/TL benefits for the purpose of paying MLC shall not be allowed.
- 4.4 Considering the tight fiscal outlook for FY 2022, items covered by PS allotments used for payment for MLC, being already deemed savings, cannot qualify for later charging against the Miscellaneous Personnel Benefits Fund, PGF, among others, in the FY 2022 GAA.
- 5.0 Release for funds for MLC chargeable against the PGF may be allowed under extraordinary circumstances only, i.e., where medical emergencies are concerned. Relative thereto, an agency may submit a special budget request to DBM for the release of funds for MLC chargeable against the PGF of the 2022 GAA only for these reasons.
- 6.0 This Circular shall take effect immediately.

  
**TINA ROSE MARIE L. CANDIA**  
Officer-in-Charge, DBM