

S. No. 1219
H. No. 5712

Republic of the Philippines
Congress of the Philippines
Metro Manila
Eighteenth Congress
First Regular Session

Begun and held in Metro Manila, on Monday, the twenty-second day of July, two thousand nineteen.

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[REPUBLIC ACT NO. **11466**]

AN ACT MODIFYING THE SALARY SCHEDULE FOR CIVILIAN GOVERNMENT PERSONNEL AND AUTHORIZING THE GRANT OF ADDITIONAL BENEFITS, AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Short Title.* — This Act shall be known as the “Salary Standardization Law of 2019”.

SEC. 2. *Statement of Policy.* — It is hereby declared the policy of the State to provide all government personnel a just and equitable compensation in accordance with the principle of equal pay for work of equal value. In pursuing this policy, the State shall ensure that:

(a) Differences in pay shall be based upon substantive differences in duties, responsibilities, accountabilities and qualification requirements of the positions.

(b) The compensation for all civilian government personnel shall be standardized and rationalized across all government agencies to create an enabling environment that will promote social justice, integrity, efficiency, productivity, accountability and excellence in the civil service.

(c) The compensation of all civilian personnel shall generally be competitive with those in the private sector doing comparable work in order to attract, retain and motivate a corps of competent and dedicated civil servants.

(d) A performance-based incentive scheme which integrates personnel and organizational performance shall be established to reward exemplary civil servants and well-performing organizations.

(e) The compensation scheme shall take into consideration the financial capability of the government and shall give due regard to the efficient allocation of funds for personnel services, which shall be maintained at a realistic level in proportion to the overall expenditure of government.

SEC. 3. *Coverage.* – This Act shall apply to all civilian government personnel in the Executive, Legislative and Judicial Branches, Constitutional Commissions and other Constitutional Offices, government-owned or -controlled corporations (GOCCs) not covered by Republic Act No. 10149, and local government units (LGUs). This shall cover government personnel whether regular, contractual or casual, appointive or elective; and on full-time or part-time basis.

SEC. 4. *Exclusions.* – The following shall be excluded from the coverage of this Act:

(a) Military and uniformed personnel;

(b) GOCCs under Republic Act No. 10149 which shall be covered by a Compensation and Position Classification System (CPCS) established by the Governance Commission for GOCCs (GCG) and approved by the President of the Philippines; and

(c) Individuals whose services are engaged through job orders, contracts of service, consultancy or service contracts with no employer-employee relationship.

SEC. 5. *Position Classification System.* – The following re-categorized groups of classes of positions prescribed and defined under Item (3) of Joint Resolution No. 4, series of 2009 shall be maintained, i.e.: (a) Sub-professional Category; (b) Professional Category; and (c) Executive Category. The Index of Occupational Services, Occupational Groups, Classes and Salary Grades (IOS, for brevity) shall continually be reviewed and updated by the Department of Budget and Management (DBM) in consideration of substantial changes in and complexity of duties and responsibilities of positions, work methods, skills, competencies, and other relevant factors.

SEC. 6. *Compensation System.* – The Total Compensation Framework established under Item (4) of Joint Resolution No. 4, series of 2009, consisting of the following components, shall continue to be adopted:

- (a) Basic Salaries including Step Increments;
- (b) Standard Allowances and Benefits;
- (c) Specific-Purpose Allowances and Benefits; and
- (d) Incentives.

SEC. 7. *Salary Schedule, Including Step Increments.* – The modified Salary Schedule for Civilian Personnel, to be implemented in four (4) tranches, shall be as follows:

First Tranche

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	11,551	11,647	11,745	11,843	11,942	12,042	12,143	12,244
2	12,276	12,369	12,464	12,560	12,657	12,754	12,852	12,950
3	13,019	13,119	13,220	13,322	13,424	13,527	13,631	13,736
4	13,807	13,914	14,020	14,128	14,236	14,345	14,456	14,567
5	14,641	14,754	14,867	14,981	15,096	15,212	15,329	15,446
6	15,524	15,643	15,763	15,884	16,007	16,129	16,253	16,378
7	16,458	16,585	16,713	16,841	16,970	17,101	17,231	17,364
8	17,505	17,663	17,823	17,984	18,146	18,310	18,476	18,643

