



Republic of the Philippines
Department of Education
Region VII, Central Visayas
DIVISION OF BOHOL
City of Tagbilaran

Office of the Schools Division
Superintendent

July 23, 2021

DIVISION MEMORANDUM
No. 621, s. 2021

PROCESSING OF 2ND BATCH MONETIZATION OF LEAVE CREDITS FOR FY 2021

TO: Assistant Schools Division Superintendents
Chief SGOD & OIC-Chief CID
Education Program Supervisors
Schools District Supervisors/OIC-PSDS
Elementary and Secondary School Principals
Non-Teaching Personnel
All others concerned

1. Anent to the Circular Letter No. 2021-4 dated March 3, 2021 issued by the Department of Budget and Management (DBM), this division is accepting submission for monetization of leave credits for second batch subject to the provisions of the prevailing rules and regulations of the Civil Service Commission and Department of Budget Management.
2. This also reiterate division memorandum No. 108, s. 2021 dated February 24, 2021 on the Guidelines in the Grant of Monetization of Leave credits FY 2021. Processing will be on first come, first serve basis.
3. Consistent with the provisions cited above, monetization of leave credits chargeable against the FY 2021 Pension and Gratuity Fund (PGF), **strictly for reasons of critical health, medical, and hospital needs of the employee and the immediate member of his/her family.**
4. Please find the attached List of Documentary Requirements and procedures for reference. For more queries and clarifications please send text or call at DepEd Bohol HRMO contact Nos. at 0927-582-6581 Globe and 0910-508-1084 Smart.
5. Deadline of submission with complete requirements is on August 16, 2021.
6. For the information, guidance and strict compliance of all concerned.


BIANITO A. DAGATAN, Ed.D., CESO V
Schools Division Superintendent



0050 Lino Chatto Drive Barangay, Cogon, Tagbilaran City, Bohol
Tel Nos.: (038) 412-4938; (038) 411-2544 (038) 501-7550
Telefax: (038) 501-7550 email add: deped.bohol@deped.gov.ph





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

CIRCULAR LETTER

No. 2021 - 4
March 3, 2021

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 RELEASE OF FUNDS FOR THE MONETIZATION OF LEAVE CREDITS IN FISCAL YEAR (FY) 2021

- 1.0 This Circular is issued to prescribe the guidelines in the processing of requests for the release of funds for the monetization of leave credits (MLC) in FY 2021.
- 2.0 Guidelines:
- 2.1 The monetization of leave credits shall be processed by an agency, subject to the provisions of Civil Service Commission (CSC) Memorandum Circular (MC) Nos. 41, s. 1998¹ and 16, s. 2002², and other related prevailing rules and regulations of the CSC and the Department of Budget and Management (DBM).
 - 2.2 Pursuant to Special Provision No. 1(d) of the Pension and Gratuity Fund (PGF) under the 2021 GAA, payment for monetization of leave credits for National Government personnel shall be charged against the PGF.
 - 2.3 Due to the limited appropriations for PGF under the FY 2021 General Appropriations Act (Republic Act No. 11518), (this Special Purpose Fund being lower than the estimated requirements for the year as proposed under the President's Budget), the funds required for the payment of MLC shall instead be charged against any available released Personnel Services (PS) allotment of an agency.
 - 2.4 However, an agency may submit a special budget request to DBM for the release of funds for the monetization of leave credits chargeable against the FY 2021 PGF, for reasons of **critical health, medical, and hospital needs of the employee and the immediate members of his/her family.**

¹ 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

² 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 June 24, 2002

- 2.5 Requests for MLC for reasons other than those in item 2.4 hereof will only be processed on a case to case basis, subject to extraordinary conditions which would justify release of MLC.
- 3.0 This Circular shall take effect immediately.


