



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management

Boncodin Hall, General Solano Street, San Miguel, Manila



LOCAL BUDGET CIRCULAR

No. 103

MAY 15, 2013

TO : Provincial Governors; City and Municipal Mayors; *Sangguniang Panlalawigan/Panlungsod/Bayan* Members; Provincial/City/Municipal Treasurers, Budget Officers, and Auditors; and Other Officials Concerned

SUBJECT : Amended Rules and Regulations on the Grant of Representation and Transportation Allowances

1.0 Background

- 1.1 Item (4)(g)(i) of the Senate and House of Representatives Joint Resolution (J.R.) No. 4¹, s. 2009, lists the Representation and Transportation Allowances (RATA) among the Specific-Purpose Allowances and Benefits under the Total Compensation Framework of the Compensation and Position Classification System established under Republic Act (R.A.) No. 6758², as amended. These are granted to government officials down to division chiefs at monthly standard rates in order to **defray representation and transportation expenses while in the actual performance of the duties and responsibilities of their positions.**
- 1.2 Item (7)(b) of JR No. 4 further provides that the rates of RATA shall be determined on the basis of the income class of each local government unit (LGU).
- 1.3 Section 45 of the General Provisions of R.A. No. 10352, the FY 2013 General Appropriations Act (GAA), provides new rates of RATA, as well as the policies governing the grant thereof. It further provides that the RATA for local government officials equated to national government officials entitled to RATA "shall be at the same percentages as the salary rates under R.A. No. 6758, as amended."

¹ J.R. No. 4 – "Joint Resolution Authorizing the President of the Philippines to Modify the Compensation and Position Classification System of Civilian Personnel and the Base Pay Schedule of Military and Uniformed Personnel in the Government, and for Other Purposes," approved on June 17, 2009

² R.A. No. 6758 – "An Act Prescribing a Revised Compensation and Position Classification System in the Government and for Other Purposes," dated August 21, 1989.

2.0 Purpose

This Circular is issued to amend Local Budget Circular No. 102 dated January 17, 2013 prescribing rules and regulations on the grant of RATA.

3.0 Nature of RATA

3.1 RATA is a collective term for two distinct but complementary allowances: Representation Allowance (RA) and Transportation Allowance (TA). Both allowances are provided to select government officials to cover related expenses incidental to and in connection with the actual performance of their respective functions.

3.2 RATA may either be commutable³ or reimbursable⁴.

4.0 Coverage

This Circular covers the regular positions for the following officials:

- 4.1 Local Chief Executives;
- 4.2 Local Vice Chief Executives;
- 4.3 Sanggunian Members, including Ex-Officio Members;
- 4.4 Department Heads;
- 4.5 Assistant Department Heads;
- 4.6 Chiefs of Hospital; and
- 4.7 Division Chiefs in Special Cities.

5.0 Equivalent Ranks to National Government Officials

Annex "A" hereof lists the positions for LGU officials of equivalent ranks to positions for national government officials entitled to RATA.

6.0 Authorized Monthly RATA Rates

6.1 The authorized maximum monthly rates for each type of allowance, consistent with sub-items 1.2 and 1.3 hereof, are indicated in Annex "B."

6.2 In line with Section 45 of the General Provisions of R.A. No. 10352, no amount of RA or TA which exceed the authorized rates may be granted to LGU officials.

³ As derived from Sec. 317, Article 8, Chapter 5, Volume 1, Government Accounting and Auditing Manual (GAAM), RATA is commutable if the grant thereof is specifically authorized by law and if funds for its payment are provided for in the agency budget. Payment of RATA presupposes actual rendition of services in line with official duties.

⁴ As derived from Sec. 286, Article 1, Chapter 5, Volume 1, GAAM, reimbursable RATA should be duly supported by receipts or by a certificate to the effect that the expenses had been incurred in accordance with the purpose for which the allowance is granted.

- 6.3 In case of insufficiency of funds to fully implement the RATA rates, the same may be granted partially at a uniform percentage of the RATA rates for all positions concerned within an LGU.