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
9	18,784	18,941	19,100	19,259	19,420	19,582	19,746	19,911
10	20,219	20,388	20,558	20,731	20,903	21,079	21,254	21,432
11	22,316	22,600	22,889	23,181	23,477	23,778	24,082	24,391
12	24,495	24,779	25,067	25,358	25,653	25,952	26,254	26,560
13	26,754	27,067	27,383	27,703	28,028	28,356	28,688	29,025
14	29,277	29,621	29,969	30,322	30,678	31,039	31,405	31,775
15	32,053	32,431	32,814	33,202	33,594	33,991	34,393	34,801
16	35,106	35,522	35,943	36,369	36,801	37,238	37,681	38,128
17	38,464	38,922	39,385	39,854	40,329	40,810	41,296	41,789
18	42,159	42,662	43,172	43,687	44,210	44,739	45,274	45,816
19	46,791	47,530	48,281	49,044	49,820	50,608	51,410	52,224
20	52,703	53,537	54,386	55,248	56,125	57,016	57,921	58,841
21	59,353	60,296	61,255	62,229	63,220	64,226	65,249	66,289
22	66,867	67,933	69,017	70,118	71,237	72,375	73,531	74,705
23	75,359	76,563	77,788	79,034	80,324	81,635	82,967	84,321
24	85,074	86,462	87,874	89,308	90,766	92,248	93,753	95,283
25	96,985	98,568	100,176	101,811	103,473	105,162	106,879	108,623
26	109,593	111,381	113,200	115,047	116,925	118,833	120,772	122,744
27	123,839	125,861	127,915	130,003	132,125	134,281	136,473	138,701
28	139,939	142,223	144,544	146,903	149,300	151,738	154,215	156,731
29	158,131	160,712	163,335	166,001	168,710	171,464	174,262	177,107
30	178,688	181,604	184,568	187,581	190,642	193,754	196,916	200,130
31	262,965	268,101	273,338	278,676	284,120	289,669	295,327	301,095
32	313,512	319,835	326,285	332,865	339,577	346,426	353,413	360,539
33	395,858	407,734						

Second Tranche

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	12,034	12,134	12,236	12,339	12,442	12,545	12,651	12,756
2	12,790	12,888	12,987	13,087	13,187	13,288	13,390	13,493
3	13,572	13,677	13,781	13,888	13,995	14,101	14,210	14,319
4	14,400	14,511	14,622	14,735	14,848	14,961	15,077	15,192
5	15,275	15,393	15,511	15,630	15,750	15,871	15,993	16,115
6	16,200	16,325	16,450	16,577	16,704	16,832	16,962	17,092
7	17,179	17,311	17,444	17,578	17,713	17,849	17,985	18,124
8	18,251	18,417	18,583	18,751	18,920	19,091	19,264	19,438
9	19,593	19,757	19,922	20,089	20,257	20,426	20,597	20,769
10	21,205	21,382	21,561	21,741	21,923	22,106	22,291	22,477
11	23,877	24,161	24,450	24,742	25,038	25,339	25,643	25,952
12	26,052	26,336	26,624	26,915	27,210	27,509	27,811	28,117
13	28,276	28,589	28,905	29,225	29,550	29,878	30,210	30,547
14	30,799	31,143	31,491	31,844	32,200	32,561	32,927	33,297
15	33,575	33,953	34,336	34,724	35,116	35,513	35,915	36,323
16	36,628	37,044	37,465	37,891	38,323	38,760	39,203	39,650
17	39,986	40,444	40,907	41,376	41,851	42,332	42,818	43,311
18	43,681	44,184	44,694	45,209	45,732	46,261	46,796	47,338
19	48,313	49,052	49,803	50,566	51,342	52,130	52,932	53,746
20	54,251	55,085	55,934	56,796	57,673	58,564	59,469	60,389
21	60,901	61,844	62,803	63,777	64,768	65,774	66,797	67,837
22	68,415	69,481	70,565	71,666	72,785	73,923	75,079	76,253
23	76,907	78,111	79,336	80,583	81,899	83,235	84,594	85,975
24	86,742	88,158	89,597	91,059	92,545	94,057	95,592	97,152
25	98,886	100,500	102,140	103,808	105,502	107,224	108,974	110,753

