



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
MALACAÑANG, MANILA

LOCAL BUDGET CIRCULAR

No. 108
February 24, 2016

TO : All Provincial Governors; City and Municipal Mayors; *Barangay* Chairpersons; Provincial/City/Municipal/*Barangay Sanggunian* Members; Provincial/City/Municipal Treasurers, Budget Officers, Human Resource Management Officers; and Other Officials Concerned

SUBJECT : Implementation of the First Tranche Compensation Adjustment for Local Government Personnel

1.0 Purpose

This Circular is issued to prescribe the guidelines, rules and regulations for the implementation of the first tranche compensation adjustment in local government units (LGUs) as provided under Executive Order (EO) No. 201 series of 2016, entitled "Modifying the Salary Schedule for Civilian Government Personnel and Authorizing the Grant of Additional Benefits for Both Civilian and Military and Uniformed Personnel," as approved by the President on February 19, 2016.

2.0 Coverage

The following are covered by this Circular:

- 2.1 All positions for salaried LGU personnel, whether regular, contractual or casual in nature, elective or appointive, full-time or part-time, now existing or hereafter created in LGUs; and
- 2.2 All positions for *barangay* personnel which are paid monthly honoraria.

3.0 Exclusions

The following are excluded from the coverage of this Circular:

- 3.1 Those hired without employee-employer relationships and funded from non-Personnel Services (PS) appropriations, as follows:
 - 3.1.1 Consultants and experts hired for a limited period to perform specific activities or services with expected outputs;

- 3.1.2 Laborers hired through job contracts (pakyaw) and those paid on piecework basis;
- 3.1.3 Student workers and apprentices; and
- 3.1.4 Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.

4.0 First Tranche Monthly Salary Schedule

The implementation of the First Tranche Monthly Salary Schedule shall be determined by the *sanggunian*, subject to the following considerations:

- 4.1 The salary rates shall be in accordance with the First Tranche Monthly Salary Schedule for Local Government Personnel, corresponding to the LGU level and income classification as presented in Annexes "A-1" to "A-8."
- 4.2 The PS limitation in LGU budgets under Sections 325 and 331 of Republic Act (RA) No. 7160 shall be complied with.
- 4.3 If funds are insufficient to implement fully the salary schedule for the LGU level and income class, or for purposes of complying with the PS limitation, the *sanggunian* may adopt a modified salary schedule with lower rates but at a uniform percentage of the rates in the applicable salary schedule in Annexes "A-1" to "A-8".
- 4.4 In the formulation of such salary schedules, LGUs shall ensure that they can fund on a sustainable basis the increased salaries, bonuses and incentives, including the government counterparts to the Retirement and Life Insurance Premiums, Pag-IBIG Contributions, PHILHEALTH Contributions, and Employees Compensation Insurance Premiums, taking into account the regular annual income of the LGU and its expenditure and investment programs.
- 4.5 The salaries of Public Health Workers (PHWs) shall be determined by the *sanggunian* after considering and balancing the impact of the relevant provisions of EO No. 201, RA No. 7160, and RA No. 7305 on fiscal discipline, prioritization of expenditures, financial capability, and improvement of service delivery. The *sanggunian* may adopt any of the following options:
 - 4.5.1 Adopt the salary rates authorized for personnel of Special Cities/First Class Provinces and Cities (Annex "A-1") for the PHWs of the LGU.
 - 4.5.2 If LGU funds are not sufficient, adopt a modified salary schedule for PHWs but at a uniform percentage of the salaries in Annex "A-1," similar to the percentage applied in item 4.3 above.

5.0 Rules for Adjusting Salaries

The following rules shall apply in the implementation of the salary adjustment:

- 5.1 The salaries of incumbent personnel shall be adjusted to the rates in the salary schedule adopted by the LGU corresponding to the designated steps of the salary grade allocations of their positions as of December 31, 2015;

provided that their positions and salary grades are in accordance with: (i) the "Revised Index of Occupational Services, Position Titles, and Salary Grades in the Local Government" issued through Local Budget Circular (LBC) No. 61 dated March 18, 1996, (ii) the list of new classes of positions under the Administrative Services Group, General Administrative Service under item 1.2 of Budget Circular No. 2004-4, "Conversion of Positions Performing Staff/Non-Technical Function", and (iii) the Re-allocated Classes of Positions in Annex "B" of LBC No. 2009-92 dated September 3, 2009.

