[BUDGET CIRCULAR NO. 2002-1, JANUARY 14, 2002, January 14, 2002]

COMPUTATION AND FUNDING OF TERMINAL LEAVE BENEFITS AND MONETIZATION OF LEAVE CREDITS

1.0 PURPOSE

To prescribe guidelines on the computation and funding of the Terminal Leave Benefits (TLB) and Monetization of Leave Credits (MLC) of government officials and employees.

2.0 Policy Statements

2.1 The twenty-two (22) working days per month referred to under Section 7 of RA 6758 shall be used only in determining the daily wage rate of the monthly rates contained in the Salary Schedule.

2.2 Effective January 1, 2002, the computation of TLB and MLC shall be in accordance with Memorandum Circular (MC) No. 14, s. 1999 of the Civil Service Commission (CSC).

3.0 Guidelines

3.1 On the Computation

3.1.1 Pursuant to Section 40 of CSC MC No. 14, TLB shall be computed as follows:

TLB = S x D x CF

Where:

TLB

=

Terminal leave benefits

S

=

Highest monthly salary received

D

=

Number of accumulated vacation and sick leave credits

CF

=

Constant factor which is .0478087