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
26	111,742	113,565	115,419	117,303	119,217	121,163	123,140	125,150
27	126,267	128,329	130,423	132,552	134,715	136,914	139,149	141,420
28	142,683	145,011	147,378	149,784	152,228	154,714	157,239	159,804
29	161,231	163,863	166,537	169,256	172,018	174,826	177,679	180,579
30	182,191	185,165	188,187	191,259	194,380	197,553	200,777	204,054
31	268,121	273,358	278,697	284,140	289,691	295,349	301,117	306,999
32	319,660	326,107	332,682	339,392	346,236	353,218	360,342	367,609
33	403,620	415,728						

Third Tranche

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	12,517	12,621	12,728	12,834	12,941	13,049	13,159	13,268
2	13,305	13,406	13,509	13,613	13,718	13,823	13,929	14,035
3	14,125	14,234	14,343	14,454	14,565	14,676	14,790	14,903
4	14,993	15,109	15,224	15,341	15,459	15,577	15,698	15,818
5	15,909	16,032	16,155	16,279	16,404	16,530	16,657	16,784
6	16,877	17,007	17,137	17,269	17,402	17,535	17,670	17,806
7	17,899	18,037	18,176	18,315	18,455	18,598	18,740	18,884
8	18,998	19,170	19,343	19,518	19,694	19,872	20,052	20,233
9	20,402	20,572	20,745	20,918	21,093	21,269	21,447	21,626
10	22,190	22,376	22,563	22,752	22,942	23,134	23,327	23,522
11	25,439	25,723	26,012	26,304	26,600	26,901	27,205	27,514
12	27,608	27,892	28,180	28,471	28,766	29,065	29,367	29,673
13	29,798	30,111	30,427	30,747	31,072	31,400	31,732	32,069
14	32,321	32,665	33,013	33,366	33,722	34,083	34,449	34,819

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
15	35,097	35,475	35,858	36,246	36,638	37,035	37,437	37,845
16	38,150	38,566	38,987	39,413	39,845	40,282	40,725	41,172
17	41,508	41,966	42,429	42,898	43,373	43,854	44,340	44,833
18	45,203	45,706	46,216	46,731	47,254	47,783	48,318	48,860
19	49,835	50,374	50,919	51,470	52,028	52,593	53,165	53,744
20	55,799	56,333	56,873	57,419	57,971	58,529	59,093	59,663
21	62,449	63,002	63,561	64,126	64,697	65,274	65,857	66,446
22	69,963	70,542	71,127	71,718	72,315	72,918	73,527	74,141
23	78,455	79,069	79,689	80,315	80,947	81,585	82,229	82,878
24	88,410	89,053	89,702	90,357	91,018	91,685	92,358	93,036
25	100,788	101,473	102,163	102,859	103,561	104,269	104,983	105,702
26	113,891	114,609	115,332	116,060	116,794	117,534	118,279	119,029
27	128,696	129,447	130,203	130,965	131,732	132,505	133,283	134,066
28	145,427	146,209	147,002	147,806	148,621	149,447	150,284	151,131
29	164,332	165,147	165,977	166,821	167,680	168,544	169,413	170,287
30	185,695	186,547	187,415	188,298	189,196	190,109	191,037	191,979
31	273,278	274,209	275,155	276,116	277,092	278,083	279,089	280,109
32	325,807	326,819	327,846	328,888	329,945	331,017	332,104	333,205
33	411,382	412,507						

Fourth Tranche

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	13,000	13,109	13,219	13,329	13,441	13,553	13,666	13,780
2	13,819	13,925	14,032	14,140	14,248	14,357	14,468	14,578
3	14,678	14,792	14,905	15,020	15,136	15,251	15,369	15,486
4	15,586	15,706	15,827	15,948	16,071	16,193	16,318	16,443
5	16,543	16,671	16,799	16,928	17,057	17,189	17,321	17,453

