



# *Updates on Compensation and Allowances in the Government*

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**Organization, Position Classification and Compensation Bureau**  
**Department of Budget and Management**



# Constitutional Provision on Compensation Standardization

## *1987 Philippine Constitution Section 5, Article IX-B*


*"Section 5. The Congress shall provide for the standardization of compensation of government officials and employees, including those in government-owned or controlled corporations with original charters, taking into account the nature of the responsibilities pertaining to and the qualifications required for their positions."*

# Salary Increase since 1989

<b>SSL 1</b>	<b>Republic Act (RA) No. 6758, s. 1989</b>
<b>SSL 2</b>	<b>Congress Joint Resolution (JR) No. 1, s. 1994</b> - Implementation in 1994-1997
<b>2001</b>	<b>5% Salary increase</b>
<b>2007</b>	<b>10% Salary increase</b>
<b>2008</b>	<b>10% Salary increase</b>
<b>SSL 3</b>	<b>Congress JR No. 4, s. 2009</b> - Implementation in 2009-2012
<b>SSL 4</b>	<b>Executive Order (EO) No. 201, s. 2016</b> - Implementation in 2016 - 2019
<b>SSL 5</b>	<b>RA No. 11466, s. 2020</b> - Implementation in 2020-2023
<b>SSL 6</b>	<b>EO No. 64, s. 2024</b> - Implementation in 2024-2028




## SSL Governing Principles

- All government personnel shall be paid just and equitable compensation in accordance with the principle of **equal pay for work equal value**. Differences in pay shall be based upon substantive differences in duties, responsibilities, accountabilities, and qualification requirements of the positions.
  - 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 civil servants.
  - The compensation for all civilian 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.
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## SSL Governing Principles

- A **performance-based incentive scheme** which integrates personnel and organizational performance shall be established to reward exemplary civil servants and well-performing organizations.
  - 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 the government.
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# Total Compensation Framework (TCF) under JR No. 4, s. 2009

Under the TCF, the total payment to an employee for services rendered shall be composed of the following:

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

The TCF **excluded** all indirect compensation under existing laws such as: life and retirement insurance benefits; employee compensation insurance; health insurance (PhilHealth); Pag-IBIG Funds benefits; and Provident Fund benefits.



# Salient Features of EO No. 64, s. 2024



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# What are the Compensation Adjustment Strategies under SSL VI?

The updated salary schedule under SSL VI conforms with the following:



Salaries must be competitive with the private sector



Value of government employee compensation is maintained over time



Differences in pay must be based on differences in duties and qualifications



Funding cost must be kept within the available fiscal space



# Who are covered under SSL VI?

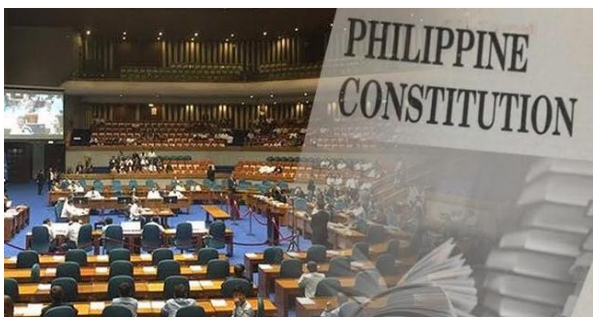
The updated Salary Schedule applies to **all civilian government personnel**, whether **regular, contractual or casual, appointive or elective**, and on **full-time or part-time basis** in the following:



**Executive,  
Legislative, and  
Judicial Branches**



**Government-Owned  
or -Controlled  
Corporations (GOCCs)  
not covered by RA  
No. 10149 and EO No.  
150**



**Constitutional  
Commissions and  
other Constitutional  
Offices**



**Local Government  
Units (LGUs)**

The salary increase authorized under EO No. 64 shall **not apply** to:



**Military and Uniformed Personnel**



**Government agencies that are exempt 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



**GOCCs under RA No. 10149 and EO No. 150**, which shall be covered by a CPCS established by the Governance Commission for GOCCs and approved by the President of the Philippines



**Individuals engaged without employer-employee relationship and funded from non-Personnel Services (PS) appropriations/budgets** such as contract of service/job order workers and consultants

# When will SSL VI be implemented for NGAs?

**For NGAs:**

The updated Salary Schedule shall be **implemented in four (4) tranches**, as follows:

**First tranche beginning on January 1, 2024**

**Second tranche beginning on January 1, 2025**

**Third tranche beginning on January 1, 2026**

**Fourth tranche beginning on January 1, 2027**

# When will SSL VI be implemented for NGAs?

For covered GOCCs and LGUs:

- The implementation period shall **not be less than four (4) years**, depending on their financial capabilities, provided, that each tranche shall start no earlier than the aforementioned dates for NGAs.
- GOCCs and LGUs which **do not have adequate or sufficient funds shall partially implement the Salary Schedule** authorized herein. In case of partial implementation, the same shall be at a uniform percentage across all positions for every GOCC/LGU.