- 5.2 If the actual monthly basic salary of an incumbent falls between steps of the salary grade allocation of the position as of December 31, 2015 as a result of (i) reclassification of the position; or (ii) demotion or transfer due to the exigency of the service, the salary shall be adjusted to the rate for the higher step in the salary schedule to be adopted by the LGU (Illustrative example in Annex "C").
- 5.3 If the actual monthly basic salary of an incumbent exceeds the rate for Step 8 of the salary grade allocation of the position as of December 31, 2015 as a result of (i) reclassification of the position; or (ii) demotion or transfer due to the exigency of service:
 - 5.3.1 The salary shall be adjusted to the rate for Step 8 of the same salary grade in the salary schedule to be adopted by the LGU; (Illustrative example in Annex "D")
 - 5.3.2 The incumbent shall not be entitled to salary increase if the salary as of December 31, 2015 exceeds the rate for Step 8 of the same salary grade in the salary schedule to be adopted by the LGU (Illustrative example in Annex "E").
- 5.4 If the actual monthly basic salary of an incumbent as of December 31, 2015 exceeds the rate corresponding to the same step in the salary schedule to be implemented by the LGU, on account of the adoption of the salary schedule for a higher income class LGU under LBC No. 88, the incumbent shall not be entitled to salary increase (Illustrative example in Annex "F").
- 5.5 For incumbent personnel whose position titles are not in accordance with the Revised Index under LBC No. 61 and modifications thereto, the salary adjustments shall be granted after their positions have been properly classified by the DBM Regional Office concerned.
- 5.6 The salary of a new hire shall be the rate corresponding to Step 1 of the salary grade allocation of the position.
- 5.7 If supported by sufficient funds, the salaries/wages of contractual/casual personnel shall be adjusted to the rates corresponding to Step 1 of the salary grade allocations of their positions. The adjusted daily wage rates of casual personnel shall be computed by dividing the monthly salaries by 22 working days.

6.0 No Diminution in Basic Salaries

There shall be no diminution in the actual basic salaries received by the incumbents prior to the implementation of EO No. 201 for purposes of complying with the PS limitation.

7.0 Honoraria Adjustments for Barangay Officials and Employees

- 7.1 The maximum honoraria rates prescribed for *barangay* officials and employees under LBC No. 63 may be adjusted following the salary schedule adopted by the municipality or city where the *barangay* belongs, subject to the PS limitation under Section 331(b) of RA No. 7160.
- 7.2 If *barangay* funds are not sufficient and sustainable to implement the honoraria rates authorized under item 7.1, the *Sangguniang Barangay* may adjust the honoraria at lower rates but at a uniform percentage of the rates in item 7.1 for all *barangay* officials and employees.

8.0 Mid-Year Bonus for all Government Personnel, Beginning FY 2016

A **Mid-Year Bonus** equivalent to one (1) month basic salary as of May 15 shall be granted to those who have rendered at least four (4) months of satisfactory service and are still in the service as of same date, to be given not earlier than May 15 of every year, subject to the specific guidelines to be issued by the Department of Budget and Management (DBM).

9.0 Productivity Enhancement Incentive for all Government Personnel, beginning FY 2016

A **Productivity Enhancement Incentive (PEI)** in the amount of P5,000 shall be granted to qualified government personnel not earlier than December 15 of every year, subject to the specific guidelines to be issued by the DBM.

10.0 Performance-Based Bonus for Personnel of National Government Agencies and Local Government Units

- 10.1 For FY 2016, the **Performance-Based Bonus** shall be at such rates as are provided under Section 3.0 of Executive Order No. 80, series of 2012 entitled "Directing the Adoption of a Performance-Based Incentive System for Government Employees" and implemented in accordance with Memorandum Circular No. 2015-1 issued by the Inter-Agency Task Force created under Administrative Order No. 25, series of 2011 (AO 25 IATF).
- 10.2 The Enhanced **Performance-Based Bonus** shall be implemented starting FY 2017, subject to the guidelines on eligibility, procedures and ranking system to be prescribed by the AO 25 IATF, providing for a progressive rate as the position and responsibility in improving agency performance becomes higher.

11.0 Procedural Guidelines

- 11.1 The Human Resource Management Officer/Administrative Officer shall prepare Notices of Salary Adjustment (NOSAs) for incumbent personnel following the format marked as Annex "B-1" or Annex "B-2," whichever is applicable, for approval by the Local Chief Executive.
- 11.2 For personnel whose actual monthly salaries as of December 31, 2015 exceed the rates corresponding to Step 8 of the salary grade allocation of their positions in the salary schedule adopted by the LGU, the Human Resource Management Officer/Administrative Officer shall no longer prepare NOSAs.

- 11.3 The NOSAs shall be issued to the personnel concerned, copy furnished the Government Service Insurance System (GSIS).
- 11.4 The salary/honoraria adjustment under this Circular shall be subject to the usual accounting and auditing rules and regulations, and to appropriate re-adjustment if found not in order. The recipient personnel shall refund any overpayments received.

12.0 Funding Source

- 12.1 The amounts required to implement the salary/honoraria and related fixed expenditure adjustments of LGU personnel, shall be sourced exclusively from LGU funds, subject to the PS limitation in LGU budgets pursuant to Sections 325(a) and 331(b) of RA No. 7160.
- 12.2 Such amounts shall be authorized through an appropriation ordinance to be enacted by the *Sangguniang Panlalawigan/Panlungsod/Bayan/Barangay*.

