



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GEN. SOLANO ST., SAN MIGUEL, MANILA

LOCAL BUDGET CIRCULAR

No. 143
January 3, 2022

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 Third Tranche of the Modified Salary Schedule for Local Government Personnel Pursuant to Republic Act (RA) No. 11466

1.0 Background

- 1.1 RA No. 11466¹, otherwise known as the "Salary Standardization Law of 2019" modifies 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.

- 1.2 Section 10 of RA No. 11466 stipulates that the modified Salary Schedule under said Act may be granted to personnel of local government units (LGUs), subject to certain conditions.

Said Section further provides that in the implementation of the salary increases, the salaries of the LGU personnel that may be authorized shall correspond to the LGU's income classification and shall not exceed the percentage of the applicable Salary Schedule, as follows:

	For Provinces/Cities	For Municipalities
Special Cities	100%	
1 st class	100%	90%
2 nd class	95%	85%
3 rd class	90%	80%
4 th class	85%	75%
5 th class	80%	70%
6 th class	75%	65%

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

2.0 Purpose

This Circular is issued to prescribe the guidelines, rules, and regulations for the implementation of the third tranche of the modified Salary Schedule for Civilian Personnel stipulated under RA No. 11466.

3.0 Coverage

The following are covered by this Circular:

- 3.1 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
- 3.2 All positions for *barangay* personnel which are paid monthly honoraria.

4.0 Exclusions

Excluded from the coverage of this Circular are those engaged without employer-employee relationship and funded from non-Personnel Services (PS) appropriations/budgets, as follows:

- 4.1 Consultants and experts engaged for a limited period to perform specific activities or services with expected outputs;
- 4.2 Laborers engaged through job contracts (*pakyaw*) and those paid on piecework basis;
- 4.3 Student workers and apprentices; and
- 4.4 Individuals whose services are engaged through job orders, contracts of service, or others similarly situated.

5.0 Implementation of the Third Tranche of the Modified Salary Schedule in LGUs Effective January 1, 2022

The implementation of the third tranche of the modified Salary Schedule in LGUs shall be subject to the authorization from the *Sanggunian*, as provided under Sections 447(a), 458(a), and 468(a) of RA No. 7160², and the following conditions and considerations:

- 5.1 The new salary rates shall be in accordance with the Third 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."

The LGU cannot adopt a higher Salary Schedule other than what is prescribed for its level and income classification, consistent with Section 10(a) of RA No. 11466.

- 5.2 The PS limitation in LGU budgets under Sections 325(a) and 331(b) of RA No. 7160 shall be complied with, except for the waived items enumerated under Section 93 of the General Provisions of RA No. 11639 or the FY 2022 General Appropriations Act.

² An Act Providing for a Local Government Code of 1991

- 5.3 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 formulate 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."
- 5.4 In the formulation of such salary schedule, 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.
- 5.5 The salaries of Public Health Workers (PHWs) shall be determined by the *Sanggunian* after considering and balancing the impact of the relevant provisions of RA No. 11466, RA No. 7160, and RA No. 7305³ on fiscal discipline, prioritization of expenditures, financial capability, and improvement of service delivery.

The *Sanggunian* may adopt any of the following options:

- 5.5.1 Adopt the salary rates authorized for personnel of Special Cities/First Class Provinces and Cities (Annex "A-1") for the PHWs of the LGU.
- 5.5.2 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 5.3 above.

6.0 Rules for Adjusting Salaries

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

- 6.1 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, 2021; provided that their positions and salary grades are in accordance with: (a) Local Budget Circular (LBC) No. 137⁴ dated July 13, 2021; and (b) Budget Circular (BC) No. 2021-2⁵ dated August 25, 2021.
- 6.2 If the actual monthly basic salary of an incumbent as of December 31, 2021 falls between steps of the salary grade allocation of the position 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 to be adopted by the LGU (*Illustrative example in Annex "C"*).
- 6.3 If the actual monthly basic salary of an incumbent as of December 31, 2021 exceeds the rate for Step 8 of the salary grade allocation of the position as a result of demotion or transfer due to the exigency of service:

