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Non-monetary benefits for overtime work

Not all extra work hours rendered in government service are compensatory, however, there are non-monetary remunerations that can be availed of to offset services given beyond regular office hours.

These are: Compensatory Overtime Credit (COC) and Compensatory Time-Off (CTO).

COC refers to the accrued number of hours which an employee earns as a result of services rendered beyond the regular working hours. These include services provided on Saturdays, Sundays and during Holidays or scheduled days off without the benefit of overtime pay.

On the other hand, CTO pertains to the number of hours or days from which an employee is being excused from reporting for work with full pay and benefits. It is actually a non-monetary benefit provided to an employee in lieu of overtime pay.

In order to provide a uniform policy in availing COC and CTO, the Department issued the following guidelines pursuant to CSC-DBM Joint Circular No. 2, series of 2004 and CSC-DBM Joint Circular No. 1, series of 2015, to wit:

- Prior to rendering overtime work, there should be an authorized office order from the Head of Office, indicating the date, time and purpose for rendering the said overtime.



- An employee may accrue not more than 40 hours of COCs in a month. However, the unexpended balance shall in no instance exceed 120 hours.

- The accumulated time could also be used as time-off within the year the extra time is earned and until the year thereafter. Unutilized COCs after the period are deemed forfeited.

- COCs could not be used to offset tardiness nor could it be added to regular leave credits.

- COCs earned cannot be converted into cash, nor can they be added to the regular leave credits of the employee.

- In cases of resignation, retirement, or separation from the service, the unutilized COCs are deemed forfeited.

- In case of detail or transfer to another agency, the COCs earned in one agency cannot be carried over nor could the employee receive any monetary equivalent.

- In case of promotion of an employee, except when promoted to a position not entitled to receive overtime pay under previous issuances, the said employee would retain the accrued COC.

- CTOs may be availed of in blocks of four or eight hours. The employee may use the CTO continuously up to a maximum of 5 consecutive days per single availment, or on a staggered basis within the year, subject to the approval of the Head of Office.

- COC and CTO are open to positions such as chief of division, permanent, temporary or casual status and contractual personnel in which the nature of service is similar to a regular employee. However, positions higher than chiefs of division or those appointed in the Career Executive Service are not covered by the regulation. - **Sam Mediavilla, ICRD-PACS**

DILG-CO QUALITY POLICY

We, the DILG Central Office, commit to formulate sound policies and provide effective technical and administrative services to promote excellence in local governance, strengthen local government capacities, and enhance the service delivery of our Regional and Field Offices.