13.0 Responsibilities of LGUs

LGUs shall be responsible for the implementation of the provisions of this Circular. The responsible officers shall be held liable for any payment of salary/honoraria adjustments not in accordance with the provisions of this Circular without prejudice to the refund by the employees concerned of any excess or unauthorized payments.

14.0 Resolution of Cases

Cases not covered by the provisions of this Circular shall be referred to the DBM for resolution.

15.0 Effectivity

The modified Salary Schedule authorized for LGU personnel may be implemented not earlier than January 1, 2016, subject to the authorization from their respective *sanggunian*.

This Circular shall take effect immediately.


FLORENCIO B. ABAD
Secretary

**First Tranche Monthly Salary Schedule for Local Government Personnel
In Special Cities/First Class Provinces and Cities
Effective Not Earlier Than January 1, 2016
(In Pesos)**

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	9,478	9,568	9,660	9,753	9,846	9,949	10,036	10,132
2	10,159	10,225	10,351	10,449	10,547	10,647	10,747	10,848
3	10,883	10,985	11,089	11,193	11,298	11,405	11,512	11,621
4	11,658	11,767	11,878	11,990	12,103	12,217	12,333	12,448
5	12,488	12,644	12,725	12,844	12,965	13,087	13,211	13,335
6	13,378	13,504	13,630	13,759	13,889	14,020	14,152	14,285
7	14,331	14,466	14,602	14,740	14,878	15,018	15,159	15,303
8	15,368	15,519	15,670	15,823	15,978	16,133	16,291	16,450
9	16,512	16,671	16,830	16,992	17,155	17,319	17,485	17,653
10	17,730	17,900	18,071	18,245	18,420	18,634	18,775	18,955
11	19,077	19,286	19,496	19,709	19,925	20,142	20,362	20,585
12	20,651	20,870	21,091	21,315	21,540	21,769	21,999	22,232
13	22,328	22,564	22,804	23,045	23,289	23,536	23,786	24,037
14	24,141	24,396	24,655	24,916	25,180	25,447	25,717	25,989
15	26,192	26,489	26,790	27,094	27,401	27,712	28,027	28,344
16	28,417	28,740	29,066	29,396	29,729	30,066	30,408	30,752
17	30,831	31,183	31,536	31,893	32,255	32,622	32,991	33,366
18	33,452	33,831	34,215	34,603	34,996	35,393	35,795	36,201
19	36,409	36,857	37,312	37,771	38,237	38,709	39,186	39,670
20	39,768	40,259	40,755	41,258	41,766	42,281	42,802	43,330
21	43,439	43,974	44,517	45,066	45,621	46,183	46,753	47,329
22	47,448	48,032	48,625	49,224	49,831	50,445	51,067	51,697
23	51,826	52,466	53,112	53,767	54,430	55,101	55,781	56,468
24	56,610	57,308	58,014	58,730	59,453	60,187	60,928	61,679
25	61,971	62,735	63,508	64,291	65,083	65,885	66,698	67,520
26	67,690	68,524	69,369	70,224	71,090	71,967	72,855	73,751
27	73,937	74,849	75,771	76,705	77,651	78,608	79,577	80,567
28	80,760	81,756	82,764	83,784	84,817	85,862	86,921	87,993
29	88,214	89,301	90,402	91,516	92,644	93,786	94,943	96,113
30	96,354	97,543	98,745	99,962	101,195	102,442	103,705	104,984

**First Tranche Monthly Salary Schedule for Local Government Personnel
In Second Class Provinces and Cities
Effective Not Earlier Than January 1, 2016
(In Pesos)**

