

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

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

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