



22 March 2023

MEMORANDUM CIRCULAR NO. 7
Series of 2023

T O: All VSU Faculty and Staff (Regular, Contractual and Casual)
R E: Monetization of Leave Credits (MLC) for CY 2023

Please be informed that the Department of Budget and Management-Reg. VIII issued an Advisory dated February 21, 2023 that the office may process at their level requests of funds for payment of monetization of leave credits (MLC) which will be charged to Pension and Gratuity Funds (PGF). Based on past years' policy guidelines, the PGF was only allowed to be charged with MLC due to extraordinary circumstances such as when medical emergencies are concerned. Currently, the instruction from the DBM-Central Office provides for processing of MLC requests charged to PGF, **regardless of reason**, subject to the provisions of CSC MC No. 41 s. 1998 and 16 s. 2002 and other related prevailing rules and regulation of the CSC and DBM. However, this policy may change depending on the evaluation of the fund's availability by June 30, 2023. Hence, the university will submit a Special Budget Request (SBR) for MLC.

In order to submit the list of personnel availing MLC, all interested personnel are directed to submit application for MLC using the **accomplished Application for Leave Form (Civil Service Form No. 6, Revised 2020)**, preferably generated from the employee's HRIS account (**Type of Leave: Monetization**). It is further advised that the maximum number of leave credits for monetization shall not exceed 50% of accumulated leave credits.

The deadline of application for MLC for the Main campus to the HRMO shall be on or before March 31, 2023 and the submission of list of applicants from component campuses on April 4, 2023. VSU employees who previously requested monetization of leave credits this year need not submit application anymore since their application are already considered for inclusion.

For your information and guidance.

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