7.0 General Guidelines on the Grant of RATA

- 7.1 A rationalized scheme on the grant of RATA based on the number of days of actual work performance on workdays⁵ by the official concerned is hereby prescribed. The RATA schedule follows⁶:

| Number of Workdays of Actual Work Performance in a Month | Actual RATA for a month |
|---|--------------------------------|
| 1 to 5 | 25% of the monthly RATA |
| 6 to 11 | 50% of the monthly RATA |
| 12 to 16 | 75% of the monthly RATA |
| 17 and more | 100% of the monthly RATA |

- 7.2 For purposes of RATA, the following instances shall be construed as actual work performance:

- 7.2.1 Public holiday falling on a workday;
- 7.2.2 Compensatory time-off in accordance with Civil Service Commission (CSC)–Department of Budget and Management (DBM) Joint Circular No. 2, series of 2004, as amended;
- 7.2.3 Time-off from work charged against the five (5) days forced or mandatory leave in accordance with CSC Memorandum Circular (MC) No. 41, series of 1998;
- 7.2.4 Special emergency leave for employees affected by natural calamities/disasters, provided it is covered by a specific directive/resolution from the Office of the President (OP) or the CSC, as in the case of CSC MC No. 2, series of 2012 for those affected by typhoons Pedring, Quiel and Sendong; and,
- 7.2.5 Suspension of work as declared by competent authority.

⁵ In general, there are 22 workdays in a month, exclusive of Saturdays and Sundays which are rest days.

⁶ To illustrate the application of the RATA schedule:

| Official with Corresponding Number of Workdays of Actual Work Performance in a Month | Actual RATA for a Month |
|---|--------------------------------|
| Official A – 4 workdays | 25% of the monthly RATA |
| Official B – 8 workdays | 50% of the monthly RATA |
| Official C – 15 workdays | 75% of the monthly RATA |
| Official D – 22 workdays | 100% of the monthly RATA |

- 7.3 For purposes of RATA, the following leaves, notwithstanding that such are paid and are authorized time-off from work, shall **not** be construed as actual work performance:
- 7.3.1 Vacation Leave with pay in excess of the five (5) days forced or mandatory leave;
 - 7.3.2 Sick Leave with pay;
 - 7.3.3 Maximum of three (3) days Special Leave Privileges in accordance with CSC MC No. 41, series of 1998;
 - 7.3.4 Maximum of seven (7) days Paternity Leave in accordance with CSC MC No. 41, series of 1998;
 - 7.3.5 Maximum of seven (7) days Parental Leave to Solo Parents in accordance with CSC MC No. 08, series of 2004;
 - 7.3.6 Maximum of ten (10) days Leave for Victims of Violence Against Women and their Children in accordance with CSC Resolution No. 051206;
 - 7.3.7 Maximum of sixty (60) days Maternity Leave in accordance with CSC MC No. 41, series of 1998;
 - 7.3.8 Maximum of two (2) months Special Leave Benefits for Women under R.A. No. 9710 in accordance with CSC MC No. 25, series of 2010;
 - 7.3.9 Maximum of six (6) months Rehabilitation Leave under CSC-DBM Joint Circular No. 1, series of 2006; and
 - 7.3.10 Maximum of six (6) months Study Leave under CSC MC No. 21, series of 2004.
- 7.4 For officials observing an eight-hour work day, undertime shall still be counted as a day of actual work performance.
- 7.5 For officials who, by the nature of their official functions, adopt a work schedule other than the usual eight hours per day, forty hours per week, such as the members of the local sanggunian, RATA shall be pro-rated based on actual work/attendance of the official vis-à-vis the work schedule or performance standards prescribed by law or by competent authority, following the schedule below:

| Percentage of Actual Work/Attendance in Relation to a Full Monthly Work Schedule | Actual RATA for a Month |
|---|--------------------------------|
| 25% or less | 25% of the monthly RATA |
| 26%-50% | 50% of the monthly RATA |
| 51%-75% | 75% of the monthly RATA |
| 76%-100% | 100% of the monthly RATA |

8.0 RATA for Incumbents of Regular Positions

8.1 For Incumbents Who Are Not Assigned or Who Do Not Use Government Motor Transportation

8.1.1 The commutable RATA for the month shall be granted to incumbents of regular positions entitled to RATA.

8.1.2 The grant of RATA shall be in accordance with the provisions of sub-items 7.1 to 7.5 hereof.

8.2 For Incumbents Who Are Assigned or Who Use Government Motor Transportation

8.2.1 Those who are assigned or who use government motor transportation shall no longer be entitled to the TA, but only to the commutable RA for the month.