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	9,004	9,090	9,177	9,265	9,354	9,452	9,534	9,625
2	9,651	9,714	9,833	9,927	10,020	10,115	10,210	10,306
3	10,339	10,436	10,535	10,633	10,733	10,835	10,936	11,040
4	11,075	11,179	11,284	11,391	11,498	11,606	11,716	11,826
5	11,864	12,012	12,089	12,202	12,317	12,433	12,550	12,668
6	12,709	12,829	12,949	13,071	13,195	13,319	13,444	13,571
7	13,614	13,743	13,872	14,003	14,134	14,267	14,401	14,538
8	14,600	14,743	14,887	15,032	15,179	15,326	15,476	15,628
9	15,686	15,837	15,989	16,142	16,297	16,453	16,611	16,770
10	16,844	17,005	17,167	17,333	17,499	17,702	17,836	18,007
11	18,123	18,322	18,521	18,724	18,929	19,135	19,344	19,556
12	19,618	19,827	20,036	20,249	20,463	20,681	20,899	21,120
13	21,212	21,436	21,664	21,893	22,125	22,359	22,597	22,835
14	22,934	23,176	23,422	23,670	23,921	24,175	24,431	24,690
15	24,882	25,165	25,451	25,739	26,031	26,326	26,626	26,927
16	26,996	27,303	27,613	27,926	28,243	28,563	28,888	29,214
17	29,289	29,624	29,959	30,298	30,642	30,991	31,341	31,698
18	31,779	32,139	32,504	32,873	33,246	33,623	34,005	34,391
19	34,589	35,014	35,446	35,882	36,325	36,774	37,227	37,687
20	37,780	38,246	38,717	39,195	39,678	40,167	40,662	41,164
21	41,267	41,775	42,291	42,813	43,340	43,874	44,415	44,963
22	45,076	45,630	46,194	46,763	47,339	47,923	48,514	49,112
23	49,235	49,843	50,456	51,079	51,709	52,346	52,992	53,645
24	53,780	54,443	55,113	55,794	56,480	57,178	57,882	58,595
25	58,872	59,598	60,333	61,076	61,829	62,591	63,363	64,144
26	64,306	65,098	65,901	66,713	67,536	68,369	69,212	70,063
27	70,240	71,107	71,982	72,870	73,768	74,678	75,598	76,539
28	76,722	77,668	78,626	79,595	80,576	81,569	82,575	83,593
29	83,803	84,836	85,882	86,940	88,012	89,097	90,196	91,307
30	91,536	92,666	93,808	94,964	96,135	97,320	98,520	99,735

**First Trance Monthly Salary Schedule for Local Government Personnel
In Third Class Provinces/First Class Municipalities
Effective Not Earlier Than January 1, 2016
(In Pesos)**

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	8,530	8,611	8,694	8,778	8,861	8,954	9,032	9,119
2	9,143	9,203	9,316	9,404	9,492	9,582	9,672	9,763
3	9,795	9,887	9,980	10,074	10,168	10,265	10,361	10,459
4	10,492	10,590	10,690	10,791	10,893	10,995	11,100	11,203
5	11,239	11,380	11,453	11,560	11,669	11,778	11,890	12,002
6	12,040	12,154	12,267	12,383	12,500	12,618	12,737	12,857
7	12,898	13,019	13,142	13,266	13,390	13,516	13,643	13,773
8	13,831	13,967	14,103	14,241	14,380	14,520	14,662	14,805
9	14,861	15,004	15,147	15,293	15,440	15,587	15,737	15,888
10	15,957	16,110	16,264	16,421	16,578	16,771	16,898	17,060
11	17,169	17,357	17,546	17,738	17,933	18,128	18,326	18,527
12	18,586	18,783	18,982	19,184	19,386	19,592	19,799	20,009
13	20,095	20,308	20,524	20,741	20,960	21,182	21,407	21,633
14	21,727	21,956	22,190	22,424	22,662	22,902	23,145	23,390
15	23,573	23,840	24,111	24,385	24,661	24,941	25,224	25,510
16	25,575	25,866	26,159	26,456	26,756	27,059	27,367	27,677
17	27,748	28,065	28,382	28,704	29,030	29,360	29,692	30,029
18	30,107	30,448	30,794	31,143	31,496	31,854	32,216	32,581
19	32,768	33,171	33,581	33,994	34,413	34,838	35,267	35,703
20	35,791	36,233	36,680	37,132	37,589	38,053	38,522	38,997
21	39,095	39,577	40,065	40,559	41,059	41,565	42,078	42,596
22	42,703	43,229	43,763	44,302	44,848	45,401	45,960	46,527
23	46,643	47,219	47,801	48,390	48,987	49,591	50,203	50,821
24	50,949	51,577	52,213	52,857	53,508	54,168	54,835	55,511
25	55,774	56,462	57,157	57,862	58,575	59,297	60,028	60,768
26	60,921	61,672	62,432	63,202	63,981	64,770	65,570	66,376
27	66,543	67,364	68,194	69,035	69,886	70,747	71,619	72,510
28	72,684	73,580	74,488	75,406	76,335	77,276	78,229	79,194
29	79,393	80,371	81,362	82,364	83,380	84,407	85,449	86,502
30	86,719	87,789	88,871	89,966	91,076	92,198	93,335	94,486

**First Trance Monthly Salary Schedule for Local Government Personnel
In Fourth Class Provinces and Cities/Second Class Municipalities
Effective Not Earlier Than January 1, 2016
(In Pesos)**