³ The Magna Carta of Public Health Workers

⁴ Index of Occupational Services, Position Titles and Salary Grades in the Local Government (IOS-LGU), CY 2021 Edition

⁵ Modification of Nurse Positions

- 6.3.1 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"*).
- 6.3.2 The incumbent shall not be entitled to salary increase if the actual salary as of December 31, 2021 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"*).
- 6.4 For incumbent personnel whose position titles are not in accordance with the Index under LBC No. 137, BC No. 2021-2, and modifications thereto, the salary adjustments shall be granted after their positions have been properly classified by the Department of Budget and Management (DBM) Regional Office concerned.
- 6.5 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 to be adopted.
- 6.6 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 applicable Salary Schedule in Annexes "A-1" to "A-8" effective not earlier than January 1, 2022. The adjusted daily wage rates of casual personnel shall be computed by dividing the monthly salaries by 22 work days per month.
- 6.7 Compulsory retirees whose services have been extended beyond December 31, 2021 shall be entitled to salary increase following Items 6.1 to 6.4 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.

7.0 No Diminution in Basic Salaries

There shall be no diminution in the actual basic salaries received by the incumbents prior to the implementation of RA No. 11466 for purposes of complying with the PS limitation.

8.0 Honoraria Adjustments for Barangay Officials and Employees

- 8.1 The maximum honoraria rates prescribed for *barangay* officials and employees under LBC Nos. 63⁶ and 137 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 R.A. No. 7160.
- 8.2 If *barangay* funds are not sufficient and sustainable to implement the honoraria rates authorized under Item 8.1, the *Sangguniang Barangay* may adjust the honoraria at lower rates but at a uniform percentage of the rates in Item 8.1 for all *barangay* officials and employees.

⁶ Position Classification and Compensation of Barangay Officials and Personnel

9.0 Procedural Guidelines

- 9.1 The Administrative Officer [*Human Resource Management Officer*] shall prepare Notices of Salary Adjustment (NOSAs) for incumbent civilian personnel following the format marked as Annex "B-1" or Annex "B-2," whichever is applicable, for approval by the Local Chief Executive.

For personnel whose actual monthly salaries as of December 31, 2021 exceed the rates corresponding to Step 8 of the salary grade allocations of their positions in the salary schedule adopted by the LGU, the Administrative Officer [*Human Resource Management Officer*] shall no longer prepare NOSAs.

- 9.2 The NOSAs shall be issued to the personnel concerned, copy furnished the Government Service Insurance System (GSIS) if they are members thereof.
- 9.3 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.

10.0 Fund Source

- 10.1 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.
- 10.2 Such amounts shall be authorized through an appropriation ordinance to be enacted by the *Sangguniang Panlalawigan/Panlungsod/Bayan/Barangay*.

11.0 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 hereof without prejudice to the refund by the employees concerned of any excess or unauthorized payments.

12.0 Resolution of Cases



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

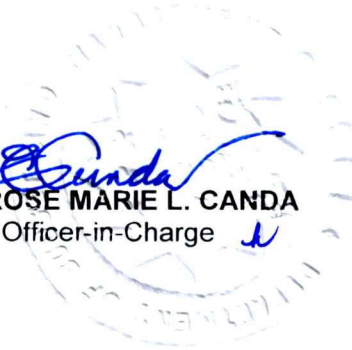
13.0 Effectivity of Salary Increase

The Third Tranche of the Modified Salary Schedule authorized for LGU personnel may be implemented not earlier than January 1, 2022, subject to the authorization from their respective *Sanggunian*.

14.0 Effectivity

This Circular shall take effect on January 1, 2022.


TINA ROSE MARIE L. CANDAL
Officer-in-Charge 



ANNEX "A-1"

Third Tranche Monthly Salary Schedule for Local Government Personnel In Special Cities and First Class Provinces and Cities Effective Not Earlier Than January 1, 2022 (In Pesos)