8.2.2 The grant of RA shall be based on the number of days of actual work performance on workdays by the official concerned. The RA schedule follows:

| Number of Workdays of Actual Work Performance in a Month | Actual RA for a Month |
|---|------------------------------|
| 1 to 5 | 25% of the monthly RA |
| 6 to 11 | 50% of the monthly RA |
| 12 to 16 | 75% of the monthly RA |
| 17 and more | 100% of the monthly RA |

8.2.3 In exceptional cases when an incumbent is prevented from the use of a government motor transportation for 3 days or more such as when the motor vehicle undergoes repair and a replacement vehicle is not provided, the grant of TA may be allowed, pro-rated based on the number of days of actual work performance on workdays without an official vehicle, as follows:

| Number of Workdays of Actual Work Performance in a Month Without an Official Vehicle | Actual TA for a Month |
|---|------------------------------|
| 3 to 5 | 25% of the monthly TA |
| 6 to 11 | 50% of the monthly TA |
| 12 to 16 | 75% of the monthly TA |
| 17 and more | 100% of the monthly TA |

9.0 RATA for OICs of Regular Positions

9.1 For OICs Who Are Not Assigned or Who Do Not Use Government Motor Transportation

9.1.1 An OIC of a position, authorized in an LGU staffing pattern and entitled to RATA, may be authorized to collect the RATA for the position on reimbursable basis, if stipulated in the office order designating him/her as such.

9.1.2 The grant of RATA shall be in accordance with the provisions of sub-items 7.1 to 7.5 hereof.

9.2 For OICs Who Are Assigned or Who Use Government Motor Transportation

The OIC may be allowed to collect only the RA on reimbursable basis. The provisions of sub-items 7.1 to 7.5 and 8.2.2 to 8.2.3 hereof shall apply.

10.0 RATA While on Concurrent Capacity

When an incumbent entitled to RATA in his/her position is subsequently designated as OIC of a higher position in concurrent capacity, he/she shall be entitled to the difference between the RATA of the two positions. When an incumbent is designated as OIC of a lower position in concurrent capacity, **no** additional RATA shall be provided.

11.0 RATA of Incumbents While on Full-Time Detail or Re-Assignment

An incumbent official who is on full-time detail to another government agency, or on re-assignment within the same agency or to a special project, may be authorized to continue to collect RATA, provided that the duties and responsibilities in the new post are comparable with the supervisory or managerial nature of his/her regular position as duly certified by the local chief executive, subject to the availability of funds.

12.0 RATA of Incumbents While on Scholarship/Study/Training Grant

An incumbent who is on authorized full-time attendance⁷ in a scholarship/study/training grant or similar activity may be authorized to continue to collect RATA on reimbursable basis, subject to the availability of funds and the following conditions:

- 12.1 The study/training is part of the training and development program of the agency and is aimed to directly enhance the capability of the official to perform the duties and responsibilities of the position;
- 12.2 The study/training requires frequent interaction, coordination, and mobility in order to fulfill the requirements of the course, which entail expenses that are not covered by the study/training grant;
- 12.3 The grant of RATA within the duration of a particular scholarship/study/training, whether short-term or long term, shall not exceed 6 months. In cases of multiple study/training/scholarship grants within a calendar year, the combined duration of which exceeds 6 months, RATA may be granted only for a maximum period of 6 months within the calendar year; and,
- 12.4 Compliance with the above conditions for the grant of RATA is certified by the local chief executive.

13.0 RATA for Certain Devolved Employees

- 13.1 For an Incumbent of a Devolved Position of Rural Health Physician

The RATA for an incumbent of a devolved position of Rural Health Physician, SG-24, shall be governed by the pertinent rules under the Department of Budget and Management (DBM) and Department of Health (DOH) Joint Circular (JC) No. 1⁸, s. 2012, dated November 29, 2012.

- 13.2 For an Incumbent of a Devolved Position of Municipal Agricultural Officer

- 13.2.1 The incumbent of a devolved position of Municipal Agricultural Officer, SG-20, shall continue to be entitled to RATA in the total amount of P2,200 per month, which he/she received as of the devolution to an LGU, consistent with the policy on no diminution of benefits of devolved personnel as provided under Executive Order No. 503 issued on January 22, 1992.

⁷ Full-time attendance in a scholarship/study/training grant is understood to mean that the official is unable to perform the duties and responsibilities of his/her position.

⁸ DBM- DOH JC No. 1 - "Rules and Regulations on the Grant of Compensation-Related Magna Carta Benefits to Public Health Workers (PHWs)"

13.2.2 Upon appointment to an LGU organic position, the former devolved Municipal Agricultural Officer shall no longer be entitled to the P2,200 per month RATA but to the RATA for his/her new position, if any.

