



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
BONCODIN HALL, GENERAL SOLANO STREET, SAN MIGUEL, MANILA

BUDGET CIRCULAR

No. 2020 - 4
July 17, 2020

TO : All Heads of Departments, Bureaus, Offices, and Agencies of the National Government, Including State Universities and Colleges (SUCs); Government-Owned or -Controlled Corporations (GOCCs); Local Government Units (LGUs); and All Others Concerned

SUBJECT : Upgrading of the Entry Level of Nurse Positions

1.0 Background

Section 32 of Republic Act (RA) No. 9173 or The Philippine Nursing Act of 2002 provides a minimum base pay of not lower than Salary Grade (SG)-15 for Nurses working in the public health institutions.

Relatedly, the Supreme Court of the Philippines, in *Ang NARS Party-List, et. al. vs. The Executive Secretary, et. al* (G.R. No. 215746) upheld the validity of Section 32 of RA No. 9173. Said SC En Banc Decision has become final and executory on December 13, 2019.

Under Republic Act (RA) No. 11465 or the General Appropriations Act for FY 2020, the amount of Three Billion Pesos (P3,000,000,000.00) was earmarked under the Miscellaneous Personnel Benefits Fund for the implementation of the salary upgrading of the Nurse positions, which shall take effect once the SC Decision becomes final and executory, but not earlier than the start of FY 2020.

In the FY 2020 President's Affirmation Message dated January 6, 2020, the President subjected the implementation of the salary adjustment of Nurses to the issuance of the guidelines by the Department of Budget and Management (DBM), subject to the finality of the SC Decision.

2.0 Purpose

This Circular is issued to prescribe the rules and regulations on the upgrading of the entry-level of Nurse positions to SG-15, as well as to highlight the administrative procedures in view of the consequential modification in the position attributes of the Nurse items.

3.0 Coverage

This Circular covers all Nurse positions, whether regular, casual, or contractual in nature, full-time or part-time, now existing or hereafter created in the national government agencies (NGAs), including SUCs and GOCCs, and in LGUs covered by the Compensation and Position Classification System (CPCS) under Republic Act (RA) No. 6758 or the "*Compensation and Position Classification Act of 1989*," as amended.

4.0 Exclusions

The following positions are excluded from the coverage of this Circular:

- 4.1 Nurses in government agencies, including GOCCs, that are exempted from RA No. 6758, as amended, as expressly provided in their respective enabling law or charter, and are actually implementing their respective CPCS approved by the President of the Philippines;
- 4.2 Nurses in GOCCS covered by the CPCS established by the Governance Commission for GOCCs and approved by the President of the Philippines, under RA No. 10149 or the "*GOCC Governance Act of 2011*"; and
- 4.3 Nurses hired without employee-employer relationship and funded from non-Personnel Services appropriations/budgets.

5.0 Upgrading of Nurse I position

- 5.1 The SG allocation of the Nurse I position is hereby upgraded by four (4) SGs **effective not earlier than January 1, 2020**, as follows:

| Position Title | Salary Grade | |
|----------------|--------------|----|
| | From | To |
| Nurse I | 11 | 15 |

6.0 Rules for Adjusting Salaries

- 6.1 For NGAs and GOCCs
 - 6.1.1 The salaries of the incumbents of Nurse I positions shall be adjusted at the same salary steps as those of the previous SG allocation of their positions.
 - 6.1.2 The new salary rates shall be in accordance with the First Tranche Monthly Salary Schedule for Civilian Personnel of the National Government under National Budget Circular No. 579 dated January 24, 2020 or the modified salary schedule being implemented by a GOCC in case of insufficiency of corporate funds.



6.1.3 If supported by sufficient funds, the salaries/wages of contractual/casual Nurse I positions may be adjusted to Step 1 of SG-15 of the applicable salary schedule.

6.2 For LGUs

6.2.1 The salaries of the incumbents of Nurse I positions shall be adjusted at the same salary steps as those of the previous Salary Grade allocation of their positions.