WENDEL E. AVISADO
Secretary

HOW TO AVAIL OF THE SPECIAL MONITIZATION OF LEAVE CREDITS UNDER NORMAL CONDITION

Regular Monetization

Special Monetization

STEP	APPLICANT/CLIENT	SERVICE PROVIDER	OFFICE/PERSON IN-CHARGE	Date/time receive	Date/time release	Signature of Processor	REMARKS
1.	Submit application for Monetization of leave credits with complete requirements	Receives and review as to completeness of supporting documents based on the requirements. If incomplete: Outright returned to the applicant/pigeon hole If complete: Stamped received and forward documents to person's in-charge at the personnel section	Records Section:				
2		For Regular Monetization: Subject for availability of funds (savings) Updating of leave card and process Form 6 Prepares Service Record and NOSA, routing for signing of AO V for recommending approval and SDS/ASDS for approval Proceed to No. 9-14 for processing of payment	Personnel Section Payroll Unit				
3		For Special Monetization: Subject for request of Funds to DBM. Assessment committee with Medical Officer will convene to assess the application for appropriate action: If denied: return the complete docs to applicant with Indorsement and advance notification to applicant through text/messenger If approved: forward documents to the processing in-charge.	Personnel Section: MLC Committee				
4		Updating of leave card and process Form 6 Prepares Service Record and NOSA, routing for signing of AO V for recommending approval and SDS/ASDS for approval	Personnel Section				
5		Prepares Leave Payment Worksheet Form for DBM approval and budget allocation. Forward documents to DBM RO VII.	Budget Section				
6		Documents are for Action at DBM Regional Office VII					
7		Upon return of the documents from DBM: Stamped Received documents with SARO from DBM and forward to the personnel in-charge at the personnel section.	Records Section				
8		Personnel in-charge for action: If denied by DBM: update leave card and restore deducted leave credits and prepare indorsement/transmittal to be returned to applicant. If approved: Forward to DPSU for processing of payment.	Personnel Section				
9		Prepares payroll for payment	DPSU				
10		Prepares Obligation Request	Budget				
11		Conduct Pre-Audit and process disbursement voucher/payroll	IAS/Accounting				
12		Sign approval of voucher/payroll for Payment	ASDS/SDS				
13		Prepares ADA and sign for approval and transmit to depository bank	Cahier				
14		Download to individual account of employee	BDP				

Please see requirements at the BACK

REQUIREMENTS FOR SPECIAL MONETIZATION OF LEAVE CREDITS

(Subject for availability of funds to be requested to DBM)

1. Letter of justification from the applicant
2. Medical Certificate/recommendation of attending physician, etc.
3. Filled-up Form 6 (Revised CSC Form 6 2020)
4. Copy of designation if; TIC/SIC, ALS & DALC signed by SDS
5. Copy of NOSA and Service Record (Documents prepared/provided by SDO)
6. Certification signed by DepEd-Bohol Medical Officer III (provided by SDO).

To qualify for special monetization: Officials and employees must have at least more than thirty (30) days accumulated vacation and sick leave credits earned as of June 30 and December 31 of the current year.

REQUIREMENTS FOR REGULAR MONETIZATION OF LEAVE CREDITS

(Charged to availability of agency savings at the end of calendar year.)

1. Letter of Intent
2. Filled-up Form 6 (Revised CSC Form 6 2020)
3. Certification from CID Chief if; ALS and DALC designated by the SDS
4. Copy of designation if; TIC/SIC
5. Copy of NOSA and Service Record (Documents prepared/provided by SDO)

To qualify for regular monetization: officials and employees must have at least fifteen (15) day vacation leave credits earned as of June 30 and December 31 of the current year.

Special Monetization Guidelines and entitlement

Monetization of 50% of all accumulated vacation/sick leave credits due to valid and justifiable reasons such as:

1. Health, medical and hospital needs of the employee and the immediate members of his/her family;
2. Financial aid and assistance brought about by force majeure events such as calamities, typhoons, fire, earthquake and accidents that affect the life, limb and property of the employee and his/her immediate family;
3. Educational needs of the employee and the immediate members of his/her family; Payment of mortgages and loans which were entered into for the benefit or which incurred to the benefit of the employee and his/her immediate family;
4. In cases of extreme financial needs of the employee or his/her immediate family where the present sources of income are not enough to fulfill basic needs such as food, shelter and clothing;

Note: Pursuant to DBM Budget Execution Advisory No. 2, dated February 17, 2021 under "Par. 4.0 Release of Monetization of Leave Credits for 2021 charged against PGF shall only be allowed under exceptional cases such as for critical health, medical and hospital needs of government employees and immediate members of their families provided further that the agency does not have any available PS allotment for the purpose.