# What is the average salary increase for Tranche 1 under SSL VI?

Population Category	SSL V Tranche (RA No. 11466)		SSL VI Tranche 1	
	Average (%) Increase	Market Share as a result of 2024 Study	Average (%) Increase	Market Share
<b>Sub-Professional</b> (SG-1 to SG-10)	4.3%	95.3%	4.20%	98.78%
<b>Professional</b> (SG-11 to SG-24)	4%	81.0%	4.88%	86.60%
<b>Managerial</b> (SG-25 to SG-28)	2%	71.3%	4.34%	76.53%
<b>Executives</b> (SG-29 to SG-31)	2%	35.0%	3.42%	35.92%
<b>Top Leaders</b> (SG-32 to SG-33)	2%	42.0%	2.38%	44.25%
<b>AVERAGE</b> (SG-1 to SG-31)	3.6%	79.29%	4.41%	84.33%
<b>AVERAGE</b> (SG-1 to SG-33)	3.5%	78.00%	4.33%	83.07%

- ✓ Average salary increase at 4.41%
- ✓ Highly Competitive Salaries for Sub-Professional category
- ✓ Retroactive implementation of first tranche effective January 1, 2024

# What is the average salary increase for all tranches? How does it differ from SSL V?

Population Category	Average (%) Increase of SSL	
	SSL IV vs. SSL V (Duterte Administration)	SSL V vs. SSL VI (PBBM Administration)
<b>Sub-Professional</b> (SG-1 to SG-10)	18.2%	17.6%
<b>Professional</b> (SG-11 to SG-24)	16.8%	19.9%
<b>Managerial</b> (SG-25 to SG-28)	8.0%	17.5%
<b>Executives</b> (SG-29 to SG-31)	8.0%	13.6%
<b>Top Leaders</b> (SG-32 to SG-33)	8.0%	9.5%
<b>AVERAGE</b> (SG-1 to SG-31)	<b>15.2%</b>	<b>18.2%</b>
<b>AVERAGE</b> (SG-1 to SG-33)	<b>14.8%</b>	<b>17.9%</b>

- ✓ Average salary increase from all tranches at 18.2%
- ✓ Prioritized salary increase for SG 1–28
- ✓ Salaries will remain competitive until Tranche 4

# How will the Salary Adjustment apply for Personnel of LGUs?

The updated Salary Schedule may likewise be granted to personnel of LGUs, subject to the following:



**Authorization from their respective Sanggunian** as provided under Sections 447(a), 458(a), and 468(a) of RA No. 7160 or the "Local Government Code of 1991", as amended



**Compliance with the PS limitation in the LGU budget** under Sections 325 and 331 of RA No. 7160

# How will the Salary Adjustment apply for Personnel of LGUs?

The rates of pay in LGUs, which shall be determined on the basis of the **class and financial capability** of each LGU, shall be at the following percentages of the rates in 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%

Note: Subject to any modification that will be made pursuant to RA No. 11964 or the "Automatic Income Classification of Local Government Units Act," and its Implementing Rules and Regulations (IRR).

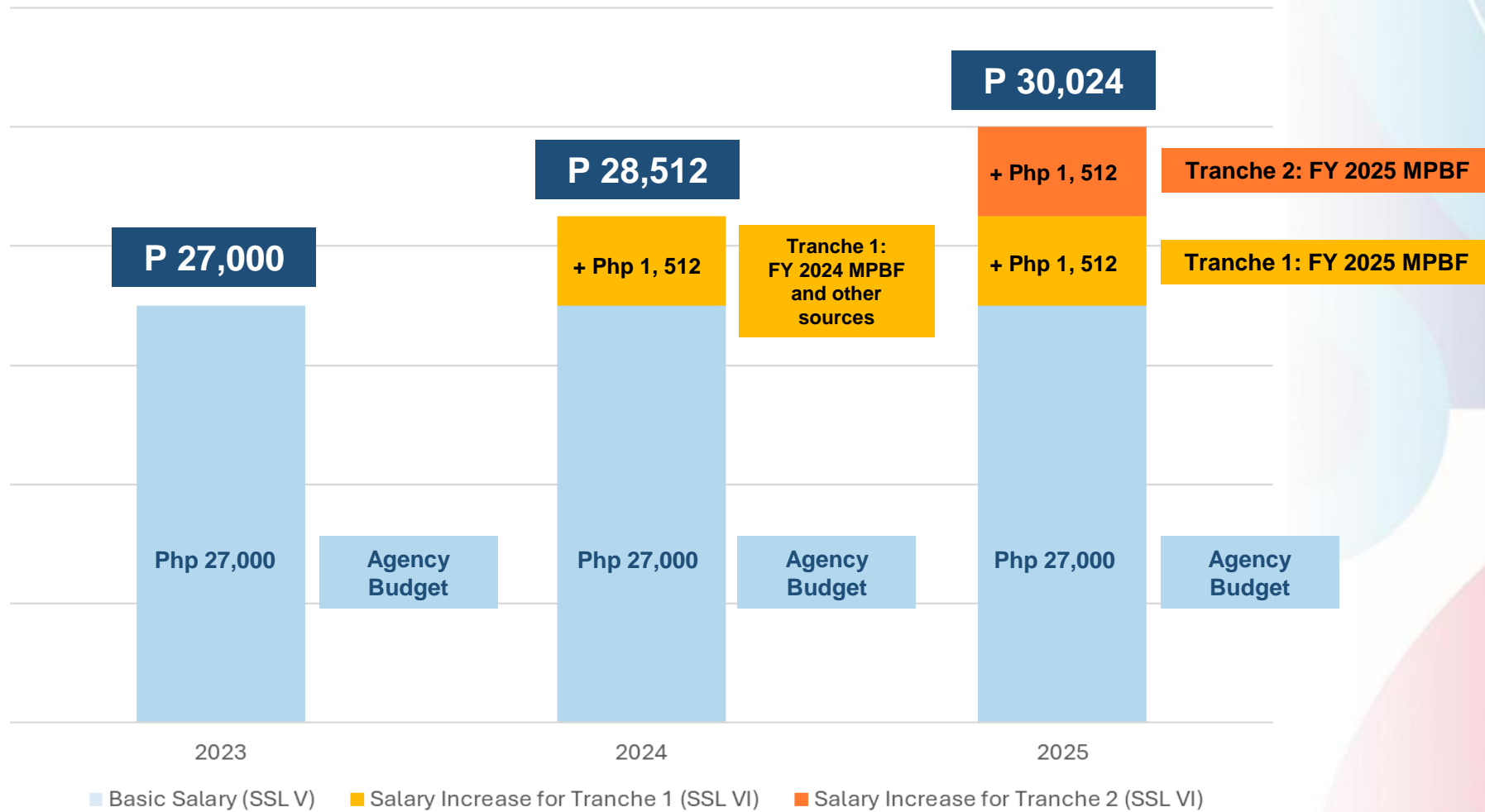




# Updated Salary Rates for Select Positions



# How much is the Salary Increase for Teacher I (SG-11) for Tranche 1 and 2?



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# How much is the Salary Increase for Teacher I (SG-11) in all tranches?