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
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	50,574	51,325	52,088	52,864	53,652	54,454	55,268
20	55,799	56,633	57,482	58,344	59,221	60,112	61,017	61,937
21	62,449	63,392	64,351	65,325	66,316	67,322	68,345	69,385
22	69,963	71,029	72,113	73,214	74,333	75,471	76,627	77,801
23	78,455	79,659	80,884	82,133	83,474	84,836	86,220	87,628
24	88,410	89,853	91,320	92,810	94,325	95,865	97,430	99,020
25	100,788	102,433	104,105	105,804	107,531	109,286	111,070	112,883
26	113,891	115,749	117,639	119,558	121,510	123,493	125,508	127,557
27	128,696	130,797	132,931	135,101	137,306	139,547	141,825	144,140
28	145,427	147,800	150,213	152,664	155,155	157,689	160,262	162,877
29	164,332	167,015	169,740	172,511	175,326	178,188	181,096	184,052
30	185,695	188,726	191,806	194,937	198,118	201,352	204,638	207,978

ANNEX "A-2"

Third Tranche Monthly Salary Schedule for Local Government Personnel In Second Class Provinces and Cities Effective Not Earlier Than January 1, 2022 (In Pesos)

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	11,891	11,990	12,092	12,192	12,294	12,397	12,501	12,605
2	12,640	12,736	12,834	12,932	13,032	13,132	13,233	13,333
3	13,419	13,522	13,626	13,731	13,837	13,942	14,051	14,158
4	14,243	14,354	14,463	14,574	14,686	14,798	14,913	15,027
5	15,114	15,230	15,347	15,465	15,584	15,704	15,824	15,945
6	16,033	16,157	16,280	16,406	16,532	16,658	16,787	16,916
7	17,004	17,135	17,267	17,399	17,532	17,668	17,803	17,940
8	18,048	18,212	18,376	18,542	18,709	18,878	19,049	19,221
9	19,382	19,543	19,708	19,872	20,038	20,206	20,375	20,545
10	21,081	21,257	21,435	21,614	21,795	21,977	22,161	22,346
11	24,167	24,437	24,711	24,989	25,270	25,556	25,845	26,138
12	26,228	26,497	26,771	27,047	27,328	27,612	27,899	28,189
13	28,308	28,605	28,906	29,210	29,518	29,830	30,145	30,466
14	30,705	31,032	31,362	31,698	32,036	32,379	32,727	33,078
15	33,342	33,701	34,065	34,434	34,806	35,183	35,565	35,953
16	36,243	36,638	37,038	37,442	37,853	38,268	38,689	39,113
17	39,433	39,868	40,308	40,753	41,204	41,661	42,123	42,591
18	42,943	43,421	43,905	44,394	44,891	45,394	45,902	46,417
19	47,343	48,045	48,759	49,484	50,221	50,969	51,731	52,505
20	53,009	53,801	54,608	55,427	56,260	57,106	57,966	58,840
21	59,327	60,222	61,133	62,059	63,000	63,956	64,928	65,916
22	66,465	67,478	68,507	69,553	70,616	71,697	72,796	73,911
23	74,532	75,676	76,840	78,026	79,300	80,594	81,909	83,247
24	83,990	85,360	86,754	88,170	89,609	91,072	92,559	94,069
25	95,749	97,311	98,900	100,514	102,154	103,822	105,517	107,239
26	108,196	109,962	111,757	113,580	115,435	117,318	119,233	121,179
27	122,261	124,257	126,284	128,346	130,441	132,570	134,734	136,933
28	138,156	140,410	142,702	145,031	147,397	149,805	152,249	154,733
29	156,115	158,664	161,253	163,885	166,560	169,279	172,041	174,849
30	176,410	179,290	182,216	185,190	188,212	191,284	194,406	197,579

ANNEX “A-3”

Third Tranche Monthly Salary Schedule for Local Government Personnel In Third Class Provinces and Cities and First Class Municipalities Effective Not Earlier Than January 1, 2022 (In Pesos)

