



MC No. 41, s. 1998

MEMORANDUM CIRCULAR

**TO :** ALL HEADS OF DEPARTMENTS, BUREAUS, AND AGENCIES OF THE NATIONAL GOVERNMENT, LOCAL GOVERNMENT UNITS, INCLUDING GOVERNMENT-OWNED AND CONTROLLED CORPORATIONS WITH ORIGINAL CHARTERS, AND STATE UNIVERSITIES AND COLLEGES, ALL CIVIL SERVICE OFFICIALS AND EMPLOYEES

**SUBJECT :** Amendments to Rules I and XVI of the Omnibus Rules Implementing Book V of the Administrative Code of 1987 (Executive Order 292)

Pursuant to CSC Resolution No. 98-3142, s. 1998, this Commission adopts the amendments to Rule XVI (LEAVE) and the definitions of leave terms under Rule I of the Omnibus Civil Service Rules Implementing Book V of the Administrative Code of 1987 (Executive Order 292).

In view thereof, all existing Civil Service rules and regulations, Circulars and Memoranda inconsistent with these Rules are hereby repealed or amended accordingly.

  
CORAZON ALMA G. DE LEON  
Chairman

24 December 1998

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Re : Amendments to the Omnibus Leave Rules

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**RESOLUTION NO. 983142**

**WHEREAS**, the Civil Service Commission as the central personnel agency of government embraces all branches, subdivisions, instrumentalities, and agencies of the Government, including government-owned and controlled corporations with original charters;

**WHEREAS**, it is empowered by the Constitution to prescribe, amend and enforce rules and regulations for carrying into effect the provisions of the Civil Service Law and pertinent laws;

**WHEREAS**, the Omnibus Rules Implementing Book V of the Administrative Code of 1987, otherwise known as Executive Order 292, was published on January 15, 1992 in the Philippine Star and same took effect thirty (30) days thereafter;

**WHEREAS**, since 1992, there have been developments in the area of leave such as the enactment of the Paternity Leave Act, issuance of CSC Memorandum Circulars Nos. 6 and 20, s. 1996 on special leave privileges (SLPs), and the issuance of various CSC Resolutions which clarify certain grey areas that cause misinterpretation of the existing leave provisions;

**WHEREAS**, there is a need to update provisions on leave, specifically maternity leave, to harmonize them with the gender-sensitive policies of the government;

**WHEREAS**, while there are technical terms used in leave, the same are not defined in rule I (Coverage and Definition of Terms) of the Omnibus Rules;

**WHEREAS**, Human Resource Management Officers (HRMOs), representing certain occupational groups, such as teachers, faculty members, have been consulted in refining said leave amendments;

**WHEREAS**, it cannot be overemphasized the practicality of putting together in one single document all the issuances and/or amendments about leave for the guidance of government officials and employees.

**NOW THEREFORE**, the Commission in the exercise of its rule-making and policy formulation functions, **RESOLVED** as it hereby resolves to adopt the provisions of Rule XVI of the Omnibus Civil Service Rules (Omnibus Rules on Leave). Likewise, definitions of terms used in leave shall be part of Rule I of said Omnibus Rules.

Quezon City, DEC 14 1998.

  
**CORAZON ALMA G. DE LEON**  
Chairman

  
**THELMA P. GAMINDE**  
Commissioner

  
**JOSE F. ERESTAIN, JR.**  
Commissioner

Attested by:

  
**ARIEL G. RONQUILLO**  
Director III

abs/vec/others/rules  
RDOS - 981214-00V

**OMNIBUS RULES**

**ON**

**LEAVE**

## RULE I

(p.) The following terms used in Rule XVI shall be construed as follows:

1. *Leave of absence* is generally defined as a right granted to officials and employees not to report for work with or without pay as may be provided by law and as the rules prescribe in Rule XVI hereof.
2. *Commutation of leave credits* refers to conversion of unused leave credits to their corresponding money value.
3. *Cummulation of leave credits* refers to incremental acquisition of unused leave credits by an official or employee.
4. *Immediate family* refers to the spouse, children, parents, unmarried brothers and sisters and any relative living under the same roof and dependent upon the employee for support.
5. *Sick leave* refers to leave of absence granted only on account of sickness or disability on the part of the employee concerned or any member of his immediate family.
6. *Vacation leave* refers to leave of absence granted to officials and employees for personal reasons, the approval of which is contingent upon the necessities of the service.
7. *Monetization* refers to payment in advance under prescribed limits and subject to specified terms and conditions of the money value of leave credits of an employee upon his request without actually going on leave.
8. *Pregnancy* refers to the period between conception and delivery or birth of a child. For purposes of maternity leave, miscarriage is within the period of pregnancy.
9. *Maternity leave* refers to leave of absence granted to female government employees legally entitled thereto in addition to vacation and sick leave. The primary intent or purpose of granting maternity leave is to extend working mothers some measures of financial help and to provide her a period of rest and recuperation in connection with her pregnancy.