**Salary Grade: 11 (Step 1)**  
**Sample Position: Teacher I**

2024 (1 <sup>st</sup> Tranche)			2025 (2 <sup>nd</sup> Tranche)			2026 (3 <sup>rd</sup> Tranche)			2027 (4 <sup>th</sup> Tranche)		
Salary	Increase (P)	%	Salary	Increase (P)	%	Salary	Increase (P)	%	Salary	Increase (P)	%
28,512	1,512	5.60%	30,024	1,512	5.30%	31,705	1,681	5.60%	33,387	1,682	5.30%

# How much is the Salary Increase for Nurse I (SG-15) in all tranches?

**Salary Grade: 15 (Step 1)**  
**Sample Position: Nurse I**

2024 (1 <sup>st</sup> Tranche)			2025 (2 <sup>nd</sup> Tranche)			2026 (3 <sup>rd</sup> Tranche)			2027 (4 <sup>th</sup> Tranche)		
Salary	Increase (P)	%	Salary	Increase (P)	%	Salary	Increase (P)	%	Salary	Increase (P)	%
38,413	1,794	4.90%	40,208	1,795	4.67%	42,178	1,970	4.90%	44,148	1,970	4.67%



# Updates on Standard Allowances and Benefits



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Department of Budget and Management

# Standard Allowances and Benefits

These are allowances and benefits given to all employees across agencies at prescribed rates, guidelines, rules and regulations.

- 1. PERA**
- 2. Uniform/Clothing Allowance**
- 3. Year-End Bonus**
- 4. Cash Gift**
- 5. Medical Allowance**



# Updates on Personnel Economic Relief Allowance



# Personnel Economic Relief Allowance (PERA)

Under the Total Compensation Framework (TCF), as stipulated in **Congress Joint Resolution (JR) No. 41 , s. 2009**, the **PERA** is among the standard allowances and benefits being given to all employees across agencies to **supplement pay** due to the rising cost of living.

At present, the following personnel are receiving PERA at the rate of P2,000 per month:

- Civilian government personnel, occupying regular, contractual, or casual positions; appointive or elective, rendering services on full-time or parttime basis; and whose positions are covered by Republic Act (RA) No. 67582 , as amended; and
- Military and uniformed personnel (MUP).





# Updates on Uniform/Clothing Allowance (U/CA)

BC No. 2024-1 dated April 4, 2024



## Uniform/Clothing Allowance (U/CA)

Section 57 of the General Provisions of the FY 2025 GAA authorizes the payment of U/CA not exceeding **Seven Thousand Pesos (₱7,000) per annum for each qualified government employee**, subject to the guidelines, rules, and regulations issued by the DBM.

Corollary, DBM issued **Budget Circular (BC) No. 2024-1** to prescribe the updated rules and regulations on the grant of the U/CA to civilian personnel.

### Rates of the U/CA

- For FY 2025, **not to exceed ₱7,000 per annum** for full-time service of personnel;
- For part-time service, shall be in direct proportion to the U/CA for full-time service.



# Uniform/Clothing Allowance (U/CA)

## Forms and Other Details of the U/CA

- The U/CA may be granted in the form of: (a) **uniforms** procured through a bidding process; (b) **textile** materials and cash to cover sewing/tailoring; and (c) **cash** form for incumbents of executive positions or for those who will procure their individual uniforms according to set conditions.
- As far as practicable, such uniform/clothing shall use Philippine tropical fibers pursuant to R.A. No. 9242. Shoes shall be on the personal accounts of officials/employees, unless provided by law.

# Uniform/Clothing Allowance (U/CA)

- Generally, the full rates of the U/CA for full-time and part-time service **shall be granted to those who are already in government service and are able to render services for at least six (6) months** in a particular fiscal year, including leaves of absence with pay
- The 6-month service requirement does not apply to those who are required to wear uniforms at all times while performing their duties such as security guard, Special Police, allied and medical staff in hospitals, and others in similar situations
- A newly hired employee may qualify for the grant of the U/CA after rendering six (6) months of service.



# Updates on Year-End Bonus and Cash Gift

DBM BC No. 2024-3 dated October 20, 2024



# Year-End Bonus (YEB) and Cash Gift (CG)

DBM **Budget Circular (BC) No. 2016-4** dated April 28, 2016 was issued to provide the policy and procedural guidelines on the grant of the YEB and CG to government personnel for FY 2016 and years thereafter.

Pursuant to **Item 6.1** of said DBM BC, the YEB and the CG of ₱5,000 are given to entitled personnel, subject to the following conditions:

- Personnel has rendered at least a total or an aggregate of four (4) months of service from January 1 to October 31 of the current year; and
- Personnel remains to be in the government service as of October 31 of the same year

# Update on the Guidelines for the Grant of Year-End Bonus (YEB) and Cash Gift (CG)

**DBM BC 2024-3 amended Section 6.1 of DBM BC 2016-4, to provide that the year-end bonus, equivalent to one month's basic pay as of October 31, and the cash gift of P5,000, shall be given simultaneously with the first agency payroll for November of the current year.**

This amendment ensures timely and efficient distribution of these benefits to eligible government employees.