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
6	17,553	17,688	17,824	17,962	18,100	18,238	18,379	18,520
7	18,620	18,763	18,907	19,053	19,198	19,346	19,494	19,644
8	19,744	19,923	20,104	20,285	20,468	20,653	20,840	21,029
9	21,211	21,388	21,567	21,747	21,929	22,112	22,297	22,483
10	23,176	23,370	23,565	23,762	23,961	24,161	24,363	24,567
11	27,000	27,284	27,573	27,865	28,161	28,462	28,766	29,075
12	29,165	29,449	29,737	30,028	30,323	30,622	30,924	31,230
13	31,320	31,633	31,949	32,269	32,594	32,922	33,254	33,591
14	33,843	34,187	34,535	34,888	35,244	35,605	35,971	36,341
15	36,619	36,997	37,380	37,768	38,160	38,557	38,959	39,367
16	39,672	40,088	40,509	40,935	41,367	41,804	42,247	42,694
17	43,030	43,488	43,951	44,420	44,895	45,376	45,862	46,355
18	46,725	47,228	47,738	48,253	48,776	49,305	49,840	50,382
19	51,357	52,096	52,847	53,610	54,386	55,174	55,976	56,790
20	57,347	58,181	59,030	59,892	60,769	61,660	62,565	63,485
21	63,997	64,940	65,899	66,873	67,864	68,870	69,893	70,933
22	71,511	72,577	73,661	74,762	75,881	77,019	78,175	79,349
23	80,003	81,207	82,432	83,683	85,049	86,437	87,847	89,281
24	90,078	91,548	93,043	94,562	96,105	97,674	99,268	100,888
25	102,690	104,366	106,069	107,800	109,560	111,348	113,166	115,012
26	116,040	117,933	119,858	121,814	123,803	125,823	127,876	129,964
27	131,124	133,264	135,440	137,650	139,897	142,180	144,501	146,859
28	148,171	150,589	153,047	155,545	158,083	160,664	163,286	165,951
29	167,432	170,166	172,943	175,766	178,634	181,550	184,513	187,525
30	189,199	192,286	195,425	198,615	201,856	205,151	208,499	211,902
31	278,434	283,872	289,416	295,069	300,833	306,708	312,699	318,806
32	331,954	338,649	345,478	352,445	359,553	366,804	374,202	381,748
33	419,144	431,718						

The rates in the above Salary Schedule represent monthly remuneration for regular or contractual personnel, whether appointive or elective, and on full-time employment. The remuneration for those on part-time basis shall be proportionate to the actual services rendered.

Casual personnel shall be paid daily wage rate computed by dividing the corresponding monthly salary rate in the above schedule by twenty-two (22) working days.

SEC. 8. Mid-Year Bonus. – As part of the Incentives under the Total Compensation Framework, the Mid-Year Bonus equivalent to one (1) month basic salary as of May 15 of a given year, 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.

The existing Year-End Bonus equivalent to one (1) month basic salary and Cash Gift of Five thousand pesos (P5,000.00), which are categorized under the Standard Allowances and Benefits component of the Total Compensation Framework, shall be given in November of every year.

SEC. 9. Program on Awards and Incentives for Service Excellence (PRAISE). – The PRAISE instituted by the Civil Service Commission (CSC) pursuant to the provisions of Executive Order No. 292 (Administrative Code of 1987) stipulating the establishment of an employee suggestions and incentive awards system, shall be categorized under the Incentive component of the Total Compensation Framework. The guidelines on the monetary and/or non-monetary rewards for recognition of personnel under the PRAISE shall be issued by the CSC in consultation with the DBM.

SEC. 10. Compensation Adjustment for Personnel of Local Government Units. – The modified Salary Schedule and additional Incentives authorized herein may be granted to personnel of LGUs subject to compliance with the Personnel Services (PS) limitation in the LGU budget under Sections 325 and 331 of Republic Act No. 7160 and authorization from the Sanggunian as provided under Sections 447(a), 458(a) and 468(a) of Republic Act No. 7160.

In the implementation of the salary increases, LGUs shall likewise ensure compliance with the following:

(a) The salaries of LGU personnel that may be authorized shall correspond to the LGU's income classification and shall not exceed the percentage of the Salary Schedule in Section 7 hereof, as follows:

Percentage of the Salary Schedule		
	For Provinces/Cities	For Municipalities
Special Cities	100%	
1st Class	100%	90%
2nd Class	95%	85%
3rd Class	90%	80%
4th Class	85%	75%
5th Class	80%	70%
6th Class	75%	65%

(b) The basic pay of barangay personnel shall be in the form of honoraria consistent with Republic Act No. 7160, which shall not exceed the percentage of the Salary Schedule corresponding to the income classification of the LGU. They may be given Year-End Bonus based on the monthly honoraria as of October 31 of the year and Cash Gift of Five thousand pesos (P5,000.00).

However, the minimum Year-End Bonus of One thousand pesos (P1,000.00) for the Punong Barangay and Six hundred pesos (P600.00) for other mandatory barangay officials shall not be subject to the PS limitation.

(c) In case of partial implementation of the authorized compensation rates, the same shall be at uniform percentage across all positions for every LGU.