10. *Paternity leave* refers to the privilege granted to a married male employee allowing him not to report for work for seven (7) days while continuing to earn the compensation therefor, on the condition that his legitimate spouse has delivered a child or suffered a miscarriage, for purposes of enabling him to effectively lend care and support to his wife before, during and after childbirth as the case may be and assist in caring for his new-born child.
11. *Vacation Service Credits* refers to the leave credits earned by public school teachers for services rendered during activities authorized by proper authorities during long and Christmas vacation. These credits are used to offset their absences due to illness or to offset proportional deduction in vacation salary due to absences for personal reasons or late appointment.
12. *Terminal leave* refers to money value of the total accumulated leave credits of an employee based on the highest salary rate received prior to or upon retirement date/voluntary separation.
13. *Special leave privileges* refers to leave of absence which officials and employees may avail of for a maximum of three (3) days annually over and above the vacation, sick, maternity and paternity leaves to mark personal milestones and/or attend to filial and domestic responsibilities.
14. *Relocation leave* refers to a special leave privilege granted official/employee whenever he/she transfers residence.

**RULE XVI  
LEAVE OF ABSENCE**

**SECTION 1. *Entitlement to leave privileges.*** - In general, appointive officials and employees of the government whether permanent, temporary, or casual, who render work during the prescribed office hours, shall be entitled to 15 days vacation and 15 days sick leave annually with full pay exclusive of Saturdays, Sundays, Public Holidays, without limitation as to the number of days of vacation and sick leave that they may accumulate.

**SEC. 2. *Leave of absence of part-time employees.*** - Employees rendering services on part-time basis are entitled to vacation and sick leave benefits proportionate to the number of work hours rendered. A part-time employee who renders four (4) hours of work five (5) days a week or a total of 20 hours a week is entitled to 7.5 days vacation leave and 7.5 days sick leave annually with full pay.

**SEC. 3. *Leave of absence of employees on rotation basis.*** - Employees on rotation basis shall be entitled to vacation and sick leave corresponding to the periods of service rendered by them. If an employee has been allowed to work in two or more shifts or rotation, the periods of actual service covered by each shift or rotation should be added together to determine the number of years, months and days during which leave is earned.

**SEC. 4. *Contractual employees are not entitled to leave credits as a matter of right.*** - In view of the nature of their employment, employees hired on contractual basis are not entitled to vacation, sick, and other special leave privileges. To offset their non-entitlement to leave benefits, contractual employees may be paid compensation twenty percent (20%) higher than the salaries of regular employees occupying equivalent positions. If contractual employees are not given the 20% premium, they should be entitled to vacation and sick leave.

**SEC. 5. *Leave credits of local elective officials.*** - Local elective officials started to be entitled to leave privileges effective May 12, 1983 only pursuant to Batas Pambansa 337. However, said leave was commutative but not cumulative. This means that local elective officials who did not commute said leave during the year earned are deemed to have forfeited the same.

However, starting January 1, 1992, local elective officials shall be entitled to leave privileges as those enjoyed by appointive local officials, including accumulation and commutation thereof.

**SEC. 6. *Teachers' leave.*** - Teachers shall not be entitled to the usual vacation and sick leave credits but to proportional vacation pay (PVP) of 70 days of summer vacation plus 14 days of Christmas vacation. A teacher who has rendered continuous service in a school year without incurring absences without pay of not more than 1 1/2 days is entitled to 84 days of proportional vacation pay.

Other leave benefits of teachers such as study leave and indefinite sick leave are covered by Section 24 and 25 of RA 4670 (Magna Carta for Public School Teachers).