# Grant of Medical Allowance

## EO No. 64, s. 2024 dated August 2, 2024





# Medical Allowance

- **Section 7 of EO No. 64, s. 2024** provides that beginning **FY 2025**, a **Medical Allowance in an amount not exceeding P7,000 per annum** shall be granted to qualified government civilian personnel as a subsidy for the availment of health maintenance organization-type benefits.
- The Medical Allowance shall be categorized under the **Standard Allowances and Benefits component** of the Total Compensation Framework embodied in JR. No. 4 and RA No. 11466.
- The grant of the Medical Allowance shall be subject to the conditions and implementing guidelines **to be issued** by the DBM or the GCG, as the case may be.

# DBM Budget Circular No. 2024-6



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

**BUDGET CIRCULAR**

No. 2024 - 6  
December 12, 2024

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

**SUBJECT :** Rules and Regulations on the Grant of Medical Allowance to Civilian Government Personnel



# Salient Features of DBM BC No. 2024-6

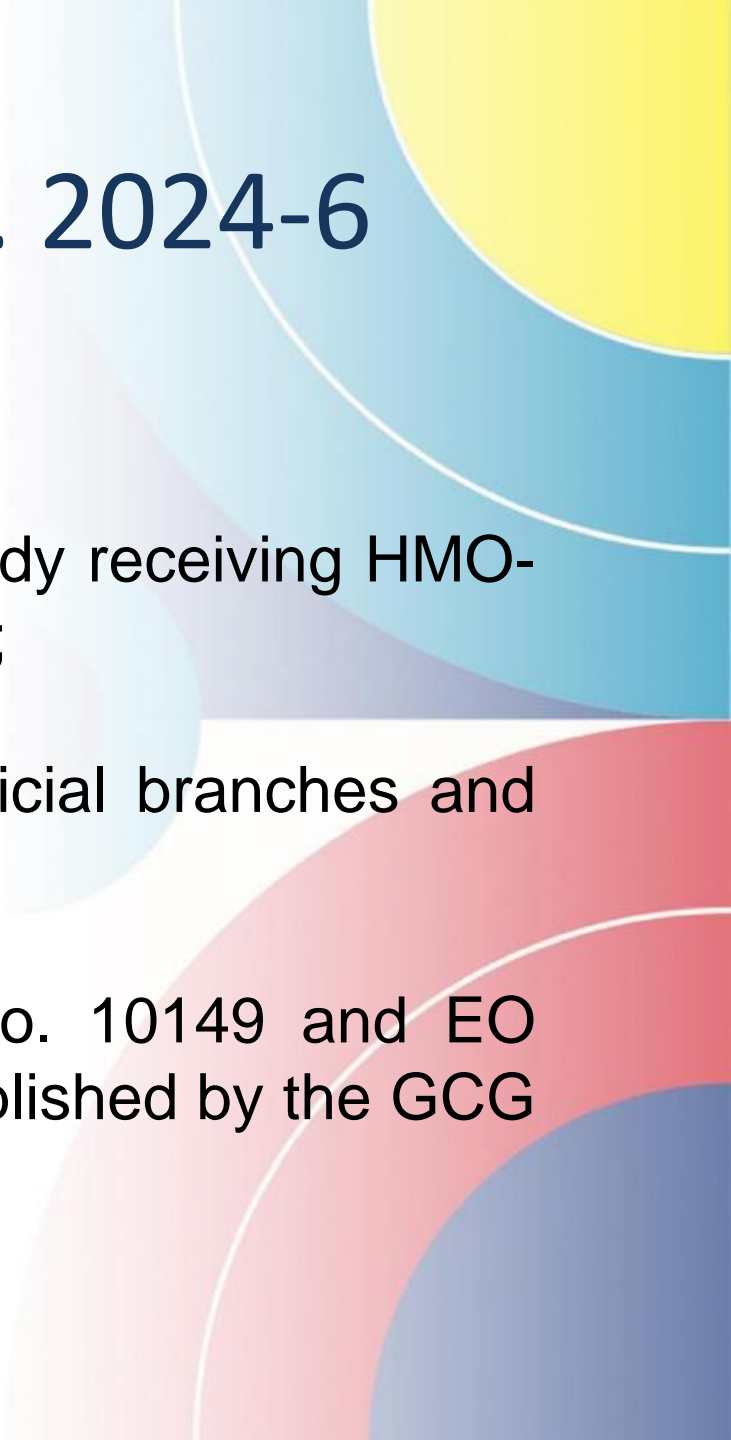
## ■ Coverage

- The Circular applies to all civilian government personnel in the national government agencies (NGAs), including State Universities and Colleges (SUCs), and Government-owned or –controlled corporations (GOCCs) not covered by RA No. 10149 and EO No. 150, s. 2021, regardless of appointment status, whether regular, casual, or contractual; appointive or elective; and on full-time or part-time basis.



# Salient Features of DBM BC No. 2024-6

## ▪ Exclusions

- Government officials and employees who are already receiving HMO-based health care services by virtue of special laws;
  - Officials and employees in the legislative and judicial branches and other offices vested with fiscal autonomy;
  - Officials and employees in GOCCs under RA No. 10149 and EO No. 150, which shall be covered by the CPCS established by the GCG and approved by the President;
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# Salient Features of DBM BC No. 2024-6

## ■ Exclusions

- Military and uniformed personnel;
- Those hired without employer-employee relationships and funded from non-Personnel Services (PS) appropriations/budgets, as follows:
  - Consultants and experts hired for a limited period to perform specific activities or services with expected outputs;
  - Laborers hired through job contracts (*Pakyaw*) and those paid on piecework bases;
  - Student laborers and apprentices; and
  - Individuals and groups of people whose services are engaged through job orders, contract of service, or others similarly situated.