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	8,056	8,133	8,211	8,290	8,369	8,457	8,531	8,612
2	8,635	8,691	8,798	8,882	8,965	9,050	9,135	9,221
3	9,251	9,337	9,426	9,514	9,603	9,694	9,785	9,878
4	9,909	10,002	10,096	10,192	10,288	10,384	10,483	10,581
5	10,615	10,747	10,816	10,917	11,020	11,124	11,229	11,335
6	11,371	11,478	11,586	11,695	11,806	11,917	12,029	12,142
7	12,181	12,296	12,412	12,529	12,646	12,765	12,885	13,008
8	13,063	13,191	13,320	13,450	13,581	13,713	13,847	13,983
9	14,035	14,170	14,306	14,443	14,582	14,721	14,862	15,005
10	15,071	15,215	15,360	15,508	15,657	15,839	15,959	16,112
11	16,215	16,393	16,572	16,753	16,936	17,121	17,308	17,497
12	17,553	17,740	17,927	18,118	18,309	18,504	18,699	18,897
13	18,979	19,179	19,383	19,588	19,796	20,006	20,218	20,431
14	20,520	20,737	20,957	21,179	21,403	21,630	21,859	22,091
15	22,263	22,516	22,772	23,030	23,291	23,555	23,823	24,092
16	24,154	24,429	24,706	24,987	25,270	25,556	25,847	26,139
17	26,206	26,506	26,806	27,109	27,417	27,729	28,042	28,361
18	28,434	28,756	29,083	29,413	29,747	30,084	30,426	30,771
19	30,948	31,328	31,715	32,105	32,501	32,903	33,308	33,720
20	33,803	34,220	34,642	35,069	35,501	35,939	36,382	36,831
21	36,923	37,378	37,839	38,306	38,778	39,256	39,740	40,230
22	40,331	40,827	41,331	41,840	42,356	42,878	43,407	43,942
23	44,052	44,596	45,145	45,702	46,266	46,836	47,414	47,998
24	48,119	48,712	49,312	49,921	50,535	51,159	51,789	52,427
25	52,675	53,325	53,982	54,647	55,321	56,002	56,693	57,392
26	57,537	58,245	58,964	59,690	60,427	61,172	61,927	62,688
27	62,846	63,622	64,405	65,199	66,003	66,817	67,640	68,482
28	68,646	69,493	70,349	71,216	72,094	72,983	73,883	74,794
29	74,982	75,906	76,842	77,789	78,747	79,718	80,702	81,696
30	81,901	82,912	83,933	84,968	86,016	87,076	88,149	89,236

**First Trance Monthly Salary Schedule for Local Government Personnel
In Fifth Class Provinces and Cities/Third Class Municipalities
Effective Not Earlier Than January 1, 2016
(In Pesos)**

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	7,582	7,654	7,728	7,802	7,877	7,959	8,029	8,106
2	8,127	8,180	8,281	8,359	8,438	8,518	8,598	8,678
3	8,706	8,788	8,871	8,954	9,038	9,124	9,210	9,297
4	9,326	9,414	9,502	9,592	9,682	9,774	9,866	9,958
5	9,990	10,115	10,180	10,275	10,372	10,470	10,569	10,668
6	10,702	10,803	10,904	11,007	11,111	11,216	11,322	11,428
7	11,465	11,573	11,682	11,792	11,902	12,014	12,127	12,242
8	12,294	12,415	12,536	12,658	12,782	12,906	13,033	13,160
9	13,210	13,337	13,464	13,594	13,724	13,855	13,988	14,122
10	14,184	14,320	14,457	14,596	14,736	14,907	15,020	15,164
11	15,262	15,429	15,597	15,767	15,940	16,114	16,290	16,468
12	16,521	16,696	16,873	17,052	17,232	17,415	17,599	17,786
13	17,862	18,051	18,243	18,436	18,631	18,829	19,029	19,230
14	19,313	19,517	19,724	19,933	20,144	20,358	20,574	20,791
15	20,954	21,191	21,432	21,675	21,921	22,170	22,422	22,675
16	22,734	22,992	23,253	23,517	23,783	24,053	24,326	24,602
17	24,665	24,946	25,229	25,514	25,804	26,098	26,393	26,693
18	26,762	27,065	27,372	27,682	27,997	28,314	28,636	28,961
19	29,127	29,486	29,850	30,217	30,590	30,967	31,349	31,736
20	31,814	32,207	32,604	33,006	33,413	33,825	34,242	34,664
21	34,751	35,179	35,614	36,053	36,497	36,946	37,402	37,863
22	37,958	38,426	38,900	39,379	39,865	40,356	40,854	41,358
23	41,461	41,973	42,490	43,014	43,544	44,081	44,625	45,174
24	45,288	45,846	46,411	46,984	47,562	48,150	48,742	49,343
25	49,577	50,188	50,806	51,433	52,066	52,708	53,358	54,016
26	54,152	54,819	55,495	56,179	56,872	57,574	58,284	59,001
27	59,150	59,879	60,617	61,364	62,121	62,886	63,662	64,454
28	64,608	65,405	66,211	67,027	67,854	68,690	69,537	70,394
29	70,571	71,441	72,322	73,213	74,115	75,029	75,954	76,890
30	77,083	78,034	78,996	79,970	80,956	81,954	82,964	83,987