**SEC. 7. *Other employees under teacher's leave basis.*** - Day Care Workers and all other appointive employees whose work schedule is the same as that of teachers, earn leave credits in accordance with Sections 6 and 9 hereof.

**SEC. 8. *Teachers who are designated to perform non-teaching functions.*** - Teachers who are designated to perform non-teaching functions and who render the same hours of service as other employees shall be entitled to vacation and sick leave.

**SEC. 9. *Vacation service credits of teachers.*** - Teachers' vacation service credits refer to the leave credits earned for services rendered on activities, during summer or Christmas vacation, as authorized by proper authority. These vacation service credits are used to offset absences of a teacher due to illness or to offset proportional deduction in vacation salary due to absences for personal reasons or late appointment. The manner by which service credits may be earned by teachers is subject to the guidelines issued by the Department of Education, Culture and Sports (DECS).

**SEC. 10. *Leave credits of officials and employees covered by special leave law.*** - The leave credits of the following officials and employees are covered by special laws:

- (a) Justices of the Supreme Court, Court of Appeals and Sandiganbayan;
- (b) Judges of Regional Trial Courts, Municipal Trial Courts, Metropolitan Trial Courts, Court of Tax Appeals and Shari'a Circuit Court; and Shari'a District Court.
- (c) Heads of the Executive Departments, Heads of Departments, Undersecretaries;
- (d) Chairmen and Commissioners of Constitutional Commissions;
- (e) Filipino officers and employees in the Foreign Service;
- (f) Faculty members of state universities and colleges including those teaching in universities and colleges created pursuant to ordinance of the LGUs; and
- (g) Other officials and employees covered by special laws.

Hence, Justices and other government officials and employees covered by special laws should promulgate their own implementing rules relative thereto. Said implementing rules should be submitted to the Civil Service Commission for record purposes.



**SEC. 11. Conditions for the grant of maternity leave.** - Married women in the government service who have rendered an aggregate of two (2) or more years of service, shall, in addition to the vacation and sick leave granted them, be entitled to maternity leave of sixty (60) calendar days with full pay.

Maternity leave of those who have rendered one (1) year or more but less than two (2) years of service shall be computed in proportion to their length of service, provided, that those who have served for less than one (1) year shall be entitled to 60-days maternity leave with half pay.

It is understood that enjoyment of maternity leave cannot be deferred but should be enjoyed within the actual period of delivery in a continuous and uninterrupted manner not exceeding 60 calendar days.

**SEC. 12. Formula for the computation of maternity leave.** - Employees who have rendered less than two (2) years of service may only receive full pay for a number of days based on the ratio of 60 days to 2 years of service.

$$\begin{aligned}\text{Where: } y &= \text{the no. of days in the service} \\ x &= \text{the no. of days to be paid} \\ 2 \text{ years} &= 720 \text{ days} \\ \frac{60}{720} &= \frac{x}{y} \\ 720x &= 60y \\ x &= \frac{60y}{720} \\ x &= \frac{y}{12}\end{aligned}$$

For example, an employee has rendered one year and six months of service:

$$\begin{aligned}\text{Where: } x &= \text{number of days to be paid} \\ y &= 1 \text{ year and 6 months (540 days)} \\ x &= \frac{y}{12} \\ x &= \frac{540}{12} \\ x &= 45 \text{ days}\end{aligned}$$

**SEC. 13. *A married woman may be granted maternity leave more than once a year.*** - Maternity leave shall be granted to female married employees in every instance of pregnancy irrespective of its frequency.

**SEC. 14. *Married women may go on maternity leave for less than sixty (60) days.***  
- When an employee wants to report back to duty before the expiration of her maternity leave, she may be allowed to do so provided she presents a medical certificate that she is physically fit to assume the duties of her position.

The commuted money value of the unexpired portion of the leave need not be refunded and that when the employee returns to work before the expiration of her maternity leave, she may receive both the benefits granted under the maternity leave law and the salary for actual services rendered effective the day she reports for work.

**SEC. 15. *Maternity leave with pay may be granted even if delivery occurs just a few days after the termination of employee's service.*** - Maternity leave with pay may be granted even if the delivery occurs not more than 15 calendar days after the termination of employee's service as her right thereto has already accrued.

**SEC. 16. *Maternity leave of employee on extended leave of absence without pay.***  
- If already entitled, a woman employee can still avail of sixty (60) days maternity leave with pay even if she is on an extended leave of absence without pay.