13.2.3 A new appointee to the position of Municipal Agricultural Officer shall no longer be entitled to RATA.

14.0 Fund Source and Limitation on RATA Expenditure

The amounts required for the grant of RATA shall be charged to LGU budgets for the purpose. The grant of RATA is subject to the 45%/55% limitation on Personal Services expenditure as mandated under Section 325(a), R.A. No. 7160, "*Local Government Code of 1991.*"

15.0 Responsibilities of Local Chief Executives

Local Chief Executives shall be held responsible for the proper implementation of this Circular. They shall be held liable for any grant of RATA not in accordance with the provisions of this Circular, without prejudice, however, to the refund of any undue payments received by the officials and employees concerned.

16.0 Cases for Resolution

Cases not covered by the provisions of this Circular shall be referred to the Department of Budget and Management for resolution.

17.0 Repealing Clause

This Circular supersedes Local Budget Circular No. 102 dated January 17, 2013. The provisions of all other existing circulars or issuances on the grant of RATA that are inconsistent with the provisions of this Circular are repealed or superseded accordingly.

18.0 Effectivity

This Circular shall take effect on January 1, 2013.


FLORENCIO B. ABAD
Secretary

**Positions for Local Government Officials of Equivalent Ranks
to Positions for National Government Officials Entitled to RATA**

| LGUs | Positions for National Government Officials | | | | | | |
|--|---|----------------------------------|---------------------------------------|--|---|---|---|
| | Department Secretary, SG-31 | Department Undersecretary, SG-30 | Department Assistant Secretary, SG-29 | Director IV, SG-28 (Bureau Director) | Director III, SG-27 (Assistant Bureau Director) | Director I, SG-25 (Assistant Bureau Regional Director) | Division Chief, SG-24 |
| Positions for Local Government Officials | | | | | | | |
| Provinces | | Provincial Governor, SG-30 | Provincial Vice Governor, SG-28 | | <i>Sangguniang Panlalawigan</i> Member, SG-27 Provincial Government Department Head, SG-26 | Provincial Government Assistant Department Head, SG-24 | Chief of Hospital II, SG-25 Chief of Hospital I, SG-24 |
| Special Cities (Manila and Quezon City) | City Mayor, SG-30 | City Vice Mayor II, SG-28 | | <i>Sangguniang Panlungsod</i> Member II, SG-27 City Government Department Head III, SG-27 | City Government Assistant Department Head III, SG-25 | | Division Chief, SG-24 |
| Highly Urbanized Cities | | City Mayor, SG-30 | City Vice Mayor II, SG-28 | | <i>Sangguniang Panlungsod</i> Member II, SG-27 City Government Department Head II, SG-26 | City Government Assistant Department Head II, SG-24 | Chief of Hospital II, SG-25 Chief of Hospital I, SG-24 |
| Component Cities | | | City Mayor, SG-30 | City Vice Mayor I, SG-26 | | <i>Sangguniang Panlungsod</i> Member I, SG-25 City Government Department Head I, SG-25 | Chief of Hospital II, SG-25 Chief of Hospital I, SG-24 City Government Assistant Department Head I, SG-23 |
| Municipalities Within Metropolitan Manila | | | | Municipal Mayor II, SG-28 | Municipal Vice Mayor II, SG-26 | <i>Sangguniang Bayan</i> Member II, SG-25 Municipal Government Department Head II, SG-25 | Municipal Government Assistant Department Head II, SG-23 |
| Municipalities Outside Metropolitan Manila | | | | Municipal Mayor I, SG-27 | Municipal Vice Mayor I, SG-25 | <i>Sangguniang Bayan</i> Member I, SG-24 Municipal Government Department Head I, SG-24 | Municipal Government Assistant Department Head I, SG-22 |

Maximum Monthly Representation Allowance or Transportation Allowance
Effective January 1, 2013
(in Pesos)