# Salient Features of DBM BC No. 2024-6

## ▪ Rates of the Medical Allowance

- For FY 2025, the Medical Allowance for full-time service of government personnel shall not exceed **P7,000 per annum**.

For each subsequent year, the Medical Allowance shall not exceed the amount authorized under the pertinent general provisions in the annual General Appropriations Act.

- The Medical Allowance per annum for part-time service shall be in direct proportion to the Medical Allowance for full-time service.



# Salient Features of DBM BC No. 2024-6

- **Forms and Other Details of the Medical Allowance**

- The Medical Allowance may be granted in the following forms:

- **In the form of HMO-type product coverage** – Agencies or Employees' Organization may avail said HMO-type product coverage for the employees

Such arrangement, however, is without prejudice to the preference of employees to opt out from such group purchase, and individually avail of another HMO product.

- **In cash form** for those who will **(i) avail their own or (ii) pay/renew their existing HMO-type benefit.**



# Salient Features of DBM BC No. 2024-6

- **Forms and Other Details of the Medical Allowance**
  - The Medical Allowance may be granted in the following forms:
    - **In cash form** for those who paid their medical expenses, such as but not limited to hospitalization, emergency care, diagnostic tests, and medicines, due to the difficulty in acquiring HMO-product in view of the following:
      - Their localities/communities are identified as **Geographically Isolated and Disadvantaged Areas (GIDAs)**, as certified by the head of agency;
      - Their localities have **no adequate HMO branch or office of a licensed HMO company**, as certified by the head of agency; or
      - **Application of the personnel concerned in acquiring HMO coverage has been denied by an HMO company.**





# Salient Features of DBM BC No. 2024-6

- **Forms and Other Details of the Medical Allowance**

- In case an employee opts to continue his/her existing HMO product, the Medical Allowance shall be spent thereto provided that **it will cover the fiscal year, in whole or in part, when the allowance was granted.**
- In case where the HMO-type product is availed below the rate of P7,000 Medical Allowance, the government employee **shall not be obligated to refund the excess amount to the government.**

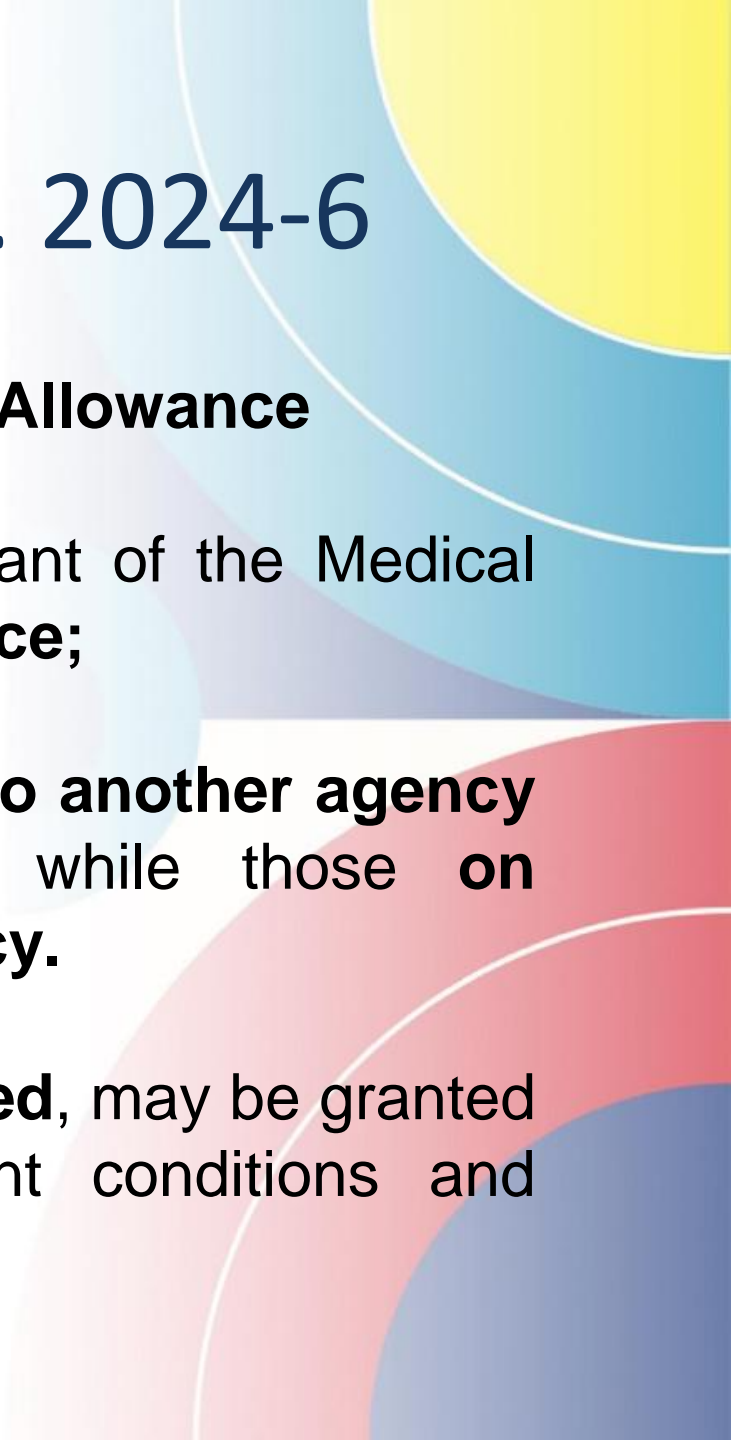


# Salient Features of DBM BC No. 2024-6

- **Conditions and Guidelines on the Grant of Medical Allowance**
  - The civilian personnel are **occupying regular, contractual, or casual positions.**
  - The personnel are **already in the government service and are to render services for at least a total or an aggregate of six (6) months of service in a particular fiscal year**, including leaves of absence with pay, as well as those services rendered under any of the alternative work arrangements prescribed by the Civil Service Commission.