**SEC. 17. *Maternity leave of employee with pending administrative case.*** - A married woman employee is entitled to maternity leave of absence with pay even if she has a pending administrative case.

**SEC. 18. *Maternity leave of contractual employees.*** - Married contractual employees whether or not receiving 20% premium on their salary shall be entitled to maternity leave benefits like regular employees in accordance with the provisions of Section 11 hereof.

**SEC. 19. *Conditions for the grant of paternity leave.*** - Every married male employee is entitled to paternity leave of seven (7) working days for the first four (4) deliveries of his legitimate spouse with whom he is cohabiting.

The first of the 4 deliveries shall be reckoned from the effectivity of the Paternity Leave Act on July 15, 1996.

Married male employee with more than one (1) legal spouse shall be entitled to avail of paternity leave for an absolute maximum of four deliveries regardless of whichever spouse gives birth.

**SEC. 20. *Paternity Leave - non-cumulative/non-commutative.*** - Paternity leave of seven (7) days shall be non-cumulative and strictly non-convertible to cash. The same may be enjoyed in a continuous or in an intermittent manner by the employee on the days immediately before, during and after the childbirth or miscarriage of his legitimate spouse.

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**SEC. 21. Special leave privileges.** - In addition to the vacation, sick, maternity and paternity leave, officials and employees with or without existing or approved Collective Negotiation Agreement (CNA), except teachers and those covered by special leave laws, are granted the following special leave privileges subject to the conditions hereunder stated:

- |                               |                                  |
|-------------------------------|----------------------------------|
| (a) funeral/mourning leave    | (f) hospitalization leave        |
| (b) graduation leave          | (g) accident leave               |
| (c) enrollment leave          | (h) relocation leave             |
| (d) wedding/anniversary leave | (i) government transaction leave |
| (e) birthday leave            | (j) calamity leave               |

(1) That the official/employee may be granted a maximum of three (3) days within a calendar year of any or combination of special leave privileges of his choice which he would opt to avail;

(2) That such privileges shall be non-cumulative and non-commutative;

(3) That the official/employee shall submit the application for the said special leave privileges for at least one (1) week prior to its availment except on emergency cases; and

(4) Special leave privilege may be availed of by the official/employee when the occasion is personal to him and that of his immediate family.

**SEC. 22. Monetization of leave credits.** - Officials and employees in the career and non-career service whether permanent, temporary, casual, or coterminous, who have accumulated fifteen (15) days of vacation leave credits shall be allowed to monetize a minimum of ten (10) days: Provided, that at least five (5) days is retained after monetization and provided further that a maximum of thirty (30) days may be monetized in a given year.

**SEC. 23. Monetization of 50% of vacation/sick leave credits.** - Monetization of fifty percent (50%) of all the accumulated leave credits may be allowed for valid and justifiable reasons subject to the discretion of the agency head and the availability of funds.

**SEC. 24. Computation of Leave Monetization.** - The formula to be used for the computation of monetization is as follows:

$$\frac{\text{Monthly Salary}}{22 \text{ Working Days}} \times \begin{matrix} \text{No. of days} \\ \text{to be} \\ \text{Monetized} \end{matrix} = \text{Money Value of the monetized leave}$$

**SEC. 25. *Five days forced/mandatory leave.*** - All officials and employees with 10 days or more vacation leave credits shall be required to go on vacation leave whether continuous or intermittent for a minimum of five (5) working days annually under the following conditions:

(a) The head of agency shall, upon prior consultation with the employees, prepare a staggered schedule of the mandatory five-day vacation leave of officials and employees, provided that he may, in the exigency of the service, cancel any previously scheduled leave.

(b) The mandatory annual five-day vacation leave shall be forfeited if not taken during the year. However, in cases where the scheduled leave has been cancelled in the exigency of the service by the head of the agency, the scheduled leave not enjoyed shall no longer be deducted from the total accumulated vacation leave.

(c) Retirement and resignation from the service in a particular year without completing the calendar year do not warrant forfeiture of the corresponding leave credits if concerned employees opted not to avail of the required five-day mandatory vacation leave.

(d) Those with accumulated vacation leave of less than ten (10) days shall have the option to go on forced leave or not. However, officials and employees with accumulated vacation leave of 15 days who availed of monetization for 10 days, under Section 22 hereof, shall still be required to go on forced leave.

