



# LEYTE STATE UNIVERSITY

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## *Office of the President*

7 April 2005

### **MEMORANDUM CIRCULAR NO. 20**

Series of 2005

**T O: All Concerned**

**R E: Guidelines on Non-Monetary Remuneration for Overtime Services Rendered**

#### **1.0 Purpose**

- 1.1 This memorandum is issued to highlight the provisions of CSC – DBM Joint Circular No. 2, series of 2004, dated 04 October 2004 which prescribes a uniform policy on the availment of compensatory time-off (CTO).
- 1.2 To reconcile said joint circular with the university's internal guidelines on compensatory day off (CDO) per OVPAF Memo No. 2, series of 2003 dated 03 January 2003.

#### **2.0 Coverage**

##### **2.1 CDO**

Faculty members on vacation-sick leave status who meet the required workload units per year (average of immediate 2 semesters)

##### **2.2 CTO**

Administrative personnel with the position of chief of division and below under permanent, temporary or casual status, and contractual personnel whose employment is in the nature of a regular employee are covered.

- 2.3 Non-designated heads of offices shall choose at the beginning of the year whether to avail of the CDO or CTO.

#### **3.0 Definition of Terms**

**Compensatory Overtime Credit (COC)** refers to the accrued number of hours an employee earns as a result of services rendered beyond regular working hours, and/or those rendered on Saturdays, Sundays, Holidays or scheduled days off without the benefit of overtime pay.

**Compensatory Time-Off (CTO)** refers to the number of hours or days an employee is excused from reporting for work with full pay and benefits. It is a non-monetary benefit provided to an employee in lieu of overtime pay.

#### 4.0 Guidelines

4.1 The Agency Head or the authorized representative shall determine the need for overtime services. Overtime services may be authorized for the following activities where the deadline cannot be met due to unforeseen events or the work cannot be handled by existing personnel during regular working hours:

- 4.1.1 completion of infrastructure and other projects with set deadlines;
- 4.1.2 relief, rehabilitation, reconstruction and other related work or services during calamities and disasters;
- 4.1.3 work related to school graduation/registration;
- 4.1.4 work involving the preparation for and administration of government examinations including the prompt correction and release of results thereof;
- 4.1.5 seasonal work such as budget preparation and rendition of annual reports to meet scheduled deadlines;
- 4.1.6 preparation of special/financial/accountability reports required occasionally by central monitoring agencies like the Congress of the Philippines, Office of the President, COA, DBM, and NEDA;
- 4.1.7 the provision of essential public services during emergency situations, such as power and energy, water, distribution and control of basic staples, communication and transportation, medical and health services, peace and order, and security;
- 4.1.8 implementation of special programs/projects embodied in Presidential directives and authorizations and with specific dates to complete, which are in addition to the regular duties of the employees;
- 4.1.9 legal services to facilitate the dissolution of cases/resolutions/decisions;
- 4.1.10 services rendered by drivers and other immediate staff of officials when required to keep the same working hours as their superiors; and
- 4.1.11 such other activities as may be determined by the head of the agency.

4.2 Computation, Accrual, Use and Limitation on the Use of COCs

4.4 The COC is expressed in number of hours, computed as follows:

*Weekdays:  $COC = \text{number of hours of overtime services} \times 1.0$*

*Weekends, holidays or scheduled days off:*

*$COC = \text{number of hours of overtimes services} \times 1.5$*

- 4.2.2 Each employee may accrue not more than forty (40) hours of COCs in a month and in no instance shall the unexpended balance exceed 120 hours. The COC shall be used as time-off within the year these are earned and should not be carried over in the ensuing year, hence, non-cumulative. The COC shall be considered as official time for compliance with compensation rules relative to entitlement to PERA, ACA, YEB and other benefits received on a regular basis and computation of service hours for entitlement to sick and vacation leave credits, and step increment due to length of service.
- 4.2.3 The COCs cannot be used to offset undertime/s or tardiness incurred by the employee during regular working days, cannot be converted to cash, and will not be added to the regular leave credits of the employee.



#### 4.5 Effect on Personnel Movement

- 4.3.1 In cases of resignation, retirement, or separation from the service, the unutilized COCs are deemed forfeited.
- 4.3.2 In case of detail, secondment or transfer to another agency, the COCs earned in one agency cannot be transferred to another agency, nor could the employee receive the monetary equivalent thereof.
- 4.3.3 In case of promotion, except when promoted to a position not qualified to receive overtime pay under previous issuances, the employee will retain his or her accrued COC.

#### 4.6 Availment of CTO

- 4.6.1 The CTO may be availed of in blocks of four (4) or eight (8) hours tantamount to either a half or full day leave from work.
- 4.6.2 The employee may use the CTO continuously up to a maximum of five (5) consecutive days per single availment or on staggered basis within the year.

### 5.0 **Procedures**

The following procedures shall be observed in the rendition of overtime services and availment of CTO:

- 5.1 The head of unit shall prepare a request for authority to render overtime services indicating the tasks to be completed and the expected time of completion. After the employee renders overtime services, the office submits a copy of the accomplishment report to the Human Resource Management Office (HRMO).
- 5.2 The HRMO shall compute the equivalent COCs and issues the COC certificate specifying the number of COCs earned in a month. The Certificate of COC may be issued by office indicating the number of hours of earned COC by the employee(s) in a month.
- 5.3 The employee requests approval of CTO using the same format for application of leave on the schedule of CTO.

### 6.0 **Duties and Responsibilities**

#### 6.1 Agency Head/Authorized Officials

The concerned officials shall ensure proper implementation of these guidelines and act accordingly should violations or irregularities be committed; and approve/disapprove schedule of CTO as requested by the employee, without compromising the delivery of services to the clientele.

#### 6.2 Employees

The employees shall observe properly the procedures in earning of COC and availing of CTO; request approval from the office head on the schedule of CTO; reflect on the time

card the CTO on the date availed; and monitor the balance of earned COCs vis-à-vis CTOs availed of.

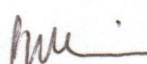
**6.3 HRMDO Office/Officer Concerned**

The HRMDO shall issue the Certificate of COC Earned; submit to the agency head a monthly report on summary of overtime services rendered and the equivalent COCs; maintains a monitoring system on earned and used COCs of employees; report critical incidents or observations; and recommend measures to improve the implementation of the guidelines on the grant of COCs and availment of CTOs.

**6.4 The ICU shall conduct a periodic audit and recommend safeguard measures to prevent any form of fraud and/or duplicity.**

**7.0 Effectivity**

This Circular shall take effect immediately.

  
**PACIENCIA P. MILAN**  
President



# LEYTE STATE UNIVERSITY

*Visca, Baybay, Leyte*

## Certificate of COC Earned

For the Month of \_\_\_\_\_, 20\_\_\_\_

This certificate entitles the following to Compensatory Overtime Credits:

Name of Employee	Number of Hours

Certified by:

**TERESITA L. QUINANOLA**  
*Head, HRMDO*

Date Issued: \_\_\_\_\_

Valid Until: \_\_\_\_\_

*Visca, Baybay, Leyte*

## CY \_\_\_\_\_

Dept/Office/Center \_\_\_\_\_

**TERESITA L. QUINANOLA**  
*Head, HRMDO*