Republic of the Philippines
Department of Education
Region VII – CENTRAL VISAYAS
SCHOOLS DIVISION OF BOHOL

**Office of the Schools Division
Superintendent**

24 February 2021

Division MEMORANDUM
No. 108 s. 2021

GUIDELINES IN THE GRANT OF MONETIZATION OF LEAVE CREDITS FY 2021

- To: Assistant Schools Division Superintendents
Division Chiefs, CID and SGOD
Public Schools District Supervisors/Acting PSDSs
Secondary and Elementary School Principals
All Non-Teaching Personnel
All Others Concerned
1. Attached to this memorandum is the Department of Budget and Management Budget Execution Advisory No. 2 dated February 17, 2021 entitled Prescribing the Limitations on the Use of the Pension and Gratuity Fund (PGF) to Cover the Monetization of Leave Credits (MLC) of National Government (NG) Personnel.
 2. In view with the said Advisory, concerned personnel who wished to avail the MLC shall adhere to the conditions stated thereof.
 3. The first batch of submission is set within the period March 1-31, 2021 per DepEd RO7 and DBM RO7 Joint Regional Memorandum Circular No. 1 series 2021. Thus, all interested applicants must submit their MLC applications to the Administrative Services Unit on or before March 5, 2021. The Leave-In-Charge shall screen all applications. All applications that do not met the criteria set by DBM shall be disapproved.
 4. MLC applications shall include: 4 copies of CS Form 6, Letter Request, Supporting Documents (hospital bills, laboratory results, and or doctor's diagnosis/referral).
 5. MLCs which do not fall under the category as defined by the DBM advisory shall be considered for payment only when our agency has sufficient savings to grant MLCs. Pages 5-7 of DBM National Budget Circular No. 583 dated January 4, 2021 and pages of the General Appropriations Act, FY 2021 are hereto attached for your reference on the definition of "Savings". A separate memorandum shall be issued for the said purpose.
 6. For information, guidance and strict compliance.


BIANITO A. DAGATAN, EdD, CESO V
Schools Division Superintendent



0050 Lino Chatto Drive Barangay Cogon, Tagbilaran City, Bohol
Tel Nos.: (038) 412-4938; (038) 411-2544 (038) 501-7550
Telefax: (038) 501-7550 email add: deped.bohol@deped.gov.ph


Behold...
BOHOL

Mrs. Lopez
- make a copy memo
of we will release with this.
AS 2/22/21




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

Budget Execution Advisory No. 2
February 17, 2021

PRESCRIBING THE LIMITATIONS ON THE USE OF THE PENSION AND GRATUITY FUND (PGF) TO COVER THE MONETIZATION OF LEAVE CREDITS (MLC) OF NATIONAL GOVERNMENT (NG) PERSONNEL

- 1.0 Pursuant to Special Provision No. 1 (d) under the PGF of the FY 2021 General Appropriations Act (GAA), R.A. No. 11518, funding for the payment of MLC of NG personnel and transferred leave credits of NG personnel devolved to LGUs is chargeable against the PGF.
- 2.0 However, the FY 2021 PGF in the total amount of P152.9 Billion has been significantly reduced from the P172.9 Billion proposed in the FY 2021 National Expenditure Program. Thus, these guidelines are being issued to rationalize the processing of MLC in anticipation of higher claims against the appropriated amount of P0.8 Billion for MLC, considering the present COVID-19 pandemic.
- ✓ 3.0 It should be emphasized that retirement gratuity and terminal leave benefits should be considered as first priority over requests for payment of MLCs. Thus, payment of MLC should be charged against the agencies' PS savings.
- ✓ 4.0 Release of MLC charged against PGF shall only be allowed under exceptional cases such as for **critical health, medical and hospital needs of government employees and immediate members of their families provided further that the agency does not have any available PS allotment for the purpose.**
- 5.0 Requests for payment of MLCs for reasons other than those cited in item 4.0 hereof shall be charged against any available allotment for personnel services of agency instead of tapping the PGF.
- 6.0 For immediate compliance.