**First Trance Monthly Salary Schedule for Local Government Personnel
In Sixth Class Provinces and Cities/Fourth Class Municipalities
Effective Not Earlier Than January 1, 2016
(In Pesos)**

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	7,109	7,176	7,245	7,315	7,385	7,462	7,527	7,599
2	7,619	7,669	7,763	7,837	7,910	7,985	8,060	8,136
3	8,162	8,239	8,317	8,395	8,474	8,554	8,634	8,716
4	8,744	8,825	8,909	8,993	9,077	9,163	9,250	9,336
5	9,366	9,483	9,544	9,633	9,724	9,815	9,908	10,001
6	10,034	10,128	10,223	10,319	10,417	10,515	10,614	10,714
7	10,748	10,850	10,952	11,055	11,159	11,264	11,369	11,477
8	11,526	11,639	11,753	11,867	11,984	12,100	12,218	12,338
9	12,384	12,503	12,623	12,744	12,866	12,989	13,114	13,240
10	13,298	13,425	13,553	13,684	13,815	13,976	14,081	14,216
11	14,308	14,465	14,622	14,782	14,944	15,107	15,272	15,439
12	15,488	15,653	15,818	15,986	16,155	16,327	16,499	16,674
13	16,746	16,923	17,103	17,284	17,467	17,652	17,840	18,028
14	18,106	18,297	18,491	18,687	18,885	19,085	19,288	19,492
15	19,644	19,867	20,093	20,321	20,551	20,784	21,020	21,258
16	21,313	21,555	21,800	22,047	22,297	22,550	22,806	23,064
17	23,123	23,387	23,652	23,920	24,191	24,467	24,743	25,025
18	25,089	25,373	25,661	25,952	26,247	26,545	26,846	27,151
19	27,307	27,643	27,984	28,328	28,678	29,032	29,390	29,753
20	29,826	30,194	30,566	30,944	31,325	31,711	32,102	32,498
21	32,579	32,981	33,388	33,800	34,216	34,637	35,065	35,497
22	35,586	36,024	36,469	36,918	37,373	37,834	38,300	38,773
23	38,870	39,350	39,834	40,325	40,823	41,326	41,836	42,351
24	42,458	42,981	43,511	44,048	44,590	45,140	45,696	46,259
25	46,478	47,051	47,631	48,218	48,812	49,414	50,024	50,640
26	50,768	51,393	52,027	52,668	53,318	53,975	54,641	55,313
27	55,453	56,137	56,828	57,529	58,238	58,956	59,683	60,425
28	60,570	61,317	62,073	62,838	63,613	64,397	65,191	65,995
29	66,161	66,976	67,802	68,637	69,483	70,340	71,207	72,085
30	72,266	73,157	74,059	74,972	75,896	76,832	77,779	78,738

**First Tranche Monthly Salary Schedule for Local Government Personnel
In Fifth Class Municipalities
Effective Not Earlier Than January 1, 2016
(In Pesos)**

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	6,635	6,698	6,762	6,827	6,892	6,964	7,025	7,092
2	7,111	7,158	7,246	7,314	7,383	7,453	7,523	7,594
3	7,618	7,690	7,762	7,835	7,909	7,984	8,058	8,135
4	8,161	8,237	8,315	8,393	8,472	8,552	8,633	8,714
5	8,742	8,851	8,908	8,991	9,076	9,161	9,248	9,335
6	9,365	9,453	9,541	9,631	9,722	9,814	9,906	10,000
7	10,032	10,126	10,221	10,318	10,415	10,513	10,611	10,712
8	10,758	10,863	10,969	11,076	11,185	11,293	11,404	11,515
9	11,558	11,670	11,781	11,894	12,009	12,123	12,240	12,357
10	12,411	12,530	12,650	12,772	12,894	13,044	13,143	13,269
11	13,354	13,500	13,647	13,796	13,948	14,099	14,253	14,410
12	14,456	14,609	14,764	14,921	15,078	15,238	15,399	15,562
13	15,630	15,795	15,963	16,132	16,302	16,475	16,650	16,826
14	16,899	17,077	17,259	17,441	17,626	17,813	18,002	18,192
15	18,334	18,542	18,753	18,966	19,181	19,398	19,619	19,841
16	19,892	20,118	20,346	20,577	20,810	21,046	21,286	21,526
17	21,582	21,828	22,075	22,325	22,579	22,835	23,094	23,356
18	23,416	23,682	23,951	24,222	24,497	24,775	25,057	25,341
19	25,486	25,800	26,118	26,440	26,766	27,096	27,430	27,769
20	27,838	28,181	28,529	28,881	29,236	29,597	29,961	30,331
21	30,407	30,782	31,162	31,546	31,935	32,328	32,727	33,130
22	33,214	33,622	34,038	34,457	34,882	35,312	35,747	36,188
23	36,278	36,726	37,178	37,637	38,101	38,571	39,047	39,528
24	39,627	40,116	40,610	41,111	41,617	42,131	42,650	43,175
25	43,380	43,915	44,456	45,004	45,558	46,120	46,689	47,264
26	47,383	47,967	48,558	49,157	49,763	50,377	50,999	51,626
27	51,756	52,394	53,040	53,694	54,356	55,026	55,704	56,397
28	56,532	57,229	57,935	58,649	59,372	60,103	60,845	61,595
29	61,750	62,511	63,281	64,061	64,851	65,650	66,460	67,279
30	67,448	68,280	69,122	69,973	70,837	71,709	72,594	73,489