**SEC. 26. *Accumulation of vacation and sick leave.*** - Vacation and sick leave shall be cumulative and any part thereof which may not be taken within the calendar year may be carried over to the succeeding years. Whenever any official or employee retires, voluntarily resigns, or is allowed to resign or is separated from the service through no fault of his own, he shall be entitled to the commutation of all the accumulated vacation and/or sick leave to his credit, exclusive of Saturdays, Sundays, and holidays, without limitation as to the number of days of vacation and sick leave that he may accumulate provided his leave benefits are not covered by special law.

When a person whose leave has been commuted following his separation from the service is reemployed in the government before the expiration of the leave commuted, he shall no longer refund the money value of the unexpired portion of the said leave. Insofar as his leave credits is concerned, he shall start from zero balance.

**SEC. 27. *Computation of vacation leave and sick leave.*** - Computation of vacation leave and sick leave shall be made on the basis of one day vacation leave and one day sick leave for every 24 days of actual service using the tables of computations as follows:

**TABLE OF COMPUTATION**

DAY	FOR LEAVE WITH PAY		FOR LEAVE WITHOUT PAY		
	LEAVE EARNED	MONTH	LEAVE EARNED	VACATION LEAVE (WOP)	LEAVE EARNED
1	.042	1 mo.	1.25	0.50	1.229
2	.083	2 mos.	2.50	1.00	1.208
3	.125	3 mos.	3.75	1.50	1.188
4	.167	4 mos.	5.00	2.00	1.167
5	.208	5 mos.	6.25	2.50	1.146
6	.250	6 mos.	7.50	3.00	1.125
7	.292	7 mos.	8.75	3.50	1.104
8	.333	8 mos.	10.00	4.00	1.083
9	.375	9 mos.	11.25	4.50	1.063
10	.417	10 mos.	12.50	5.00	1.042
11	.458	11 mos.	13.75	5.50	1.021
12	.500	12 mos.	15.00	6.00	1.000
13	.542			6.50	0.979
14	.583			7.00	0.958
15	.625			7.50	0.938
16	.667			8.00	0.917
17	.708			8.50	0.896
18	.750			9.00	0.875
19	.792			9.50	0.854
20	.833			10.00	0.833
21	.875			10.50	0.813
22	.917			11.00	0.792
23	.958			11.50	0.771
24	1.000			12.00	0.750
25	1.042			12.50	0.729
26	1.083			13.00	0.708
27	1.125			13.50	0.687
28	1.167			14.00	0.667
29	1.208			14.50	0.646
30	1.250			15.00	0.625
				15.50	0.604
				16.00	0.583
				16.50	0.562
				17.00	0.542
				17.50	0.521
				18.00	0.500
				18.50	0.479
				19.00	0.458
				19.50	0.437
				20.00	0.417
				20.50	0.396
				21.00	0.375
				21.50	0.354
				22.00	0.333
				22.50	0.312
				23.00	0.292
				23.50	0.271
				24.00	0.250
				24.50	0.229
				25.00	0.208
				25.50	0.187
				26.00	0.167
				26.50	0.146
				27.00	0.125
				27.50	0.104
				28.00	0.083
				28.50	0.062
				29.00	0.042
				29.50	0.021
				30.00	0.000

Table II

TABLE SHOWING CONVERSION OF WORKING HOURS/MINUTES INTO FRACTIONS OF A DAY			
<i>Based on 8-Hour Day</i>			
HOURS		EQUIVALENT DAY	
1			.125
2			.250
3			.375
4			.500
5			.625
6			.750
7			.875
8			1.000
MINUTES	EQUIV. DAY	MINUTES	EQUIV. DAY
1	.002	31	.065
2	.004	32	.067
3	.006	33	.069
4	.008	34	.071
5	.010	35	.073
6	.012	36	.075
7	.015	37	.077
8	.017	38	.079
9	.019	39	.081
10	.021	40	.083
11	.023	41	.085
12	.025	42	.087
13	.027	43	.090
14	.029	44	.092
15	.031	45	.094
16	.033	46	.096
17	.035	47	.098
18	.037	48	.100
19	.040	49	.102
20	.042	50	.104
21	.044	51	.106
22	.046	52	.108
23	.048	53	.110
24	.050	54	.112
25	.052	55	.115
26	.054	56	.117
27	.056	57	.119
28	.058	58	.121
29	.060	59	.123
30	.062	60	.125

**SEC. 28. *Actual service defined.*** - The term "actual service" refers to the period of continuous service since the appointment of the official or employee concerned, including the period or periods covered by any previously approved leave with pay.

