

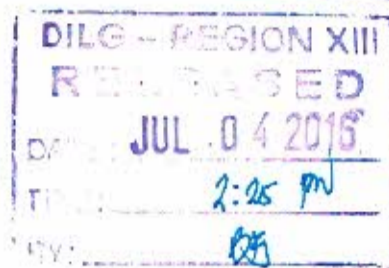


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DILG 13 Legal Opinion No. 2016-020
 June 30, 2016

DILG REGION XIII
 FILE

RENE G. RETIQUEZ
 City Accountant
 TIARA JULIA M. SANTOS
 HRMO-Designate
 Cabadbaran City



Dear Mr. Retiquez and Ms. Santos:

This refers to your letter seeking opinion on the release of monetization of earned leave credits. Specifically, you asked:

1. Can the City Mayor insist of availing 50% monetization of his earned leave credits despite from (sic) the fact that the *sanggunian* only approved a maximum of 20 days per Section 3, Annexes, of the Appropriation Ordinance?
2. Can the City Mayor use as basis or ground of availing the 50% the application for leave as approved by the Provincial Governor despite of (sic) the provision of the Appropriation Ordinance? And even further argued that he was not being furnished of the said annexes saying that he can only avail up to 20 days?
3. Is it technically correct for the *Sangguniang Panlungsod* to determined (sic) specifically in the Ordinance as to who can avail of the same and up to how much per official and employee?

Since the questions are interrelated, we deem it proper to answer them in one discussion.

At the outset, let us review the provisions of Joint CSC-DBM Circular No. 1 series of 1991 and Joint CSC-DBM Circular No. 2 series of 1997 providing Amendatory Rules and Regulations Governing the Monetization of Leave Credits of Government Officials and Employees and the provisions of Sec. 22, Monetization of leave credits and Section 23, Monetization of 50% or more of vacation/sick leave credits of Rule XVI, of the Omnibus Rules on Leave Implementing Book V of the Administrative Code of 1987, which in sum say:

Officials and employees who have accumulated fifteen (15) days of vacation leave (VL) shall be allowed to monetize a minimum of ten (10) days: Provided that at least five (5) days vacation leave credits is retained after monetization and provided-further that a maximum of thirty (30) days may be monetized in a given year per Sec. 22 of CSC Res. No98- 3142 dated December 14, 1998.

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

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- a. Health, medical and hospital needs of the employee and the immediate members of his/her family;*
- b. 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;*
- c. Educational needs of the employee and the immediate members of his/her family;*
- d. Payment of mortgages and loans which were entered into for the benefit or which inured to the benefit of the employee and his/her immediate family;*
- e. 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;*

The monetization of 50% or more of the accumulated leave credits shall be upon the favorable recommendation of the agency head and subject to availability of funds.

After a careful perusal of your presentation, we deduced that the Annexes referred to in Section 3 of City Appropriation Ordinance No. 2016-003 were computations of estimated number of days of leave credits for monetization of every official and employee in the Local Government Unit of Cabadbaran City. The computations were for the purpose of arriving at the amount of the Supplemental Budget, but may not necessarily represent the actual amount to be released or disbursed. The actual amount to be released or disbursed necessarily depends on the earned leave credits, the valid and justifiable reasons of each employee, the favorable recommendation of the agency head and available funds.

Thus, only those officials and employees, including the City Mayor, who shall satisfy the requirements above, may be allowed to monetize. However, given the fact that the City Mayor steps down from his office this day, monetization may not be availed of. Instead, a claim for terminal leave benefits may be processed.

All issues having become moot and academic, no further discussion is needed.

This opinion is rendered without prejudice to any contrary opinion of competent higher authorities and the courts.

God bless!

Truly yours,


LILIBETH A. FAMACION, CESO III
Regional Director 

cc: *Ellen Vee P. Chua*
OIC-PD
DILG Agusan del Norte

Annabel F. Yangson
CLGOO
Cabadbaran City