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	11,265	11,359	11,455	11,551	11,647	11,744	11,843	11,941
2	11,975	12,065	12,158	12,252	12,346	12,441	12,536	12,632
3	12,713	12,811	12,909	13,009	13,109	13,208	13,311	13,413
4	13,494	13,598	13,702	13,807	13,913	14,019	14,128	14,236
5	14,318	14,429	14,540	14,651	14,764	14,877	14,991	15,106
6	15,189	15,306	15,423	15,542	15,662	15,782	15,903	16,025
7	16,109	16,233	16,358	16,484	16,610	16,738	16,866	16,996
8	17,098	17,253	17,409	17,566	17,725	17,885	18,047	18,210
9	18,362	18,515	18,671	18,826	18,984	19,142	19,302	19,463
10	19,971	20,138	20,307	20,477	20,648	20,821	20,994	21,170
11	22,895	23,151	23,411	23,674	23,940	24,211	24,485	24,763
12	24,847	25,103	25,362	25,624	25,889	26,159	26,430	26,706
13	26,818	27,100	27,384	27,672	27,965	28,260	28,559	28,862
14	29,089	29,399	29,712	30,029	30,350	30,675	31,004	31,337
15	31,587	31,928	32,272	32,621	32,974	33,332	33,693	34,061
16	34,335	34,709	35,088	35,472	35,861	36,254	36,653	37,055
17	37,357	37,769	38,186	38,608	39,036	39,469	39,906	40,350
18	40,683	41,135	41,594	42,058	42,529	43,005	43,486	43,974
19	44,852	45,517	46,193	46,879	47,578	48,287	49,009	49,741
20	50,219	50,970	51,734	52,510	53,299	54,101	54,915	55,743
21	56,204	57,053	57,916	58,793	59,684	60,590	61,511	62,447
22	62,967	63,926	64,902	65,893	66,900	67,924	68,964	70,021
23	70,610	71,693	72,796	73,920	75,127	76,352	77,598	78,865
24	79,569	80,868	82,188	83,529	84,893	86,279	87,687	89,118
25	90,709	92,190	93,695	95,224	96,778	98,357	99,963	101,595
26	102,502	104,174	105,875	107,602	109,359	111,144	112,957	114,801
27	115,826	117,717	119,638	121,591	123,575	125,592	127,643	129,726
28	130,884	133,020	135,192	137,398	139,640	141,920	144,236	146,589
29	147,899	150,314	152,766	155,260	157,793	160,369	162,986	165,647
30	167,126	169,853	172,625	175,443	178,306	181,217	184,174	187,180

ANNEX “A-4”

Third Tranche Monthly Salary Schedule for Local Government Personnel In Fourth Class Provinces and Cities and Second Class Municipalities Effective Not Earlier Than January 1, 2022 (In Pesos)

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	10,639	10,728	10,819	10,909	11,000	11,092	11,185	11,278
2	11,309	11,395	11,483	11,571	11,660	11,750	11,840	11,930
3	12,006	12,099	12,192	12,286	12,380	12,475	12,572	12,668
4	12,744	12,843	12,940	13,040	13,140	13,240	13,343	13,445
5	13,523	13,627	13,732	13,837	13,943	14,051	14,158	14,266
6	14,345	14,456	14,566	14,679	14,792	14,905	15,020	15,135
7	15,214	15,331	15,450	15,568	15,687	15,808	15,929	16,051
8	16,148	16,295	16,442	16,590	16,740	16,891	17,044	17,198
9	17,342	17,486	17,633	17,780	17,929	18,079	18,230	18,382
10	18,862	19,020	19,179	19,339	19,501	19,664	19,828	19,994
11	21,623	21,865	22,110	22,358	22,610	22,866	23,124	23,387
12	23,467	23,708	23,953	24,200	24,451	24,705	24,962	25,222
13	25,328	25,594	25,863	26,135	26,411	26,690	26,972	27,259
14	27,473	27,765	28,061	28,361	28,664	28,971	29,282	29,596
15	29,832	30,154	30,479	30,809	31,142	31,480	31,821	32,168
16	32,428	32,781	33,139	33,501	33,868	34,240	34,616	34,996
17	35,282	35,671	36,065	36,463	36,867	37,276	37,689	38,108
18	38,423	38,850	39,284	39,721	40,166	40,616	41,070	41,531
19	42,360	42,988	43,626	44,275	44,934	45,604	46,286	46,978
20	47,429	48,138	48,860	49,592	50,338	51,095	51,864	52,646
21	53,082	53,883	54,698	55,526	56,369	57,224	58,093	58,977
22	59,469	60,375	61,296	62,232	63,183	64,150	65,133	66,131
23	66,687	67,710	68,751	69,813	70,953	72,111	73,287	74,484
24	75,149	76,375	77,622	78,889	80,176	81,485	82,816	84,167
25	85,670	87,068	88,489	89,933	91,401	92,893	94,410	95,951
26	96,807	98,387	99,993	101,624	103,284	104,969	106,682	108,423
27	109,392	111,177	112,991	114,836	116,710	118,615	120,551	122,519
28	123,613	125,630	127,681	129,764	131,882	134,036	136,223	138,445
29	139,682	141,963	144,279	146,634	149,027	151,460	153,932	156,444
30	157,841	160,417	163,035	165,696	168,400	171,149	173,942	176,781