SEC. 11. *Implementation Schedule.* – For personnel of national government agencies (NGAs), the Salary Schedule in Section 7 hereof shall be implemented in four (4) tranches, with the first tranche beginning on January 1, 2020, the second tranche beginning on January 1, 2021, the third tranche beginning on January 1, 2022, and the fourth tranche beginning on January 1, 2023.

For personnel of GOCCs and LGUs, the implementation period shall not be less than four (4) years depending on their financial capabilities: *Provided*, That the initial implementation shall not be earlier than January 1, 2020.

SEC. 12. *Exempt Entities.* – Exempt entities refer to: (a) government agencies that are not covered by the CPCS authorized under Republic Act No. 6758, as amended; (b) GOCCs governed by the (CPCS) established by GCG under Republic Act No. 10149; and (c) those authorized by law and have actually adopted their own compensation and position classification system.

Exempt entities shall be governed by their respective compensation and position classification systems which shall be made effective upon the recommendation of the DBM or GCG, as the case may be, and approval by the President of the Philippines.

SEC. 13. *Applicability to Certain Officials.* – Pursuant to Section 6 of Article VII and Section 10 of Article VI of the Constitution, the salaries authorized herein for the President of the Philippines, Vice-President of the Philippines and Members of Congress shall take effect only after the expiration of the respective terms of the present incumbents.

SEC. 14. *Funding Sources.* – The funding sources for the amounts necessary to implement this Act shall be as follows:

(a) For NGAs, the amount needed for the salary adjustment in FY 2020 shall be charged against any available appropriations in the FY 2020 General Appropriations Act and any other available and valid appropriations. Thereafter, such amounts as are needed shall be included in the annual General Appropriations Act.

(b) For GOCCs, the amounts shall come from their respective corporate funds in the corporate operating budgets approved by the DBM. GOCCs which do not have sufficient funds shall only partially implement the rates of compensation authorized herein: *Provided*, That any partial implementation shall be at uniform proportion of such rates for all positions in each GOCC.

(c) For LGUs, the amounts shall be charged against their respective local government funds in accordance with the pertinent provisions of this Act and Republic Act No. 7160.

SEC. 15. *Implementing Guidelines.* – The DBM shall issue the guidelines necessary to implement specific provisions of this Act.

SEC. 16. *Separability Clause.* – If, for any reason, any section or provision of this Act is declared to be unconstitutional or invalid, the other sections or provisions hereof which are not affected thereby shall continue to be in full force and effect.

SEC. 17. *Applicability of Presidential Decree No. 985 as Amended by Presidential Decree No. 1597 and Other Related Laws.* – All provisions of Presidential Decree No. 985, as amended by Presidential Decree No. 1597; Republic Act No. 6758; Joint Resolution No. 1, series of 1994; Joint Resolution No. 4, series of 2009; and Executive Order No. 201, series of 2016, which are not inconsistent with, expressly modified, revoked or repealed in this Act shall continue to be in full force and effect.

SEC. 18. *Repealing Clause.* – All laws, decrees, orders, rules or regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 19. *Effectivity.* – This Act shall take effect on January 1, 2020.

Approved,



ALAN PETER S. CAYETANO
*Speaker of the House
of Representatives*



VICENTE C. SOTTO III
President of the Senate

This Act was passed by the Senate of the Philippines and the House of Representatives on December 16, 2019 and December 18, 2019, respectively.



JOSE LUIS G. MONTALES
*Secretary General
House of Representatives*

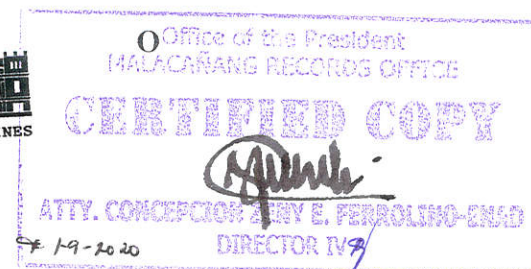
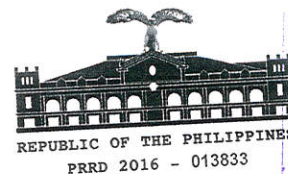