# Salient Features of DBM BC No. 2024-6

- **Conditions and Guidelines on the Grant of Medical Allowance**
    - A **newly-hired employee may qualify** for the grant of the Medical Allowance **after rendering six (6) months of service;**
    - The Medical Allowance of an employee **on detail to another agency shall be granted by the mother agency,** while those **on secondment shall be paid by the recipient agency.**
    - A **compulsory retiree,** whose services are **extended,** may be granted the Medical Allowance, subject to the pertinent conditions and guidelines under the Circular.
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# Salient Features of DBM BC No. 2024-6

- **Conditions and Guidelines on the Grant of Medical Allowance**
  - **For transferred personnel:**
    - An employee who transferred to another agency and was not granted Medical Allowance by the former agency shall be granted Medical Allowance by the new agency, subject to the submission of a certification to the effect.
    - An employee who transferred to another agency within the year but was earlier granted Medical Allowance by the previous agency shall no longer be granted Medical Allowance by the new agency.



# Salient Features of DBM BC No. 2024-6

- **Conditions and Guidelines on the Grant of Medical Allowance**
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    - An employee who transferred to another agency within the year but was earlier granted Medical Allowance by the previous agency shall no longer be granted Medical Allowance by the new agency.



# Salient Features of DBM BC No. 2024-6

- **Conditions and Guidelines on the Grant of Medical Allowance**

- Those found guilty shall not be entitled to Medical Allowance in the year of finality of the decision.

The personnel shall refund the Medical Allowance received for that year.

- If the penalty imposed is only a reprimand, the personnel concerned shall be entitled to Medical Allowance.



# Salient Features of DBM BC No. 2024-6

- **Conditions and Guidelines on the Grant of Medical Allowance**
  - An employee on study leave or on study/training/scholarship grant, whether locally or abroad, shall be entitled to the grant of Medical Allowance for the year if he/she renders at least six (6) months of service in the same year, including leave of absence with pay, prior to and/or after the study leave or study/training/scholarship grant.
  - If the employee is on study/training/scholarship grant for the entire year, whether locally or abroad, he/she is not entitled to the Medical Allowance.



# Salient Features of DBM BC No. 2024-6

- **Conditions and Guidelines on the Grant of Medical Allowance**
  - Pursuant to Revenue Memorandum Circular No. 107-2024 of the Department of Finance-Bureau of Internal Revenue, the Medical Allowance falls under the “de minimis” benefit.

Thus, the Medical Allowance and/or the actual premium paid to HMO providers in compliance with EO No. 64, s. 2024 **is exempt from income tax and withholding tax.**





# Salient Features of DBM BC No. 2024-6


## ▪ Reportorial Requirements

- All government personnel, who have been provided with Medical Allowance, shall submit a proof of enrollment with an HMO provider, such as but not limited to (i) certified copy of the HMO agreement or identification card issued by the HMO provider, (ii) certification of membership issued by the HMO provider, or (iii) official receipt for the payment of membership fee for the HMO product acquired.
- In case the Medical Allowance is granted in cash form for medical expenses under Item 7.1.3, the personnel shall submit documents to support the use of the Allowance for medical expenses, e.g. receipts of the medical services undertaken, subject to the internal guidelines to be issued by the agency concerned.