TINA ROSE MARIE L. CANDA
Undersecretary
Budget Execution and Preparation Group

- 3.10.3.1 Additional NCAs, as may be required, shall be issued for items classified under FLR, as well as Prior Year's obligation.
- 3.10.3.2 Other disbursement authorities, i.e., TRA, NCAA, CDC, may be issued for agency specific budgets.
- 3.11 Agencies are reminded that agency-specific funds for the purchase of motor vehicles for FY 2021 as reflected in the FY 2021 GAA shall no longer require the issuance of Authority to Purchase Motor Vehicles (APMV) by the DBM. This policy covers motor vehicles with the same number, specifications, unit costs and intended use/user indicated in the confirmation letters issued by the DBM to the agencies during budget preparation.
- 3.12 As a general rule, departments, bureaus and offices of the National Government, including Constitutional Offices enjoying fiscal autonomy and SUCs shall spend what is programmed in their respective appropriations in the FY 2021 GAA.

In exceptional circumstances, agencies may modify the allotment issued within an activity or project (**Section 72**, GPs of the FY 2021 GAA), upon timely submission of reports by all offices concerned. **The existence of an allotment class or object of expenditure in the recipient P/A/P is not necessary for purposes of modification.**

- 3.12.1 Modification refers to any change within an activity or project, change in operating unit, allotment class, object of expenditure, within an agency or department budget. It may likewise cover Special Purpose Funds (SPFs) and purposes authorized under the Unprogrammed Appropriation, as reflected in the FY 2021 GAA.
- 3.12.2 Modification covering allotments for MOOE and CO shall not entail any increase in the total amount appropriated for an activity or project. In the case of programs with several activities, modification may be done only within each activity.
- 3.12.3 Use of PS appropriations for any PS deficiency provided herein are not considered as a form of modification. Thus, any available allotment for PS within a department or agency may be utilized by said department or agency for the payment of deficiencies in authorized personnel benefits, subject to **Section 47** of the GPs of the FY 2021 GAA, with the payment of magna carta benefits still subject to **Section 52**, GPs of FY 2021 GAA.
- 3.12.4 Similarly, the grant of Collective Negotiation Agreement (CNA) is an exemption to the Modification of Allotment and shall be subject to **Section 73** of GPs of the FY 2021 GAA.

payment of salaries of newly-hired personnel

- 3.13 The following guidelines shall be observed in the use of savings to augment deficient appropriations for P/A/Ps in the FY 2021 GAA:

①

3.13.1 An item of appropriation refers to the amount appropriated for an activity or project authorized in the FY 2021 GAA. A deficiency in an item of appropriation may result from:

3.13.1.1 Unforeseen modifications or adjustments in the P/A/P;

3.13.1.2 Re-assessment in the use, prioritization and/or distribution of resources; and

3.13.1.3 Additional requirements for a P/A/P in view of a declaration of a state of national calamity.

3.13.2 Savings as defined under **Section 69**, GPs of the FY 2021 GAA, refer to portions or balances of any released appropriations in the FY 2021 GAA which have not been obligated as a result of any of the following conditions:

3.13.2.1 Completion, final discontinuance, or abandonment of a program, activity or project for which the appropriation is authorized.

However, in case the declaration of savings is based on final discontinuance or abandonment, such discontinued or abandoned program, activity or project cannot be proposed for funding in the next two (2) fiscal years, i.e., 2022 and 2023, **except** in cases where this condition is specifically waived **in view of a declaration of a state of national calamity or a specific law to this effect.**

3.13.2.2 Implementation of measures resulting in improved systems and efficiencies and thus enabled an agency to meet and deliver the required or planned targets, programs and services approved in the FY 2021 GAA at a lesser cost.