MYRA MARIE D. VILLARICA
Secretary of the Senate

Approved: JAN 08 2020




RODRIGO ROA DUTERTE
President of the Philippines





REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT



NATIONAL BUDGET CIRCULAR

No. 591
January 10, 2023

TO : Heads of Departments, Agencies, and Other Offices of the National Government, Including Commissions/Offices under the Constitutional Fiscal Autonomy Group (CFAG), State Universities and Colleges (SUCs), and Government-Owned or -Controlled Corporations (GOCCs); and All Others Concerned

SUBJECT : Implementation of the Fourth Tranche of the Modified Salary Schedule for Civilian Personnel in the National Government Pursuant to Republic Act (RA) No. 11466

1.0 Background

RA No. 11466¹, otherwise known as the "Salary Standardization Law of 2019," provides the modification of the Salary Schedule for Civilian Personnel and authorizes the grant of additional benefits.

Said Act also states that the modified Salary Schedule for Civilian Personnel shall be implemented in four (4) tranches, i.e., from FY 2020 to FY 2023.

2.0 Purpose

This Circular is issued to prescribe the guidelines, rules, and regulations for the implementation of the fourth tranche of the modified salary schedule for civilian personnel stipulated under RA No. 11466.

3.0 Coverage

This Circular covers all positions for civilian personnel, whether regular, casual, or contractual in nature, appointive or elective, full-time or part-time, now existing or hereafter created in the Executive, Legislative, and Judicial Branches, the Constitutional Commissions and other Constitutional Offices, SUCs, and GOCCs not covered by RA No. 10149², which are under the jurisdiction of the Department of Budget and Management (DBM).

¹ An Act Modifying the Salary Schedule for Civilian Government Personnel and Authorizing the Grant of Additional Benefits, and for Other Purposes

² An Act to Promote Financial Viability and Fiscal Discipline in Government-Owned or -Controlled Corporations and to Strengthen the Role of the State in its Governance and Management to Make Them More Responsive to the Needs of Public Interest and for Other Purposes

4.0 Exclusions

The following are excluded from the coverage of this Circular:

- 4.1 Military and uniformed personnel;
- 4.2 GOCCs under RA No. 10149 which shall be covered by a Compensation and Position Classification System (CPCS) established by the Governance Commission for GOCCs (GCG) and approved by the President of the Philippines; and
- 4.3 Individuals engaged without employer-employee relationship and funded from non-Personnel Services (PS) appropriations/budgets, as follows:
 - 4.3.1 Consultants and experts engaged for a limited period to perform specific activities or services with expected outputs;
 - 4.3.2 Laborers engaged through job contracts (*pakyaw*) and those paid on piecework basis;
 - 4.3.3 Student workers and apprentices; and
 - 4.3.4 Those whose services are engaged through job orders, contracts of service, or others similarly situated.

5.0 Implementation of the Fourth Tranche of the Modified Salary Schedule for Civilian Personnel Effective January 1, 2023

The new salary rates shall be in accordance with the Fourth Tranche Monthly Salary Schedule for Civilian Personnel, attached as Annex "A" in this Circular.

5.1 Rules for Adjusting Salaries

- 5.1.1 The salaries of incumbent civilian personnel shall be adjusted to the rates in the Salary Schedule in Annex "A" corresponding to the designated steps of the salary grade allocations of their positions as of December 31, 2022, provided, that their positions and salary grades are in accordance with the Index of Occupational Services, Occupational Groups, Classes, and Salary Grades issued under Budget Circular (BC) No. 2022-2³ dated April 5, 2022, and additions/modifications thereto.
- 5.1.2 If the actual monthly basic salary of an incumbent as of December 31, 2022 falls between steps of the salary grade allocation of the position due to the grant of service award or as a result of 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 in Annex "A".
- 5.1.3 If the actual monthly basic salary of an incumbent as of December 31, 2022 exceeds that for Step 8 of the salary grade allocation of the position:
 - 5.1.3.1 The salary shall be adjusted to the rate for Step 8 of the same salary grade in the Salary Schedule in Annex "A".

³ Index of Occupational Services, Occupational Groups, Classes and Salary Grades, CY 2022 Edition

- 5.1.3.2 The employee shall not be entitled to salary increase if the actual salary as of December 31, 2022 exceeds the rate for Step 8 of the same salary grade in the Salary Schedule in Annex "A".
- 5.1.4 The salary of a new hire shall be the rate corresponding to Step 1 of the salary grade allocation of the position in the Salary Schedule in Annex "A".
- 5.1.5 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 in the Salary Schedule in Annex "A". The adjusted daily wage rates of casual personnel shall be computed by dividing the monthly rates by 22 work days per month.
- 5.1.6 Compulsory retirees whose services have been extended beyond December 31, 2022 shall be entitled to salary increase following items 5.1.1 to 5.1.3 of this Circular, whichever is applicable. However, their retirement benefits, including Terminal Leave Benefits, shall be computed based on their monthly basic salaries as of the day prior to the effectivity of their retirement, consistent with existing laws, rules, and regulations.