Leave of absence without pay for any reason other than illness shall not be counted as part of the actual service rendered: Provided, that in computing the length of service of an employee paid on the daily wage basis, Saturdays, Sundays or holidays occurring within a period of service shall be considered as service although he did not receive pay on those days inasmuch as his service was not then required.

A fraction of one-fourth or more but less than three-fourth shall be considered as one-half day and a fraction of three-fourths or more shall be counted as one full day for purposes of granting leave of absence.

**SEC. 29. *Computation of leave for employees with irregular work schedule.*** - Employees, including, among others, hospital personnel, whose work schedules are irregular and at times include Saturdays, Sundays, and legal holidays and are instead off-duty on other days, their off-duty days regardless or whether they fall on Saturdays, Sundays, or holidays during the period of their leave, are to be excluded in the computation of vacation and sick leave. In other words, if an employee is off-duty, say for two (2) days falling on Saturdays, Sundays, or holidays, these days occurring within the period of authorized leave are to be excluded in the deduction of the number of days of leave from the earned leave credits of the employee.

**SEC. 30. *Computation of leave for employees observing flexible working hours.*** - Employees observing flexible working hours who render less than the usual eight (8) hours of work per day but complete the forty (40) hours of work in a week, shall be deducted from their leave credits only the minimum number of hours required to be served for a day but which was not served. Any absence incurred must be charged in proportion to the number of hours required for a day's work.

**SEC. 31. *Commutation of salary prior to leave.*** - The proper head of department, local government unit, and government owned or controlled corporation with original charter may, in his discretion, authorize the commutation of the salary that would be received during the period of vacation and sick leave of any appointive official and employee and direct its payment at the beginning of such leave from the fund out of which the salary would have been paid.

**SEC. 32. *Absence on a regular day for which suspension of work is announced.*** - Where an official or an employee fails to report for work on a regular day for which suspension of work is declared after the start of regular working hours, he shall be considered absent on that day.



**SEC. 33. Leave of absence without pay on a day immediately preceding or succeeding Saturday, Sunday or holiday.** - When an employee, regardless of whether he has leave credits or not is absent on a day immediately preceding or succeeding a Saturday, Sunday or holiday, he shall not be considered absent on said days. However, the same provision is applicable only to intermittent or broken absences incurred by an employee but not to continuous or uninterrupted absences without pay exceeding a period of seven (7) calendar days.

**SEC. 34. Tardiness and undertime are deducted against vacation leave credits.** - Tardiness and undertime are deducted from vacation leave credits and shall not be charged against sick leave credits, unless the undertime is for health reasons supported by medical certificate and application for leave.

**SEC. 35. Terminal leave.** - Terminal leave is applied for by an official or an employee who intends to sever his connection with his employer. Accordingly, the filing of application for terminal leave requires as a condition *sine qua non*, the employee's resignation, retirement or separation from the service without any fault on his part. It must be shown first that public employment cease by any of the said modes of severances.

**SEC. 36. Approval of terminal leave.** - Application for commutation of vacation and sick leave in connection with separation through no fault of an official or employee shall be sent to the head of department concerned for approval. In this connection, clearance from the Ombudsman is no longer required for processing and payment of terminal leave as such clearance is needed only for payment of retirement benefits.

**SEC. 37. Payment of terminal leave.** - Any official/employee of the government who retires, voluntarily resigns, or is separated from the service through no fault of his own, and who is not otherwise covered by special law, shall be entitled to the commutation of his leave credits exclusive of Saturdays, Sundays and Holidays without limitation and regardless of the period when the credits were earned.

**SEC. 38. Period within which to claim terminal leave pay.** - Request for payment of terminal leave benefits must be brought within ten (10) years from the time the right of action accrues upon an obligation created by law.

**SEC. 39. Basis of computation of terminal leave.** - Payment of terminal leave for purposes of retirement or voluntary resignation shall be based on the highest monthly salary received at any time during his period of employment in the government service and not on his latest salary, unless the latter is the highest received by the retiree.