3.13.3 Augmentation, pursuant to **Section 68**, GPs of the FY 2021 GAA, is the act of the constitutional officers authorized to use savings in their respective appropriations to cover actual deficiencies incurred for the current year in any existing item of appropriation within their respective offices.

3.13.4 Savings may be used to augment actual deficiency/ies incurred for the current year in any existing item activity or project within the respective appropriations of each authorized constitutional officer cited in **Section 68** GPs of the FY 2021 GAA. The existence of an activity or project regardless of the availability of allotment class/es is sufficient for the purpose of augmentation (**Section 70**, GPs of the FY 2021 GAA).

3.13.5 In the use of savings, priority shall be given to the payment of compensation, mid-year and year-end bonus and cash gift,



3.14.2 Agencies, which pursuant to their respective mandates, are authorized to collect fees and/or sell official publications shall deposit proceeds therefrom with the National Treasury as income of the General Fund, pursuant to Section 44, Chapter 5, Book VI of E.O. No. 292.

GENERAL APPROPRIATIONS ACT, FY 2021

- (d) The CSO has liquidated in accordance with existing COA regulations all fund transfers due for liquidation. Only CSOs with proven absorptive capacity and good track records to implement several projects at the same time shall be considered as implementing CSO of multiple projects.
- (e) The CSO was selected by the government agency in accordance with R.A. No. 9184 and such other applicable rules and regulations.

To ensure the CSOs comply with all pertinent rules and regulations covering the transfer, use, liquidation and audit of public funds, government agencies shall put into place the needed monitoring, evaluation and reporting mechanisms. Government agencies shall remain accountable for funds transferred to CSUs in accordance with government accounting and auditing rules and regulations.

Government agencies shall submit to the DDM, the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on funds transferred and the government programs or projects involved. The Chairperson of the respective government agencies and their web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on their websites.

Sec. 68. Authority to Use Savings. The President of the Philippines, the President of the Senate of the Philippines, the Speaker of the House of Representatives, the Chief Justice of the Supreme Court, the Heads of the Civil Service Commission, the Commission on Elections, and the COA are hereby authorized to declare and use savings in their respective appropriations to augment actual deficiencies incurred for the current year in any item of their respective appropriations.

The foregoing constitutional officers authorized to use savings shall be responsible for ensuring that a semestral and annual report on their respective use of savings shall be submitted to the President of the Senate of the Philippines and the Speaker of the House of Representatives, copy furnished the DDM. The report shall indicate among others, the amount of savings generated, the sources and grounds used therefor, and the existing P/A/P in their respective appropriations augmented. They shall likewise ensure that said reports are posted on their respective websites.

Sec. 69. Meaning of Savings. Savings refer to portions or balances of any released appropriations in this Act which have not been obligated as a result of any of the following:

- (a) completion, final discontinuance, or abandonment of a program, activity or project for which the appropriation is authorized; or
- (b) implementation of measures resulting in improved systems and efficiencies and thus enabled an agency to meet and deliver the required or planned targets, programs and services approved in this Act at a lesser cost.

In case final discontinuance or abandonment is used as basis for declaration of savings, such discontinued or abandoned program, activity or project shall no longer be proposed for funding in the next two (2) fiscal years.

Allotments that were not obligated due to the fault of the agency concerned shall not be considered savings.

Sec. 70. Rules on Augmentation. Augmentation is the act of the constitutional officers authorized to use savings in their respective appropriations to cover a deficiency in any existing item of appropriation within their respective offices. A deficiency in an item of appropriation may result from:

- (a) Unforeseen modifications or adjustments in the program, activity or project; or
- (b) Re-assessment in the use, prioritization and/or distribution of resources.
- (c) Additional requirements for a program, activity or project in view of a declaration of a state of national calamity.

An item of appropriation shall pertain to the amount appropriated for an activity or project authorized in this Act.

