



Republic of the Philippines  
**Department of Education**  
REGION VIII  
SCHOOLS DIVISION OF CALBAYOG CITY

February 12, 2026

**DIVISION MEMORANDUM**

No. 074, s. 2026

**APPLICATION FOR MONETIZATION OF LEAVE CREDITS CY 2026**

TO : Assistant Schools Division Superintendent  
Chief Education Supervisor (CID & SGOD)  
District Advisors  
Public Schools District Supervisors  
Public Elementary and Secondary School Heads  
All Other Concerned

1. To ensure the fiscal sustainability of the agency and maintain operational efficiency, this Memorandum is issued to establish strict guidelines and limitations on the monetization of vacation leave/service credits for the current calendar year. This is in accordance with Section 22 and 23 of the Omnibus Rules on Leave.

*Sec. 22. Monetization of leave credit - 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. (Provided for under CSC MC No. 41, s. 1998)*

*Sec. 23. Monetization of 50% or more of vacation/sick leave credits. Monetization of fifty percent (50%) or more of the accumulated leave credits may be allowed for valid and justifiable reasons such as:*

- 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.*

2. Based on Civil Service Commission (CSC) and Department of Budget and Management (DBM) rules, the monetization of leave credits is always subject to the availability of funds. When funds are limited, agencies are advised to implement strict prioritization and payment of all mandatory personnel services.

3. According to DBM rules, when an agency uses its savings for monetization, it is required to first ensure all mandatory, lawful salary-related claims (e.g., terminal leave, retirement gratuity, salary, and bonuses) are paid.

*Mandatory Claims: Compensation/Salaries, year-end bonus, Midyear Bonus, Cash gift, PEI, clothing allowance, mandatory and optional terminal leave benefits and all other Personnel Services claims.*

*Monetization of Leave: Considered a form of benefit that must not cause Personnel Services deficiency for all mandatory payables in the current year.*

4. Since the Division has no determined savings as early as February in consideration to all anticipated PS payables until December of the current year, this Division will accept application of monetization of leave credits starting September 2026 with limitation on the number of days as stated above (Section 22 and 23 of the Omnibus Rules on Leave) subject to availability of savings.

5. For immediate dissemination and guidance.



**MARGARITO A. CADAYONA, Jr., PhD., CESO VI**  
Schools Division Superintendent

Address: P2 Brgy. Hamorawon, Calbayog City, Samar  
Email Address: calbayogcity@deped.gov.ph  
Website: <https://calbayogcity.deped.gov.ph/>