ANNEX “A-5”

Third Tranche Monthly Salary Schedule for Local Government Personnel In Fifth Class Provinces and Cities and Third Class Municipalities Effective Not Earlier Than January 1, 2022 (In Pesos)

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	10,014	10,097	10,182	10,267	10,353	10,439	10,527	10,614
2	10,644	10,725	10,807	10,890	10,974	11,058	11,143	11,228
3	11,300	11,387	11,474	11,563	11,652	11,741	11,832	11,922
4	11,994	12,087	12,179	12,273	12,367	12,462	12,558	12,654
5	12,727	12,826	12,924	13,023	13,123	13,224	13,326	13,427
6	13,502	13,606	13,710	13,815	13,922	14,028	14,136	14,245
7	14,319	14,430	14,541	14,652	14,764	14,878	14,992	15,107
8	15,198	15,336	15,474	15,614	15,755	15,898	16,042	16,186
9	16,322	16,458	16,596	16,734	16,874	17,015	17,158	17,301
10	17,752	17,901	18,050	18,202	18,354	18,507	18,662	18,818
11	20,351	20,578	20,810	21,043	21,280	21,521	21,764	22,011
12	22,086	22,314	22,544	22,777	23,013	23,252	23,494	23,738
13	23,838	24,089	24,342	24,598	24,858	25,120	25,386	25,655
14	25,857	26,132	26,410	26,693	26,978	27,266	27,559	27,855
15	28,078	28,380	28,686	28,997	29,310	29,628	29,950	30,276
16	30,520	30,853	31,190	31,530	31,876	32,226	32,580	32,938
17	33,206	33,573	33,943	34,318	34,698	35,083	35,472	35,866
18	36,162	36,565	36,973	37,385	37,803	38,226	38,654	39,088
19	39,868	40,459	41,060	41,670	42,291	42,922	43,563	44,214
20	44,639	45,306	45,986	46,675	47,377	48,090	48,814	49,550
21	49,959	50,714	51,481	52,260	53,053	53,858	54,676	55,508
22	55,970	56,823	57,690	58,571	59,466	60,377	61,302	62,241
23	62,764	63,727	64,707	65,706	66,779	67,869	68,976	70,102
24	70,728	71,882	73,056	74,248	75,460	76,692	77,944	79,216
25	80,630	81,946	83,284	84,643	86,025	87,429	88,856	90,306
26	91,113	92,599	94,111	95,646	97,208	98,794	100,406	102,046
27	102,957	104,638	106,345	108,081	109,845	111,638	113,460	115,312
28	116,342	118,240	120,170	122,131	124,124	126,151	128,210	130,302
29	131,466	133,612	135,792	138,009	140,261	142,550	144,877	147,242
30	148,556	150,981	153,445	155,950	158,494	161,082	163,710	166,382

ANNEX "A-6"

Third Tranche Monthly Salary Schedule for Local Government Personnel In Sixth Class Provinces and Cities and Fourth Class Municipalities Effective Not Earlier Than January 1, 2022 (In Pesos)