The particulars of the expenditures to be funded from savings should be within the scope of, or covered by an existing activity or project. The existence of an activity or project regardless of the availability of allotment class/es is sufficient for the purpose of augmentation.

In no case shall a non-existent activity or project be funded by augmentation from savings or by the use of an appropriations authorized in this Act.

Sec. 71. Priority in the Use of Savings. In the use of savings, priority shall be given to the payment of compensation, year-bonus and cash gift, retirement gratuity, terminal leave benefits, old-age pension of veterans and other personnel benefits authorized law and in this Act, as well as the implementation of priority project or activity covered in this Act.

Sec. 72. Rules on Modification in the Allotment. As a general rule, departments, bureaus and offices of the National Government including Constitutional Offices enjoying fiscal autonomy and SUCs shall spend what is programmed in their respective appropriations this Act. In exceptional circumstances, agencies may modify the allotment issued within an activity or project subject to approval of following ensued by the timely submission of reports by all offices concerned:

- (a) The heads of agencies, for the following: (i) change in the details of an activity or project without changing its nature within the same operating unit; and (ii) change in the object of expenditure (Travelling Expenses, or Investment Outlays) with an allotment class (MOOE or Capital Outlays);
- (b) The DBM, in the following modifications: (i) from one allotment class to another; (ii) from one operating unit to another; (iii) within a special purpose fund; and (iv) for the payment of Magna Carta benefits authorized under Section 52 hereof; and
- (c) The President of the Philippines, for the payment of intelligence funds within the Executive branch.

All modification in the allotment shall not entail any increase in the total amount appropriated for an activity or project.

Sec. 73. Rules in the Grant of Collective Negotiation Agreement Incentive. Departments, bureaus, and offices of the National Government, including Constitutional Offices enjoying fiscal autonomy and SUCs may grant Collective Negotiation Agreement (CNA) Incentive sourced from the allowable MOOE allotments identified by the DBM, subject to the following:

- (a) There is a valid CNA executed between the agency and the recognized employee organization which includes a provision cost-cutting measures to be undertaken collectively by the agency and its personnel;
- (b) The one-time annual payment of CNA Incentive shall be made through a written resolution signed by agency representatives both labor and management, and approved by the agency head;
- (c) The CNA Incentive that may be granted shall be limited to the amount determined by the DBM; and
- (d) The use of MOOE for the payment of CNA Incentive shall be subject to approval by the agency head and made only during validity of appropriations. Any excess amounts therefrom after payment of the CNA Incentive shall revert to the General Fund

GOCCs and LGUs may likewise grant CNA Incentive to their respective personnel, subject to the policies, rules and regulations is by the DBM.

Sec. 74. Mandatory Expenditures. The amounts programmed for petroleum, oil and lubricants, water, illumination and power service, telephone and other communication services, and rental expenses shall be disbursed exclusively for such items of expenditures. Available allotment from these items after taking into consideration the agency's full year requirements may be modified only in the quarter and subject to the provisions of Section 72 hereof.

Disbursements or expenditures of agencies in violation of this Section shall be void, and shall subject the erring officials employees to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of E.O. No. 292 and appropriate criminal action under existing penal laws.

Sec. 75. Expenditures for Business-type Activities. Funds for the procurement of supplies and materials intended to be utilized for the conduct of business-type activities shall be disbursed exclusively for such business-type activity. In no case shall appropriations be used for any other purpose.

Disbursements or expenditures by agencies in violation of this Section shall be void, and shall subject the erring officials employees to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of E.O. No. 292 and appropriate criminal action under existing penal laws.

Sec. 76. Intelligence Funds. No appropriations authorized in this Act as intelligence fund shall be released or disbursed for intelligence activities, including amounts sourced from savings, unless approved by the President of the Philippines.

The use of savings to augment intelligence funds is subject to prior approval of the President of the Philippines, upon recommendation by the Secretary of National Defense and the Secretary of Budget and Management.

Intelligence expenses refer to those related to intelligence information gathering activities of uniformed and military personnel and intelligence practitioners that have direct impact to national security.