| <u>Position Title and Salary Grade</u> | <u>1st</u> <u>Class</u> | <u>2nd</u> <u>Class</u> | <u>3rd</u> <u>Class</u> | <u>4th</u> <u>Class</u> | <u>5th</u> <u>Class</u> | <u>6th</u> <u>Class</u> |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| A. Provincial Government | <u>100%</u> | <u>95%</u> | <u>90%</u> | <u>85%</u> | <u>80%</u> | <u>75%</u> |
| Provincial Governor, SG-30 | 11,000 | 10,450 | 9,900 | 9,350 | 8,800 | 8,250 |
| Provincial Vice Governor, SG-28 | 10,000 | 9,500 | 9,000 | 8,500 | 8,000 | 7,500 |
| <i>Sangguniang Panlalawigan</i> Member, SG-27 | 8,500 | 8,075 | 7,650 | 7,225 | 6,800 | 6,375 |
| Provincial Government Department Head, SG-26 | 8,500 | 8,075 | 7,650 | 7,225 | 6,800 | 6,375 |
| Provincial Government Assistant Department Head, SG-24 | 7,500 | 7,125 | 6,750 | 6,375 | 6,000 | 5,625 |
| Chief of Hospital II, SG-25 | 5,000 | 4,750 | 4,500 | 4,250 | 4,000 | 3,750 |
| Chief of Hospital I, SG-24 | 5,000 | 4,750 | 4,500 | 4,250 | 4,000 | 3,750 |
| B. City Government | | | | | | |
| 1. Special Cities | <u>100%</u> | | | | | |
| City Mayor, SG-30 | 14,000 | | | | | |
| City Vice Mayor II, SG-28 | 11,000 | | | | | |
| <i>Sangguniang Panlungsod</i> Member II, SG-27 | 9,000 | | | | | |
| City Government Department Head III, SG-27 | 9,000 | | | | | |
| City Government Assistant Department Head III, SG-25 | 8,500 | | | | | |
| Division Chief, SG-24 | 5,000 | | | | | |
| 2. Highly Urbanized Cities | <u>100%</u> | | | | | |
| City Mayor, SG-30 | 11,000 | | | | | |
| City Vice Mayor II, SG-28 | 10,000 | | | | | |
| <i>Sangguniang Panlungsod</i> Member II, SG-27 | 8,500 | | | | | |
| City Government Department Head II, SG-26 | 8,500 | | | | | |
| City Government Assistant Department Head II, SG-24 | 7,500 | | | | | |
| Chief of Hospital II, SG-25 | 5,000 | | | | | |
| Chief of Hospital I, SG-24 | 5,000 | | | | | |
| 3. Component Cities | <u>100%</u> | <u>95%</u> | <u>90%</u> | <u>85%</u> | <u>80%</u> | <u>75%</u> |
| City Mayor, SG-30 | 10,000 | 9,500 | 9,000 | 8,500 | 8,000 | 7,500 |
| City Vice Mayor I, SG-26 | 9,000 | 8,550 | 8,100 | 7,650 | 7,200 | 6,750 |
| <i>Sangguniang Panlungsod</i> Member I, SG-25 | 7,500 | 7,125 | 6,750 | 6,375 | 6,000 | 5,625 |
| City Government Department Head I, SG-25 | 7,500 | 7,125 | 6,750 | 6,375 | 6,000 | 5,625 |
| City Government Assistant Department Head I, SG-23 | 5,000 | 4,750 | 4,500 | 4,250 | 4,000 | 3,750 |
| Chief of Hospital II, SG-25 | 5,000 | 4,750 | 4,500 | 4,250 | 4,000 | 3,750 |
| Chief of Hospital I, SG-24 | 5,000 | 4,750 | 4,500 | 4,250 | 4,000 | 3,750 |
| C. Municipal Government | | | | | | |
| 1. Within Metropolitan Manila | <u>100%</u> | | | | | |
| Municipal Mayor II, SG-28 | 9,000 | | | | | |
| Municipal Vice Mayor II, SG-26 | 8,500 | | | | | |
| <i>Sangguniang Bayan</i> Member II, SG-25 | 7,500 | | | | | |
| Municipal Government Department Head II, SG-25 | 7,500 | | | | | |
| Municipal Government Assistant Department Head II, SG-23 | 5,000 | | | | | |
| 2. Outside Metropolitan Manila | <u>90%</u> | <u>85%</u> | <u>80%</u> | <u>75%</u> | <u>70%</u> | <u>65%</u> |
| Municipal Mayor I, SG-27 | 8,100 | 7,650 | 7,200 | 6,750 | 6,300 | 5,850 |
| Municipal Vice Mayor I, SG-25 | 7,650 | 7,225 | 6,800 | 6,375 | 5,950 | 5,525 |
| <i>Sangguniang Bayan</i> Member I, SG-24 | 6,750 | 6,375 | 6,000 | 5,625 | 5,250 | 4,875 |
| Municipal Government Department Head I, SG-24 | 6,750 | 6,375 | 6,000 | 5,625 | 5,250 | 4,875 |
| Municipal Government Assistant Department Head I, SG-22 | 4,500 | 4,250 | 4,000 | 3,750 | 3,500 | 3,250 |