# Salient Features of DBM BC No. 2024-6

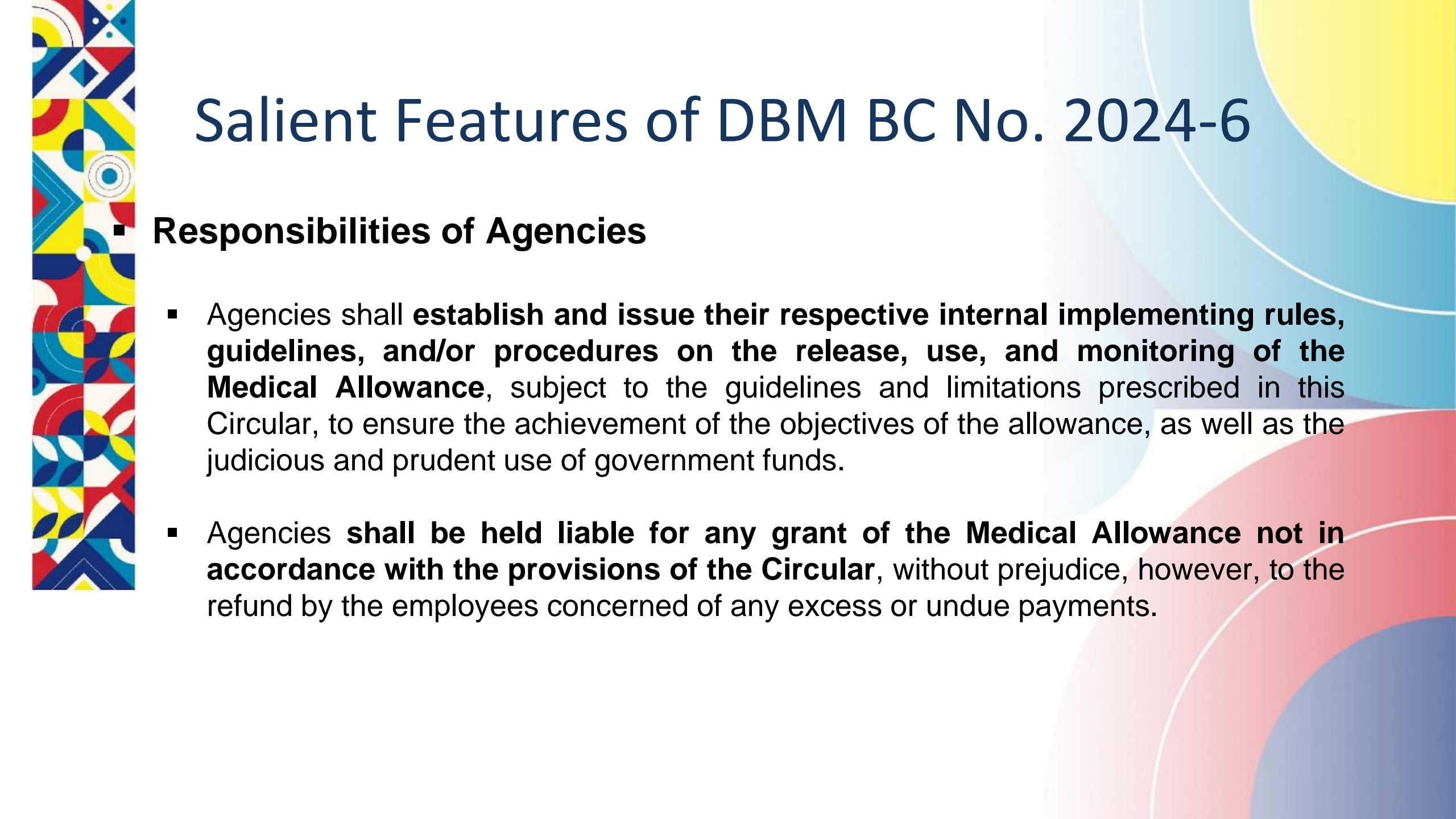
- **Reportorial Requirements**

- Each government agency shall submit to the DBM Offices concerned not later than one (1) month after every fiscal year, the annual report on the grant of the Medical Allowance by following the template in Annex A.
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# Salient Features of DBM BC No. 2024-6

## ▪ Responsibilities of Agencies

- Agencies shall **establish and issue their respective internal implementing rules, guidelines, and/or procedures on the release, use, and monitoring of the Medical Allowance**, subject to the guidelines and limitations prescribed in this Circular, to ensure the achievement of the objectives of the allowance, as well as the judicious and prudent use of government funds.
  - Agencies **shall be held liable for any grant of the Medical Allowance not in accordance with the provisions of the Circular**, without prejudice, however, to the refund by the employees concerned of any excess or undue payments.
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# Examples of HMO Benefits

Coverage	Cebuana Lhuillier Insurance Brokers – Cebuana HealthMax (P3,000)	Maxicare – E Ready Advance (P4,999)	PhilHealthCare, Inc. –Vantage Plus 60 Adults (P5,950)
<b>Maximum Benefit Limit</b>	150,000	50,000	60,000
<b>Note</b>	Viral or Bacterial Illness/Accident Injuries	One-Time	Multiple Use
<b>Eligibility</b>	18-65 years old	18-65 years old	18-65 years old
<b>Out-Patient Care</b>	✓ (subject to limitations)	✓	✓ (subject to limitations)
<b>In-Patient Care</b>	✓ (subject to limitations)	✓	✓ (subject to limitations)
<b>Special Diagnostic/Therapeutic Procedures</b>	No info	✓	✓ (subject to limitations)
<b>Annual Physical Examination</b>	No info	Unlimited Consultations	X
<b>Emergency Care</b>	✓ (subject to limitations)	✓	✓ (subject to limitations)

# Examples of HMO Benefits

Coverage	GetWell Health Systems Inc. (P4,068 – Private)	Forticare Health Systems International – Fortiplex Plus (P5,312 – Ward)	Kaiser International Health Group Inc. – Health Care Plan for 50-99 members (P6,628 – ward)
<b>Maximum Benefit Limit (MBL)</b>	40,000	100,000	65,000
<b>Note</b>	With Pre-existing conditions coverage	Without Pre-existing conditions coverage	Enrollment Fee for 50-99 Members
<b>Eligibility</b>	18-65 years old	18-65 years old	18-65 years old
<b>Out-Patient Care</b>	✓ (subject to MBL)	✓	✓
<b>In-Patient Care</b>	✓ (subject to MBL)	✓ (subject to MBL)	✓ (subject to MBL)
<b>Special Diagnostic/Therapeutic Procedures</b>	✓ (subject to MBL)	✓ (subject to MBL)	✓ (subject to MBL and other limitations)
<b>Annual Physical Examination</b>	✓	✓	✓
<b>Emergency Care</b>	✓ (subject to MBL)	✓ (subject to MBL)	✓ (subject to limitations)

# Examples of HMO Benefits

Coverage	Kaiser International Health Group Inc. – Health Care Plan for 100-299 members (P6,401 – ward)	Medicaid Philippines Inc., - Comprehensive Health Care Package (P8454 – Ward)	Pacific Cross Health Care Inc., - BC Flexi Access (P19,438 – Semi-Private)
<b>Maximum Benefit Limit (MBL)</b>	65,000	60,000	75,000
<b>Note</b>	Enrollment Fee for 100-299 Members	Enrollment Fee for initial enrollment of 50 Members	Enrollment Fee for initial enrollment of 100 Members
<b>Eligibility</b>	18-65 years old	18-65 years old	18-65 years old
<b>Out-Patient Care</b>	✓	✓ (subject to MBL)	✓ (subject to MBL)
<b>In-Patient Care</b>	✓ (subject to MBL)	✓ (subject to MBL)	✓ (subject to MBL)
<b>Special Diagnostic/Therapeutic Procedures</b>	✓ (subject to MBL)	✓ (subject to MBL)	✓ (subject to MBL)
<b>Annual Physical Examination</b>	✓	✓ (subject to MBL)	✓
<b>Emergency Care</b>	✓ (subject to MBL)	✓ (subject to MBL)	✓ (subject to MBL)



# Updates on Specific-Purpose Allowances and Benefits



Republic of the Philippines  
Department of Budget and Management

# Standard Allowances and Benefits

Given to employees across agencies under specific conditions and situations related to actual performance of work, at prescribed rates and guidelines.