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	9,388	9,466	9,546	9,626	9,706	9,787	9,869	9,951
2	9,979	10,055	10,132	10,210	10,289	10,367	10,447	10,526
3	10,594	10,676	10,757	10,841	10,924	11,007	11,093	11,177
4	11,245	11,332	11,418	11,506	11,594	11,683	11,774	11,864
5	11,932	12,024	12,116	12,209	12,303	12,398	12,493	12,588
6	12,658	12,755	12,853	12,952	13,052	13,151	13,253	13,355
7	13,424	13,528	13,632	13,736	13,841	13,949	14,055	14,163
8	14,249	14,378	14,507	14,639	14,771	14,904	15,039	15,175
9	15,302	15,429	15,559	15,689	15,820	15,952	16,085	16,220
10	16,643	16,782	16,922	17,064	17,207	17,351	17,495	17,642
11	19,079	19,292	19,509	19,728	19,950	20,176	20,404	20,636
12	20,706	20,919	21,135	21,353	21,575	21,799	22,025	22,255
13	22,349	22,583	22,820	23,060	23,304	23,550	23,799	24,052
14	24,241	24,499	24,760	25,025	25,292	25,562	25,837	26,114
15	26,323	26,606	26,894	27,185	27,479	27,776	28,078	28,384
16	28,613	28,925	29,240	29,560	29,884	30,212	30,544	30,879
17	31,131	31,475	31,822	32,174	32,530	32,891	33,255	33,625
18	33,902	34,280	34,662	35,048	35,441	35,837	36,239	36,645
19	37,376	37,931	38,494	39,066	39,648	40,239	40,841	41,451
20	41,849	42,475	43,112	43,758	44,416	45,084	45,763	46,453
21	46,837	47,544	48,263	48,994	49,737	50,492	51,259	52,039
22	52,472	53,272	54,085	54,911	55,750	56,603	57,470	58,351
23	58,841	59,744	60,663	61,600	62,606	63,627	64,665	65,721
24	66,308	67,390	68,490	69,608	70,744	71,899	73,073	74,265
25	75,591	76,825	78,079	79,353	80,648	81,965	83,303	84,662
26	85,418	86,812	88,229	89,669	91,133	92,620	94,131	95,668
27	96,522	98,098	99,698	101,326	102,980	104,660	106,369	108,105
28	109,070	110,850	112,660	114,498	116,366	118,267	120,197	122,158
29	123,249	125,261	127,305	129,383	131,495	133,641	135,822	138,039
30	139,271	141,545	143,855	146,203	148,589	151,014	153,479	155,984

ANNEX “A-7”

Third Tranche Monthly Salary Schedule for Local Government Personnel In Fifth Class Municipalities Effective Not Earlier Than January 1, 2022 (In Pesos)

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	8,762	8,835	8,910	8,984	9,059	9,134	9,211	9,288
2	9,314	9,384	9,456	9,529	9,603	9,676	9,750	9,825
3	9,888	9,964	10,040	10,118	10,196	10,273	10,353	10,432
4	10,495	10,576	10,657	10,739	10,821	10,904	10,989	11,073
5	11,136	11,222	11,309	11,395	11,483	11,571	11,660	11,749
6	11,814	11,905	11,996	12,088	12,181	12,275	12,369	12,464
7	12,529	12,626	12,723	12,821	12,919	13,019	13,118	13,219
8	13,299	13,419	13,540	13,663	13,786	13,910	14,036	14,163
9	14,281	14,400	14,522	14,643	14,765	14,888	15,013	15,138
10	15,533	15,663	15,794	15,926	16,059	16,194	16,329	16,465
11	17,807	18,006	18,208	18,413	18,620	18,831	19,044	19,260
12	19,326	19,524	19,726	19,930	20,136	20,346	20,557	20,771
13	20,859	21,078	21,299	21,523	21,750	21,980	22,212	22,448
14	22,625	22,866	23,109	23,356	23,605	23,858	24,114	24,373
15	24,568	24,833	25,101	25,372	25,647	25,925	26,206	26,492
16	26,705	26,996	27,291	27,589	27,892	28,197	28,508	28,820
17	29,056	29,376	29,700	30,029	30,361	30,698	31,038	31,383
18	31,642	31,994	32,351	32,712	33,078	33,448	33,823	34,202
19	34,885	35,402	35,928	36,462	37,005	37,556	38,118	38,688
20	39,059	39,643	40,237	40,841	41,455	42,078	42,712	43,356
21	43,714	44,374	45,046	45,728	46,421	47,125	47,842	48,570
22	48,974	49,720	50,479	51,250	52,033	52,830	53,639	54,461
23	54,919	55,761	56,619	57,493	58,432	59,385	60,354	61,340
24	61,887	62,897	63,924	64,967	66,028	67,106	68,201	69,314
25	70,552	71,703	72,874	74,063	75,272	76,500	77,749	79,018
26	79,724	81,024	82,347	83,691	85,057	86,445	87,856	89,290
27	90,087	91,558	93,052	94,571	96,114	97,683	99,278	100,898
28	101,799	103,460	105,149	106,865	108,609	110,382	112,183	114,014
29	115,032	116,911	118,818	120,758	122,728	124,732	126,767	128,836
30	129,987	132,108	134,264	136,456	138,683	140,946	143,247	145,585