6.0 Implementation of the Fourth Tranche of the Modified Salary Schedule in GOCCs Covered by the DBM

- 6.1 The implementation of the Fourth Tranche Monthly Salary Schedule in GOCCs covered by the DBM shall be as determined by their respective governing boards. GOCCs which do not have sufficient funds to implement fully the Salary Schedule in Annex "A" may adopt their respective salary schedules at lower rates but at a uniform percentage of the salaries in Annex "A".
- 6.2 In the formulation of such salary schedules, GOCCs shall ensure that they can fund on a sustainable basis the increased salaries, including the government counterparts to the Retirement and Life Insurance Premiums, Pag-IBIG Contributions, PhilHealth Contributions, and the Employees Compensation Insurance Premiums.
- 6.3 In the adjustment of the salaries of incumbent personnel effective not earlier than January 1, 2023, the pertinent rules under this Circular shall apply.

7.0 Procedural Guidelines

- 7.1 The Human Resource Management Officer (HRMO)/Administrative Officer (AO) of a national government agency (NGA) or GOCC shall prepare Notices of Salary Adjustment (NOSAs) for incumbent civilian personnel by following the format marked as Annex "B-1" or Annex "B-2", whichever is applicable, for approval by the Head of Agency.

For personnel whose actual monthly salaries as of December 31, 2022 exceed the rates corresponding to Step 8 of the salary grade allocations of their positions in Annex "A", the HRMO/AO shall no longer prepare NOSAs.

- 7.2 The NOSAs shall be issued to the personnel concerned, copy furnished the Government Service Insurance System (GSIS) if they are members thereof.

- 7.3 The salary 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 personnel concerned shall refund any overpayments received.

8.0 Fund Sources

- 8.1 The amounts required to implement the salary adjustment and related fixed expenditures of personnel in NGAs shall be charged against the respective agency budgets authorized under RA No. 11936 or the FY 2023 General Appropriations Act (GAA).
- 8.2 The amounts required to implement the salary adjustment and related fixed expenditures of casual and contractual personnel in NGAs whose salaries are drawn from the lumpsum appropriations for non-itemized positions shall be sourced from the agency's lumpsum appropriations included in the FY 2023 budget.
- 8.3 For covered GOCCs, the amounts shall be charged against their approved corporate operating budgets (COBs), provided that the national government shall not release funds for salary adjustment or any related expenditures; provided, further, that the GOCCs shall not resort to borrowings for the purpose; and provided, furthermore, that the performance targets in their DBM-approved COBs are met and their programs/projects for the year are not adversely affected.

9.0 Release of Funds

- 9.1 The requirements for compensation adjustment for personnel of NGAs shall be released through the GAA as Allotment Order, chargeable against the respective agency PS budget under the FY 2023 GAA.
- 9.2 In case of deficiency, the agency may submit a request to the DBM for release of funds charged to the Miscellaneous Personnel Benefits Fund.

10.0 Exempt Entities

Consistent with Section 12 of RA No. 11466, exempt entities shall be governed by their respective CPCS which shall be made effective upon the recommendation of the DBM or the GCG, as the case may be, and approval by the President of the Philippines.

Exempt entities refer to: (a) government agencies that are not covered by the CPCS authorized under RA No. 6758, as amended; (b) GOCCs governed by the CPCS established by the GCG under RA No. 10149; and (c) those authorized by law and have actually adopted their own CPCS.

11.0 Applicability to Certain Officials

Pursuant to Section 6 of Article VII and Section 10 of Article VI of the Constitution, the salaries authorized herein for the President of the Philippines, Vice-President of the Philippines, and Members of Congress shall take effect only after the expiration of the respective terms of the present incumbents.

12.0 Responsibilities of Agencies


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

13.0 Resolution of Cases

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

14.0 Effectivity

This Circular shall take effect on January 1, 2023.


