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MEMORANDUM CIRCULAR NO. 137
Series of 2025

TO: All Concerned

RE: Monetization of Leave Credits (MLC) in Fiscal Year 2025

FROM: PROSE IVY G. YEPES, EdD
University President

DATE: April 24, 2025

This is in relation to DBM Advisory dated April 2, 2025 on the Processing of Request for Release of the Funds Payment of the Monetization of Leave Credits (MLC) in Fiscal Year (FY) 2025. Please take note of the salient provisions of the Advisory, particularly on the following sections:

Sec. 2.0 Per recent instructions from our Central Office, this level, subject to evaluation, may process MLC requests charged against the FY 2025 PGF, after fully utilizing the following funding sources:

- 2.1 Available allotments for the Administration of Personnel Benefits (AFB) after satisfying the requirements for the Retirement Gratuity/Terminal Leave (RG/TL) of retirees, if any.*
- 2.2 Any available Personnel Services (PS) allotments that may be realized from unspent compensation of employees as cited under item 5.2.3 of National Budget Circular (NBC) No. 595¹, as follows:*
 - 2.2.1 Incurrence of leaves without pay;*
 - 2.2.2 Vacant positions on account of termination, resignation, transfer, retirement or separation;*
 - 2.2.3. Delays in the actual assumption of duty from the date of appointment;*
 - 2.2.4 Suspension and other disciplinary sanctions;*
 - 2.2.5 Inadvertent errors in computations of PS benefits; or*
 - 2.2.6 Other similar instances that result in unutilized PS allotments.*

3.0 Lastly, agencies are reminded of item 3.13.3.2. of NBC No. 595 which states that payment of MLCs cannot be used to justify subsequent requests for PS deficiency.

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For further details, please refer to DBM Advisory dated April 2, 2025 (Annex A).

Per advice of the Budgeting Office, monetization of leave credits may be available in December 2025, since during that time PS savings will be determined as this will be when the personnel services (PS) savings are assessed and determined.

For your information and guidance.

Vision: A global green university providing progressive leadership in agriculture, science & technology, education and allied fields for societal transformation.

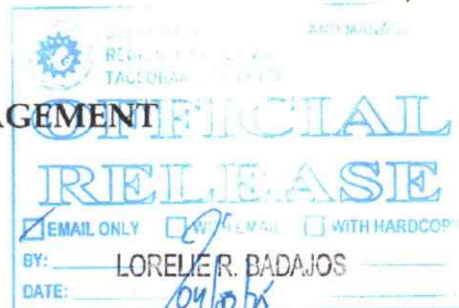
Mission: To produce graduates equipped with advanced knowledge and lifelong learning skills with ethical standards through high quality instruction, innovative research, and impactful community engagements.



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
REGION VIII

ADVISORY

April 2, 2025



For : The Regional Director and District Engineers, Department of Public Works and Highways (DPWH) VIII;

The Regional Director and Chief of Hospitals/Medical Centers, Department of Health (DOH) VIII;

The Regional Director, Schools Division Superintendents, and Head of Implementing Units, Department of Education (DepEd) VIII;

The Regional Director and Vocational School Administrators, Technical Education and Skills Development Authority (TESDA) VIII;

The Regional Director, Commission on Higher Education (CHED) VIII; and

The Presidents of State Universities and Colleges

Biliran Province State University (BiPSU)
Eastern Visayas State University (EVSU)
Eastern Samar State University (ESSU)
Leyte Normal University (LNU)
Northwest Samar State University (NwSSU)
Palompon Institute of Technology (PIT)
Samar State University (SSU)
Southern Leyte State University (SLSU)
University of Eastern Philippines (UEP)
Visayas State University (VSU)

From : Regional Director
Department of Budget and Management (DBM) Region VIII

Subject : PROCESSING OF REQUEST FOR RELEASE OF FUNDS FOR PAYMENT OF MONETIZATION OF LEAVE CREDITS (MLC) IN FISCAL YEAR (FY) 2025

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- 1.0 Pursuant to Special Provision No. 1(d) under Pension and Gratuity Fund (PGF) of the FY 2025 General Appropriations Act (GAA), RA No. 12116, funding for the payment of MLC of National Government (NG) personnel and transferred leave credits of NG personnel devolved to LGUs shall be charged against PGF.

2.0 Per recent instructions from our Central Office, this level, subject to evaluation, may process MLC requests charged against the FY 2025 PGF, after fully utilizing the following funding sources:

2.1 Available allotments for Administration of Personnel Benefits (APB) after satisfying the requirements for the Retirement Gratuity/Terminal Leave (RG/TL) of retirees, if any.

2.2 Any available Personnel Services (PS) allotments that may be realized from unspent compensation of employees as cited under item 5.2.3 of National Budget Circular (NBC) No. 595¹, as follows:

2.2.1 Incurrence of leaves of absence without pay;

2.2.2 Vacant positions on account of termination, resignation, transfer, retirement or separation;

2.2.3 Delays in the actual assumption of duty from the date of appointment;

2.2.4 Suspension and other disciplinary sanctions;

2.2.5 Inadvertent errors in computations of PS benefits; or

2.2.6 Other similar instances that result in unutilized PS allotments.

3.0 Lastly, agencies are reminded of item 3.13.3.2 of NBC No. 595 which states that payment of MLCs cannot be used to justify subsequent requests for PS deficiency.

4.0 For information and guidance. Thank you



IMELDA C. LACERAS, CESO III

ANH/JAL/cphb

RN: 2025-RO-8-0045577-E

¹ GUIDELINES ON THE RELEASE OF FUNDS FOR FISCAL YEAR (FY) 2025