ANNEX “A-8”

Third Tranche Monthly Salary Schedule for Local Government Personnel In Sixth Class Municipalities Effective Not Earlier Than January 1, 2022 (In Pesos)

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	8,136	8,204	8,273	8,342	8,412	8,482	8,553	8,624
2	8,648	8,714	8,781	8,848	8,917	8,985	9,054	9,123
3	9,181	9,252	9,323	9,395	9,467	9,539	9,614	9,687
4	9,745	9,821	9,896	9,972	10,048	10,125	10,204	10,282
5	10,341	10,421	10,501	10,581	10,663	10,745	10,827	10,910
6	10,970	11,055	11,139	11,225	11,311	11,398	11,486	11,574
7	11,634	11,724	11,814	11,905	11,996	12,089	12,181	12,275
8	12,349	12,461	12,573	12,687	12,801	12,917	13,034	13,151
9	13,261	13,372	13,484	13,597	13,710	13,825	13,941	14,057
10	14,424	14,544	14,666	14,789	14,912	15,037	15,163	15,289
11	16,535	16,720	16,908	17,098	17,290	17,486	17,683	17,884
12	17,945	18,130	18,317	18,506	18,698	18,892	19,089	19,287
13	19,369	19,572	19,778	19,986	20,197	20,410	20,626	20,845
14	21,009	21,232	21,458	21,688	21,919	22,154	22,392	22,632
15	22,813	23,059	23,308	23,560	23,815	24,073	24,334	24,599
16	24,798	25,068	25,342	25,618	25,899	26,183	26,471	26,762
17	26,980	27,278	27,579	27,884	28,192	28,505	28,821	29,141
18	29,382	29,709	30,040	30,375	30,715	31,059	31,407	31,759
19	32,393	32,873	33,361	33,857	34,362	34,874	35,395	35,924
20	36,269	36,811	37,363	37,924	38,494	39,073	39,661	40,259
21	40,592	41,205	41,828	42,461	43,105	43,759	44,424	45,100
22	45,476	46,169	46,873	47,589	48,316	49,056	49,808	50,571
23	50,996	51,778	52,575	53,386	54,258	55,143	56,043	56,958
24	57,467	58,404	59,358	60,327	61,311	62,312	63,330	64,363
25	65,512	66,581	67,668	68,773	69,895	71,036	72,196	73,374
26	74,029	75,237	76,465	77,713	78,982	80,270	81,580	82,912
27	83,652	85,018	86,405	87,816	89,249	90,706	92,186	93,691
28	94,528	96,070	97,638	99,232	100,851	102,498	104,170	105,870
29	106,816	108,560	110,331	112,132	113,962	115,822	117,712	119,634
30	120,702	122,672	124,674	126,709	128,777	130,879	133,015	135,186

ANNEX "B-1"

For Regular Positions

Notice of Salary Adjustment

Date: _____

_____:

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

1. Adjusted monthly basic salary effective January 1, 2022, under
the new Salary Schedule; SG ____, Step ____ P _____
2. Actual monthly basic salary as of December 31, 2021;
SG ____, Step ____ P _____
3. Monthly salary adjustment effective January 1, 2022 (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 Adjustment

Date: _____

_____:

Pursuant to Local 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, 2021;
SG ____ P _____
3. Monthly salary/daily wage adjustment
effective January 1, 2022 (1-2) P _____

It is understood that this salary/daily wage 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

Annex "C"

Illustrative Example

Rule: *If the actual monthly basic salary of an incumbent as of December 31, 2021 falls between steps of the salary grade allocation of the position 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 to be adopted by the LGU.

