



Republic of the Philippines
DEPARTMENT OF HEALTH
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October 12, 2023

HOSPITAL MEMORANDUM

No. 399, s. 2023

TO: ALL CONCERNED PERSONNEL

**SUBJECT: GUIDELINES ON THE APPLICATION FOR LEAVE CREDITS
MONETIZATION, FISCAL YEAR 2023**

Pursuant to the **Civil Service Commission (CSC) Memorandum Circular (MC) No. 41, s. 1998 – Omnibus Rules on Leave**, the monetization of leave credits shall be allowed subject to the discretion of the agency head and the availability of funds.

Relative thereto, all concerned personnel are hereby informed of the guidelines for the monetization of leave credits for the fiscal year 2023.

A. Specific Guidelines:

The following conditions and restrictions shall be observed in the application for monetization:

1. The sum of the accumulated Vacation Leave (VL) and Sick Leave (SL) must be at least fifteen (15) in order to qualify.
2. There is no maximum limit set for the number of leave credits allowed to be monetized, however, there must be at least five (5) VL and five (5) SL retained after the monetization.
3. If in case the VL of the personnel is already below five (5) before monetization, he will still be allowed to monetize his SL provided that his combined VL and SL is at least fifteen (15) as required under condition number A. 1, and subject to the retention of at least five (5) SL after monetization as required under condition number A.2.
4. If in case the SL of the personnel is already below five (5) before monetization, he will still be allowed to monetize his VL provided that his combined VL and SL is at least fifteen (15) as required under condition number A. 1, and subject to the retention of at least five (5) VL after monetization as required under condition number A.2.
5. The system will first exhaust the employee's VL credits, up to the required five (5) VL to be retained, before charging to the SL credits.

B. Justifiable Reasons vis-à-vis Required Attachment

As per CSC MC No. 16, s. 2002, the monetization of leave credits may be allowed for valid and justifiable reasons. Also, the Commission on Audit (COA) Circular No. 2023-004 prescribed the documentary requirements to support the stated reason for the monetization of leave credits.

Hence, during the application for monetization, the employee will be required to select from the following justifiable reasons and attach the supporting document as appropriate.

Justifiable Reason for Monetization <i>(CSC MC No. 16, s. 2002)</i>	Required Supporting Documents <i>(COA Circular No. 2023-004)</i>
1. Health, medical and hospital needs of the employee and the immediate members of his family	Clinical abstract, certification of medical procedure to be performed, or quotation issued by the hospital or clinic.
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 immediate family	Certification issued by any government agency, including Barangay, of the calamity or accident involving the employee or his immediate family.
3. Educational needs of the employee and the immediate members of his family	Statement of account or quotation from the school
4. Payment of mortgages and loans which were entered into for the benefit or which inured to the benefit of the employee and his immediate family	Statement of account from the creditor (bank, lending institutions, cooperatives, financing and credit card companies, etc.)
5. Extreme financial needs of the employee of his immediate family where the present sources of income are not enough to fulfill basic needs such as food, shelter, and clothing	Notarized sworn statement of the employee attesting the extreme financial needs to fulfill his basic needs for food, shelter, and clothing.

C. Timeline of Application

The application for monetization of leave credits for the Fiscal Year 2023 will be on **November 7 to 8, 2023 (Tuesday to Wednesday)**. It will be done online through the web-based portal of Human Resource Management Office. (*hrmo.spmcdvo.net* → **SERVICES** → **Leave Application** → **Leave Type: MONETIZATION**).

The submitted online application for monetization may be deleted/retracted by the employee in the **'My Leave Applications'** section of his account. All online applications for monetization that have been saved on **November 8, 2023 at 5:00PM will be considered final**.

D. Computation of Leave Monetization

The equivalent money value of the leave credits to be monetized will be derived as follows:

Basic Salary X No. of days to be monetized X 0.0481927 (Constant Factor)

Monetization of leave credits is **NON-TAXABLE**.

E. Availability of Funds

The payment of leave credits monetization is subject to the availability of funds pursuant to **Department of Budget and Management (DBM) National Budget Circular No. 590**.

In case the grand total of the consolidated application for monetization shall exceed the available funds for Personnel Services (PS), the applied monetization of each employee shall be reduced accordingly using percentage value as follows:

% Factor = (Total Available PS Fund ÷ Total Amount of Application for Monetization) x 100

Please be guided accordingly.

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