**First Tranche Monthly Salary Schedule for Local Government Personnel
In Sixth Class Municipalities
Effective Not Earlier Than January 1, 2016
(In Pesos)**

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	6,161	6,219	6,279	6,339	6,400	6,467	6,523	6,586
2	6,603	6,646	6,728	6,792	6,856	6,921	6,986	7,051
3	7,074	7,140	7,208	7,275	7,344	7,413	7,483	7,554
4	7,578	7,649	7,721	7,794	7,867	7,941	8,016	8,091
5	8,117	8,219	8,271	8,349	8,427	8,507	8,587	8,668
6	8,696	8,778	8,860	8,943	9,028	9,113	9,199	9,285
7	9,315	9,403	9,491	9,581	9,671	9,762	9,853	9,947
8	9,989	10,087	10,186	10,285	10,386	10,486	10,589	10,693
9	10,733	10,836	10,940	11,045	11,151	11,257	11,365	11,474
10	11,525	11,635	11,746	11,859	11,973	12,112	12,204	12,321
11	12,400	12,536	12,672	12,811	12,951	13,092	13,235	13,380
12	13,423	13,566	13,709	13,855	14,001	14,150	14,299	14,451
13	14,513	14,667	14,823	14,979	15,138	15,298	15,461	15,624
14	15,692	15,857	16,026	16,195	16,367	16,541	16,716	16,893
15	17,025	17,218	17,414	17,611	17,811	18,013	18,218	18,424
16	18,471	18,681	18,893	19,107	19,324	19,543	19,765	19,989
17	20,040	20,269	20,498	20,730	20,966	21,204	21,444	21,688
18	21,744	21,990	22,240	22,492	22,747	23,005	23,267	23,531
19	23,666	23,957	24,253	24,551	24,854	25,161	25,471	25,786
20	25,849	26,168	26,491	26,818	27,148	27,483	27,821	28,165
21	28,235	28,583	28,936	29,293	29,654	30,019	30,389	30,764
22	30,841	31,221	31,606	31,996	32,390	32,789	33,194	33,603
23	33,687	34,103	34,523	34,949	35,380	35,816	36,258	36,704
24	36,797	37,250	37,709	38,175	38,644	39,122	39,603	40,091
25	40,281	40,778	41,280	41,789	42,304	42,825	43,354	43,888
26	43,999	44,541	45,090	45,646	46,209	46,779	47,356	47,938
27	48,059	48,652	49,251	49,858	50,473	51,095	51,725	52,369
28	52,494	53,141	53,797	54,460	55,131	55,810	56,499	57,195
29	57,339	58,046	58,761	59,485	60,219	60,961	61,713	62,473
30	62,630	63,403	64,184	64,975	65,777	66,587	67,408	68,240

For Regular Positions

Notice of Salary Adjustment

Date: _____

_____:

Pursuant to Local Budget Circular No. 108 dated February 24, 2016, implementing Executive Order No. 201 dated February 19, 2016, your salary is hereby adjusted effective _____, as follows:

- 1. Adjusted monthly basic salary effective January 1, 2016, under the new Salary Schedule; SG _____, Step _____ P _____
- 2. Actual monthly basic salary as of December 31, 2015; SG _____, Step _____ _____
- 3. Monthly salary adjustment effective January 1, 2016 (1-2) P _____

It is understood that this salary adjustment is subject to usual accounting and auditing rules and regulations, and to appropriate re-adjustment and refund if found not in order.

Very truly yours,

Local Chief Executive

Position Title: _____
Salary Grade: _____
Item No., FY _____ Plantilla of Personnel: _____

Copy Furnished: GSIS

For Contractuals/Casuals

Notice of Salary/Wage Adjustment

Date: _____

_____:

Pursuant to Local Budget Circular No. 108 dated February 24, 2016, implementing Executive Order No. 201 dated February 19, 2016, your salary/daily wage is hereby adjusted effective _____, as follows:

- 1. Monthly basic salary/Daily wage rate, under the new Salary Schedule; SG _____ P _____
- 2. Actual monthly basic salary/Daily wage rate as of December 31, 2015; SG _____ _____
- 3. Monthly salary adjustment/Daily wage adjustment effective _____ (1-2) P _____

It is understood that this salary adjustment is subject to usual accounting and auditing rules and regulations, and to appropriate re-adjustment and refund if found not in order.