**SEC. 40. Computation of terminal leave.** - The terminal leave benefits shall be computed as follows:

$$TLB = \frac{D \times (S)}{22}$$

Where:

- TLB - Total Terminal Leave Benefits
- D - No. of accumulated leave (VL & SL)
- S - Highest monthly salary received
- 22 - Number of working days in a month pursuant to R.A. 6758

**SEC. 41. Official/Employee on terminal leave does not earn leave credits.** - The official/employee who is on terminal leave does not earn any leave credits as he is already out of the service. While on terminal leave, he merely enjoys the benefits derived during the time of such employment. Consequently, he is no longer entitled to the benefits or salary increases that may be granted thereafter.

**SEC. 42. Employee on extension of service does not earn leave credits.** - The official/employee who has reached the compulsory retirement age of 65 but whose service has been extended by the Commission for another six (6) months, no longer earns leave credits.

**SEC. 43. Computation of salary.** - An official or employee who applies for vacation or sick leave shall be granted leave with pay at the salary he is currently receiving.

**SEC. 44. Leave during probationary period.** - An employee still on probation may already avail of whatever leave credits he has earned during said period. Accordingly, any leave of absence without pay incurred during the period of probation shall extend the completion thereof for the same number of days of such absence.

**SEC. 45. Payment of unused vacation service credits of teachers.** - Teachers and other school personnel on the teachers' leave basis who resigned, retired, or are separated from the service through no fault of their own on or after January 16, 1986 shall be paid the money value of their unused vacation service credits converted to vacation and sick leave using the formula:

$$\text{Vacation and Sick Leave} = \frac{30Y/69}{2}$$

Where: 30	=	Number of Days in a Month
Y	=	Total Number of Teacher's Service Credits
*69	=	58 Days of Summer Vacation plus 11 Days Christmas Vacation
2	=	the two kinds of leave
84		total number of days of Summer/Christmas vacation
- 15		( <input type="checkbox"/> 12 days Saturdays/Sundays during summer vacation <input type="checkbox"/> 3 days-Christmas Day, Rizal Day, New Year's Day)
<u>*69</u>		days

**SEC. 46. *Transfer from teaching to non-teaching service during summer vacation.*** - A teacher who transferred to the non-teaching service immediately after the close of the school year during summer vacation, is entitled to proportional vacation pay inasmuch as his right thereto has already accrued.

**SEC. 47. *Transfer of leave credits.*** - When an official or employee transfers from one government agency to another, he can either have his accumulated vacation and/or sick leave credits commuted or transferred to his new agency.

The second option can be exercised as a matter of right only by an employee who does not have gaps in his service. However, a gap of not more than one month may be allowed provided same is not due to his fault.

The option to transfer accumulated leave credits can be exercised within one (1) year only from the employee's transfer to the new agency.

This provision is not applicable to transfer of leave credits of uniformed personnel from the military to the civilian service.

**SEC. 48. *Remedy when transfer of leave credits is denied.*** - An official or employee who failed to transfer his leave credits to the new office in line with the provisions in the preceding section, may claim the money value of such leave credits from the office where earned.

**SEC. 49. *Period within which to act on leave application.*** - Whenever the application for leave of absence, including terminal leave, is not acted upon by the head of agency or his duly authorized representative within five (5) working days after receipt thereof, the application for leave of absence shall be deemed approved.

**SEC. 50. *Effect of unauthorized leave.*** - An official/employee who is absent without approved leave shall not be entitled to receive his salary corresponding to the period of his unauthorized leave of absence. It is understood, however that his absence shall no longer be deducted from his accumulated leave credits, if there are any.

**SEC. 51. *Application for vacation leave.*** - All applications for vacation leave of absence for one (1) full day or more shall be submitted on the prescribed form for action by the proper head of agency five (5) days in advance, whenever possible, of the effective date of such leave.

**SEC. 52. *Approval of vacation leave.*** - Leave of absence for any reason other than illness of an official or employee or of any member of his immediate family must be contingent upon the needs of the service. Hence, the grant of vacation leave shall be at the discretion of the head of department/agency.

**SEC. 53. *Application for sick leave.*** - All applications for sick leave of absence for one full day or more shall be made on the prescribed form and shall be filed immediately upon employee's return from such leave. Notice of absence, however, should be sent to the immediate supervisor and/or to the agency head. Application for sick leave in excess of five (5) successive days shall be accompanied by a proper medical certificate.