Scenario: An incumbent of Administrative Assistant III/Salary Grade (SG)-9 in a 1st class province will be transferred to another department in the Provincial Government due to the exigency of service, effective January 1, 2022. In his new post, he will be occupying the position of Administrative Assistant II, SG-8. Prior to his transfer, the incumbent is receiving a monthly salary of P19,593 (SG-9, step1).

His salary shall be adjusted to P19,694 (SG-08, Step 5) beginning January 1, 2022 since the actual salary (P19,593) of the incumbent as of December 31, 2021 falls between Step 4 (P19,518) and Step 5 (P19,694) of SG-08 of the Salary Schedule under Annex "A-1" hereof.

Position Title	Effectivity Date	Legal Basis	Authorized Salary (Step 1)	Actual Salary
Administrative Assistant III/SG-09	January 1, 2021	LBC No. 132	P19,593	P19,593
Administrative Assistant II/SG-08	January 1, 2022	RA No. 11466	P18,998	P19,694 (Adjusted Salary = SG-08, 5 th step)

Annex "D"

Illustrative Example

Rule: *If the actual monthly basic salary of an incumbent as of December 31, 2021 exceeds the rate for Step 8 of the salary grade allocation of the position as a result of demotion or transfer due to the exigency of service:*

The salary shall be adjusted to the rate for Step 8 of the same salary grade of the position in the salary schedule to be adopted by the LGU.

Scenario: An incumbent of Senior Administrative Assistant (SAA) I (*Data Controller IV*)/SG-13 of a 3rd class municipality was involuntarily demoted effective February 1, 2021 to Administrative Assistant (AA) VI (*Computer Operator III*)/SG-12 due to reorganization.

The incumbent gets to keep his salary of P23,640 (SG-13, Step 5) in his new position as AA VI.

Since the current actual salary of P23,640 exceeds the rate for SG-12, Step 8 (P22,494) in the salary schedule adopted in 2021, his salary shall be adjusted to P23,738 (SG-12, Step 8) not earlier than January 1, 2022 of the Salary Schedule under Annex "A-5" hereof.

Position Title	Effectivity Date	Legal Basis	Authorized Salary (Step 1)	Actual Salary
Senior Administrative Assistant I/SG-13	January 1, 2021	LBC No. 132	P22,621	P23,640 (SG-13, 5 th step)
Administrative Assistant VI/SG-12	February 1, 2021	Demotion due to the exigency of service	P20,842	P23,640
Administrative Assistant VI/SG-12	January 1, 2022	RA No. 11466	P22,086	P23,738 (Adjusted Salary = SG-12, 8 th step)

Annex "E"

Illustrative Example

Rule: *If the actual monthly basic salary of an incumbent as of December 31, 2021 exceeds the rate for Step 8 of the salary grade allocation of the position as a result of demotion or transfer due to the exigency of service:*

The incumbent shall not be entitled to salary increase if the salary as of December 31, 2021 exceeds the rate for Step 8 of the same salary grade in the salary schedule to be adopted by the LGU.

Scenario: An incumbent of Administrative Assistant III, SG-9 in a 2nd class municipality was transferred effective July 1, 2021 to a new office in the same LGU due to phasing out or abolition of his old office. His new position effective July 1, 2021 is Administrative Aide IV/ SG-4.

The employee's salary as Administrative Assistant III is P17,654 (SG-9, Step-8). He will continue to receive his salary of P17,654 for 2021 due to involuntary demotion.

The incumbent is no longer be entitled to salary increase since his present actual salary (P17,654) is already higher than the rate provided for SG-4, Step 8 (P13,445) of the Salary Schedule under Annex "A-4" hereof.

Position Title	Effectivity Date	Legal Basis	Authorized Salary (Step 1)	Actual Salary
Administrative Assistant III/SG-9	January 1, 2021	LBC No. 132	P16,654	P17,654
Administrative Aide IV/SG-4	July 1, 2021	Transfer and involuntary demotion	P12,240	P17,654
Administrative Aide IV/SG-4	January 1, 2022	RA No. 11466	P12,744	P17,654 (Exceeds Step 8 of SG-4)