6.2.2 The new salary rates shall be in accordance with the applicable Salary Schedule adopted by the LGU pursuant to the provisions of Item 6.5 of Local Budget Circular No. 121 (Implementation of the First Tranche of the Modified Salary Schedule for Local Government Personnel Pursuant to RA No. 11466) dated January 24, 2020.

6.2.3 The subject upgrading of positions is not within the purview of Section 325(f) of R.A. No. 7160 which provides that: *"No changes in designation or nomenclature of positions resulting in a promotion or demotion in rank or increase or decrease in compensation shall be allowed, except when the position is actually vacant x x x."*

7.0 Preparation of Notices of Position Allocation and Salary Adjustment (NPASA)

7.1 The Human Resource Management Officer/Administrative Officer shall prepare NPASAs, following the format attached as Annex "A." The Head of Agency/Local Chief Executive shall issue a NPASA to each employee concerned.

7.2 The Government Service Insurance System shall be furnished a copy of the NPASA if the employee is a member thereof.

7.3 Salary adjustments under this Circular shall be subject to review and post audit, and to appropriate re-adjustment if found not in order. The recipient employees shall refund any overpayments received.

8.0 Modification in the Position Attributes of the Nurse Positions

8.1 The position attributes of the following classes of Nurse positions are hereby modified:

| FROM | Salary Grade | TO | Salary Grade |
|-------------|---------------------|------------------|---------------------|
| Nurse II | 15 | Nurse I | 15 |
| Nurse III | 17 | Nurse II | 17 |
| Nurse IV | 19 | Nurse III | 19 |
| Nurse V | 20 | Nurse IV | 20 |
| Nurse VI | 22 | Nurse V | 22 |
| Nurse VII | 24 | Nurse VI | 24 |



9.0 Administrative Procedures

- 9.1 The DBM offices concerned shall provide the agencies with a copy of the Class Notice of Organization, Staffing and Classification (Class NOSCA) reflecting the modification in the position attributes of the Nurse positions.
- 9.2 Upon the receipt of the class NOSCA, the Human Resource Management Officer/Administrative Officer shall prepare the appointments of affected incumbents, following the procedures prescribed by the Civil Service Commission.

10.0 Fund Sources

- 10.1 For NGAs, the amounts required to implement the salary upgrading shall be charged against their available released Personnel Services (PS) allotments. In case of deficiency, the agency may submit a request to the DBM for the release of funds chargeable against the MPBF under the FY 2020 GAA.
- 10.2 For GOCCs, the amounts required shall be charged against their respective approved corporate operating budgets.
- 10.3 For LGUs:
- 10.3.1 The amounts required to implement the salary upgrading shall be charged exclusively to the funds of the LGUs, subject to the PS limitation in LGU budgets pursuant to Sections 325(a) and 331(b) of RA No. 7160.
- 10.3.2 Such amounts shall be provided for in an appropriations ordinance to be enacted by the Sangguniang Panlalawigan/Panlungsod/Bayan.

11.0 Responsibilities of Heads of Agencies/Local Chief Executives

Heads of Agencies/Local Chief Executives shall be responsible for the proper implementation of the provisions of this Circular. They shall be held liable for any payment of salary adjustment not in accordance with the provisions of this Circular.

12.0 Effectivity

This Circular shall take effect immediately.


WENDEL E. AVISADO
Secretary



Notice of Position Allocation and Salary Adjustment

Date: _____

Mr./Ms. _____

Dear Mr./Ms. _____,

Pursuant to Budget Circular No. _____ dated _____, 2020, your position of Nurse I, Salary Grade (SG)-11, Unique Item No. _____ in the (Name of Agency) _____, FY 2020 Personnel Services Itemization and/or Plantilla of Personnel as of _____, has been upgraded to **Nurse I, SG-15** per Item 5.0 of said Circular. Your salary is hereby adjusted effective _____, as follows:

1. Adjusted monthly basic salary effective _____
SG- 15, Step _____ P _____
2. Actual monthly basic salary as of _____
SG-11, Step _____ P _____
3. Monthly Salary Adjustment P _____

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/Local Chief Executive