Sick leave may be applied for in advance in cases where the official or employee will undergo medical examination or operation or advised to rest in view of ill health duly supported by a medical certificate.

In ordinary application for sick leave already taken not exceeding five days, the head of department or agency concerned may duly determine whether or not granting of sick leave is proper under the circumstances. In case of doubt, a medical certificate may be required.

**SEC. 54. *Approval of sick leave.*** - Sick leave shall be granted only on account of sickness or disability on the part of the employee concerned or of any member of his immediate family.

**SEC. 55. *Rehabilitation leave for job-related injuries.*** - Applications of officials and employees for leave of absence on account of wounds or injuries incurred in the performance of duty must be made on the prescribed form, supported by the proper medical certificate and evidence showing that the wounds or injuries were incurred in the performance of duty. The head of department/agency concerned shall direct that absence of an employee during his period of disability thus occasioned shall be on full pay, but not to exceed six (6) months. He shall also authorize the payment of medical attendance, necessary transportation, subsistence and hospital fees of the injured person. Absence in the case contemplated shall not be charged against sick leave or vacation leave, if there are any.

**SEC. 56. *Leave without pay.*** - All absences of an official or employee in excess of his accumulated vacation or sick leave credits earned shall be without pay.

When an employee had already exhausted his sick leave credits, he can use his vacation leave credits but not vice versa.

**SEC. 57. *Limit of leave without pay.*** - Leave without pay not exceeding one year may be granted, in addition to the vacation and/or sick leave earned. Leave without pay in excess of one month shall require the clearance of the proper head of department or agency.

**SEC. 58. *When leave without pay is not allowable.*** - Leave without pay shall not be granted whenever an employee has leave with pay to his credit except in the case of secondment.

**SEC. 59. *Seconded employee on leave without pay from his mother agency.*** - The seconded employee shall be on leave without pay from his mother agency for the duration of his secondment, and during such period, he may earn leave credits which is commutable immediately thereafter at and payable by the receiving agency.

**SEC. 60. *Effect of vacation leave without pay on the grant of length of service step increment.*** - For purposes of computing the length of service for the grant of step increment, approved vacation leave without pay for an aggregate of fifteen (15) days shall not interrupt the continuity of the three-year service requirement for the grant of step increment. However, if the total number of authorized vacation leave without pay included within the three-year period exceeds fifteen (15) days, the grant of one-step increment will only be delayed for the same number of days that an official or employee was absent without pay.

**SEC. 61. *Effect of pending administrative case against an official or employee.*** - Where officials or employees have pending formal administrative charges against them, no vacation leave with pay shall be granted the respondent during the pendency of the case.

**SEC. 62. *Effect of failure to report for duty after expiration of one year leave.*** - If an official or an employee who is on leave without pay pursuant to Section 57 hereof, fails to report for work at the expiration of one year from the date of such leave, he shall be considered automatically separated from the service.

**SEC. 63. *Effect of absences without approved leave.*** - An official or an employee who is continuously absent without approved leave for at least thirty (30) calendar days shall be considered on absence without official leave (AWOL) and shall be separated from the service or dropped from the rolls without prior notice. He shall, however, be informed, at his address appearing on his 201 files of his separation from the service, not later than five (5) days from its effectivity.

If the number of unauthorized absences incurred is less than thirty (30) calendar days, a written Return-to-Work Order shall be served to him at his last known address on record. Failure on his part to report for work within the period stated in the order shall be a valid ground to drop him from the rolls.

**SEC. 64. *Status of the position of an official or employee on vacation leave or sick leave.*** - While the incumbent is on vacation or sick leave with or without pay, his position is not vacant. During the period of such leave therefore, only substitute appointment can be made to such position.

**SEC. 65. *Effect of decision in administrative case.*** - An official or employee in the government who is separated from the service for cause shall forfeit his leave credits.

**SEC. 66. *Effect of exoneration from criminal/ administrative case.*** - In general, officials and employees who have been dismissed from the service but who were later exonerated and thereafter reinstated, are entitled to the leave credits during the period they were out of the service.

**SEC. 67. *Cause for disciplinary action.*** - Any violation of the leave laws, rules or regulations, or any misrepresentation or deception in connection with an application for leave, shall be a ground for disciplinary action.