Very truly yours,

Local Chief Executive

Position Title: _____
Salary Grade: _____

Copy Furnished: GSIS

Illustrative Example
(Transfer due to the exigency of service)

From : Administrative Officer II, SG-11, 1st Class Province
To : Administrative Officer I, SG-10, 1st Class Province

Position Title	Authorized Salary of Position (Step 1)	Actual Salary	Legal Basis	Effectivity Date
Administrative Officer I, SG-11	P 18,549	P18,549	LBC No.99	February 1, 2015
Administrative Officer I, SG-10	P17,255	P18,549	Demotion due to the exigency of service	October 1, 2015
Administrative Officer I, SG-10	P17,730	Adjusted Salary = P18,634 (SG-10, 6 th step)	EO No. 201	January 1, 2016

As the actual salary of the incumbent as of December 31, 2015 falls between Step 5 (P18,420) and Step 6 (P18,634) of SG-10 of the Salary Schedule under Annex "A-1" hereof, the salary of the incumbent shall be adjusted to the 6th step of SG-10.

Illustrative Example
(Transfer due to the exigency of service)

From : Administrative Officer II, SG-11, 2nd Class Municipality
To : Administrative Officer I, SG-10, 2nd Class Municipality

Position Title	Authorized Salary (Step 1)	Actual Salary	Legal Basis	Effectivity Date
Administrative Officer II, SG-11	P 15,767	P15,925 (Step 2)	LBC No.99	December 1, 2013
Administrative Officer I, SG-10	P14,667	P15,925 (Exceeds Step 8 of SG-10)	LBC No. 99	December 1, 2015
Administrative Officer I, SG-10	P15,071	Adjusted Salary = P16,112 (Step 8)	EO No. 201	January 1, 2016

The salary of the incumbent shall be adjusted to Step 8 of SG-10 of the Salary Schedule under Annex "A-4" hereof.

Illustrative Example
(Transfer due to the exigency of service)

From : Administrative Officer II, SG-11 in a 2nd Class Municipality
To : Administrative Officer I, SG-10 in a 2nd Class Municipality

Position Title	Authorized Salary (Step 1)	Actual Salary	Legal Basis	Effectivity Date
Administrative Officer II, SG-11	P 15,767	P16,904 (Step 8)	LBC No.99	December 1, 2013
Administrative Officer I, SG-10	P14,667	P16,904 (Exceeds Step 8 of SG-10)	LBC No. 99	December 1, 2015
Administrative Officer I, SG-10	P16,112	P16,904 (Exceeds Step 8 of SG-10)	EO No. 201	January 1, 2016

As the present salary of the incumbent is already higher than the rate provided for SG-10, step 8 of the Salary Schedule under Annex "A-4" hereof, the incumbent is no longer entitled to salary increase.

Illustrative Example

(Adoption of the Salary Schedule of a Higher Income Class LGU under LBC No.88)

	Authorized Salary	With Step Increment due to length of service	Actual Salary	Legal Basis
Administrative Officer II, SG-11	P8,286 (6 th Class Municipality, 1 st step) P 12,748 (1st Class City, 1 st step)		P12,748	LBC No.88 (July 2008)
Administrative Officer II, SG-11	P9,229 (6 th Class Municipality, 1 st step)		P12,748	LBC No. 2009-92* (January 2010)
Administrative Officer II, SG-11	P10,172 (6 th Class Municipality, 1 st step)	P10,335 (6 th Class Municipality, 2 nd step) **	P12,748	LBC No.95 (January 2011)
Administrative Officer II, SG-11	P11,114 (6 th Class Municipality, 1 st step)	P11,257 (6 th Class Municipality, 2 nd step) **	P12,748	LBC No. 97 (January 2012)
Administrative Officer II, SG-11	P12,057 (6 th Class Municipality, 1 st step)	P12,078 (6 th Class Municipality, 2 nd step) ** P 12,299 (6 th Class Municipality, 3 rd step) **	P12, 748	LBC No.99 (January 2013)
Administrative Officer II, SG-11	P12,400 (6 th Class Municipality, 1 st step)	P12,672 (6 th Class Municipality, 3 rd step)	P12, 748	EO No. 201 (January 2016)

* Pursuant to LBC 2009-92, the salary rates shall be based on the LGUs' actual income class (in this case the Municipality shall adopt the salary schedule for a 6th class municipality)

** Entitled to one step increment due to length of service in 2011; another step in 2014

As the salary received by the incumbent is higher than the rate provided for SG-11, step 3 of the Salary Schedule under Annex "A-8" hereof, the incumbent is no longer entitled to salary increase.