AMENA F. PANGANDAMAN
Secretary



ANNEX "A"

**Fourth Tranche Monthly Salary Schedule for Civilian Personnel
of the National Government
Effective January 1, 2023
(In Pesos)**

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	13,000	13,109	13,219	13,329	13,441	13,553	13,666	13,780
2	13,819	13,925	14,032	14,140	14,248	14,357	14,468	14,578
3	14,678	14,792	14,905	15,020	15,136	15,251	15,369	15,486
4	15,586	15,706	15,827	15,948	16,071	16,193	16,318	16,443
5	16,543	16,671	16,799	16,928	17,057	17,189	17,321	17,453
6	17,553	17,688	17,824	17,962	18,100	18,238	18,379	18,520
7	18,620	18,763	18,907	19,053	19,198	19,346	19,494	19,644
8	19,744	19,923	20,104	20,285	20,468	20,653	20,840	21,029
9	21,211	21,388	21,567	21,747	21,929	22,112	22,297	22,483
10	23,176	23,370	23,565	23,762	23,961	24,161	24,363	24,567
11	27,000	27,284	27,573	27,865	28,161	28,462	28,766	29,075
12	29,165	29,449	29,737	30,028	30,323	30,622	30,924	31,230
13	31,320	31,633	31,949	32,269	32,594	32,922	33,254	33,591
14	33,843	34,187	34,535	34,888	35,244	35,605	35,971	36,341
15	36,619	36,997	37,380	37,768	38,160	38,557	38,959	39,367
16	39,672	40,088	40,509	40,935	41,367	41,804	42,247	42,694
17	43,030	43,488	43,951	44,420	44,895	45,376	45,862	46,355
18	46,725	47,228	47,738	48,253	48,776	49,305	49,840	50,382
19	51,357	52,096	52,847	53,610	54,386	55,174	55,976	56,790
20	57,347	58,181	59,030	59,892	60,769	61,660	62,565	63,485
21	63,997	64,940	65,899	66,873	67,864	68,870	69,893	70,933
22	71,511	72,577	73,661	74,762	75,881	77,019	78,175	79,349
23	80,003	81,207	82,432	83,683	85,049	86,437	87,847	89,281
24	90,078	91,548	93,043	94,562	96,105	97,674	99,268	100,888
25	102,690	104,366	106,069	107,800	109,560	111,348	113,166	115,012
26	116,040	117,933	119,858	121,814	123,803	125,823	127,876	129,964
27	131,124	133,264	135,440	137,650	139,897	142,180	144,501	146,859
28	148,171	150,589	153,047	155,545	158,083	160,664	163,286	165,951
29	167,432	170,166	172,943	175,766	178,634	181,550	184,513	187,525
30	189,199	192,286	195,425	198,615	201,856	205,151	208,499	211,902
31	278,434	283,872	289,416	295,069	300,833	306,708	312,699	318,806
32	331,954	338,649	345,478	352,445	359,553	366,804	374,202	381,748
33	419,144	431,718						

For Regular Positions

Notice of Salary Adjustment

Date: _____

_____:

Pursuant to National Budget Circular No. ____ dated _____, implementing Republic Act No. ____ dated _____, your salary is hereby adjusted effective January 1, 2023, as follows:

- 1. Adjusted monthly basic salary effective January 1, 2023, under the new Salary Schedule; SG ____, Step ____ ₱ _____
- 2. Actual monthly basic salary as of December 31, 2022; SG ____, Step ____ _____
- 3. Monthly salary adjustment effective January 1, 2023 (1-2) ₱ _____

It is understood that this salary adjustment is subject to review and post-audit, and to appropriate re-adjustment and refund if found not in order.

Very truly yours,

Head of Agency

Position Title: _____
Salary Grade: _____
Item No./Unique Item No., FY ____ Personnel Services Itemization
and/or Plantilla of Personnel: _____

Copy Furnished: GSIS

For Contractual/Casual Personnel

Notice of Salary/Wage Adjustment

Date: _____

_____:

Pursuant to National Budget Circular No. ____ dated _____, implementing Republic Act No. ____ dated _____, 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, 2022; SG _____
- 3. Monthly salary adjustment/Daily wage adjustment effective _____ (1-2) P _____

It is understood that this salary/wage adjustment is subject to review and post-audit, and to appropriate re-adjustment and refund if found not in order.

Very truly yours,

Head of Agency

Position Title: _____
Salary Grade: _____

Copy Furnished: GSIS