



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

Received

Date



LOCAL BUDGET CIRCULAR

NO. 73

January 10, 2001

TO : ALL PROVINCIAL GOVERNORS, CITY AND MUNICIPAL MAYORS;
PROVINCIAL/CITY/MUNICIPAL SANGGUNIANG MEMBERS;
PUNONG BARANGAY AND SANGGUNIANG BARANGAY;
PROVINCIAL/CITY/MUNICIPAL TREASURERS AND BUDGET
OFFICERS; PROVINCIAL/CITY/MUNICIPAL AUDITORS;
REGIONAL DIRECTORS OF THE DEPARTMENT OF THE
INTERIOR AND LOCAL GOVERNMENT, DEPARTMENT OF
BUDGET AND MANAGEMENT, CIVIL SERVICE COMMISSION;
AND OTHER OFFICIALS CONCERNED

SUBJECT : GUIDELINES ON THE GRANT OF COMPENSATION
BENEFIT TO LOCAL REGULATORY BOARDS/QUASI-
JUDICIAL BODIES AND SIMILAR BODIES IN
PROVINCES/CITIES/MUNICIPALITIES AND BARANGAY
VOLUNTEER FRONTLINE WORKERS

1.0 PURPOSE

This Circular is issued to integrate and clarify existing rules on the grant of compensation benefit to members of local regulatory boards/quasi-judicial bodies or similar bodies in provinces, cities and municipalities and barangay frontline workers.

2.0 COVERAGE

This Circular covers the following:

- 2.1 All members of local regulatory bodies and quasi judicial bodies in provinces/cities/municipalities and similar bodies created pursuant to a law or Presidential authority, which include but are not limited to People's Law Enforcement Boards (PLEBs) and Mining Regulatory Boards (MRBs).
- 2.2 All volunteer frontline workers in the barangay which include but are not limited to Barangay Nutrition Scholars, Barangay Health

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Workers and Day Care Workers and other workers of similar nature who are not regular employees but are rendering volunteer work in the implementation of programs and projects of the barangay. Regular barangay officials and employees rendering volunteer work are not entitled to the compensation authorized herein.

3.0 RULES AND REGULATIONS

- 3.1 Members of PLEBs, MRBs and similar local regulatory boards and quasi-judicial bodies in provinces, cities and municipalities which are created pursuant to a law or Presidential directive shall be compensated in the form of per diem at the rate not exceeding P1,000 per meeting/session actually attended but not to exceed P4,000 per month, subject to the following:

3.1.1 That the law creating such bodies does not bar them from receiving compensation as members.

3.1.2 That the grant thereof is subject to the budgetary limitation on personal services under Section 325 of RA 7160 (1991 Local Government Code), and availability of funds.

3.1.3 If the law expressly provides the rate of compensation, the pertinent provision of the law shall prevail.

The administrative support staff rendering services to the board/body may be compensated in the form of honoraria not exceeding P200 per session but not to exceed P800 per month, subject likewise to 3.1.2 above.

- 3.2 The compensation benefit of volunteer frontline workers in the barangay may be in the form of honoraria and shall be based on the rules of Local Budget Circular No. 63 dated October 22, 1996, as follows:

3.2.1 **For Day Care Workers** - It shall not exceed the minimum of SG-6 of the salary schedule authorized for the city or municipality where the barangay is located.

3.2.2 **For Barangay Health Aides/Workers** (including the Barangay Nutrition Scholars, Barangay Health Workers and other volunteer workers of similar nature) - It shall not exceed the minimum of SG-4 of the salary schedule authorized for the city or municipality where the barangay is located.

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3.2.3 The grant of above honoraria shall be subject to the following conditions:

3.2.3.1 That the concerned volunteer worker is actively performing his functions relative to the implementation of assigned programs and projects in the barangay;

3.2.3.2 That the concerned volunteer worker has undergone the necessary skills/capability training required for his work which is duly recognized by appropriate authority or body either in the national or local level;


3.2.3.3 That the grant of honoraria shall be charged from barangay funds, provided that, this does not preclude higher local governments to undertake projects in the barangay which may include the payment of honoraria to its volunteer workers charged from funds of the LGU concerned;

3.2.3.4 That the amount of honoraria being received by the Punong Barangay, Sangguniang Barangay Members, Barangay Secretary and Barangay Treasurer are not exceeded. In case these officials are receiving the minimum or lower rate, the allowable honorarium for volunteer frontline workers should be adjusted accordingly so as to maintain a reasonable pay gap with the lowest barangay official; and

3.2.3.5 That the grant of honoraria shall be subject to availability of funds, and budgetary limitation on personal services under RA 7160.

4.0 RESPONSIBILITY OF THE LOCAL CHIEF EXECUTIVE/PUNONG BARANGAY

The Local Chief Executive and the Punong Barangay concerned shall be held personally liable for any payment of herein compensation benefit not in accordance with the provisions of this Circular, without prejudice to the refund of any excess by the officials and employees concerned.



5.0 REPEALING CLAUSE

All rules and regulations inconsistent with the provisions of this Circular shall be deemed modified accordingly.

6.0 This Circular shall take effect immediately.

BENJAMIN E. DIOKNO
Secretary