1. **RATA**
2. Per Diem
3. **Honoraria**
4. **Night Shift Differential Pay**
5. Overtime Pay
6. Non-Monetary Remuneration for Overtime Services
7. Subsistence Allowance
8. Hazard Duty Pay
9. Special Counsel Allowance





# Updates on Representation and Travel Allowances (RATA)

NBC No. 593 dated May 3, 2024



# NATIONAL BUDGET CIRCULAR (NBC) NO. 593 DATED MAY 3, 2024

## Updated Rules and Regulations on the Grant of Representation and Transportation Allowances (RATA) for FY 2024 and Years Thereafter

Officials/Employees	Monthly RA or TA (In Pesos)	RATA Code
Department Secretaries and those of equivalent ranks	15,500	RT1
Department Undersecretaries and those of equivalent ranks	12,500	RT2
Department Assistant Secretaries and those of equivalent ranks	11,500	RT3
Bureau Directors, Department Regional Directors, and those of equivalent ranks	10,000	RT4

# NATIONAL BUDGET CIRCULAR (NBC) NO. 593 DATED MAY 3, 2024

## Updated Rules and Regulations on the Grant of Representation and Transportation Allowances (RATA) for FY 2024 and Years Thereafter

Officials/Employees	Monthly RA or TA (In Pesos)	RATA Code
Assistant Bureau Directors, Department Regional Directors, Bureau Regional Directors, Department Service Directors, and those of equivalent ranks	9,500	RT5
Assistant Bureau Regional Directors and those of equivalent ranks	8,500	RT6
Chief Division identified as such in the Personal Services Itemization and Plantilla of Personnel and those of equivalent ranks	6,000	RT7

# NATIONAL BUDGET CIRCULAR (NBC) NO. 593 DATED MAY 3, 2024

## Updated Rules and Regulations on the Grant of Representation and Transportation Allowances (RATA) for FY 2024 and Years Thereafter

### General Guidelines on the Grant of RATA

A rationalized scheme on the grant of RATA based on the number of days of actual work performance on workdays by the official/employee concerned is hereby prescribed.

#### A. For Agencies Adopting a Five (5)-Day Workweek and Eight (8)-Hour Workday

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 or more	100% of the monthly RATA

# NATIONAL BUDGET CIRCULAR (NBC) NO. 593 DATED MAY 3, 2024

## Updated Rules and Regulations on the Grant of Representation and Transportation Allowances (RATA) for FY 2024 and Years Thereafter

### General Guidelines on the Grant of RATA

#### B. For Agencies Adopting a Four (4)-Day *Compressed* Workweek and Ten (10)-Hour Workday

Number of Workdays of Actual Work Performance in a Month	Actual RATA for a Month
1 to 4	25% of the monthly RATA
5 to 9	50% of the monthly RATA
10 to 13	75% of the monthly RATA
14 or more	100% of the monthly RATA



# Status of the Study on Honoraria and Overtime Pay for Personnel Involved in Government Procurement



# Honoraria for Personnel Involved in Government Procurement (BC No. 2007-3)

- In view of the passage of the new government procurement act into a law, we recognize that the **25%** threshold for the total honoraria that may be received by personnel as a result of their involvement in procurement activities has now been **increased to 30%**.
- Accordingly, the DBM shall issue/update the existing guidelines for the purpose in coordination with the Government Procurement Policy Board-Technical Support Office (GPPB-TSO).



# Night Shift Differential Pay

## CSC-DBM-GCG JC No. 1, s. 2023





# Night Shift Differential Pay

## Coverage

- Government employees occupying position items from **Division Chief and below**, or their equivalent, including those in GOCCs whether the nature of their employment is permanent, contractual, temporary, or casual, shall be paid night shift differential at a **rate not exceeding twenty percent (20%) of the hourly basic rate of the employee**, as determined by the head of the agency, for **each hour of work performed between the hours of 6:00 in the evening and 6:00 in the morning of the following day**:
- Provided, that the night shift differential pay provided under the RA shall be **in addition** to and shall not in any way diminish whatever benefits and allowances are presently enjoyed by government employees.
- **Hourly basic rate** refers to **basic salary rate per hour** derived by **dividing the basic monthly rate by twenty-two (22) working days**, and **dividing the quotient derived by eight (8) hours**.

# Night Shift Differential Pay

## **Not covered**

- Government employees whose schedule of office hours fall between 6:00 in the morning to 6:00 in the evening. Services rendered beyond the regular eight (8)-hour work schedules are paid overtime pay in accordance with existing laws, rules and regulations; and
- Government employees whose services are required, or are on call, twenty-four (24) hours a day such as uniformed personnel of the AFP, the PNP, the BJMP, the BFP, and others similarly situated, as may be determined by the CSC and the DBM.

# Night Shift Differential Pay

- CSC, DBM, and GCG issued **Joint Circular No. 1, s. 2023** prescribing the guidelines on the grant of night shift differential pay to qualified government employees to ensure uniform policy interpretation, and effective and efficient implementation thereof in the public sector pursuant to RA No. 11701 and its implementing rules and regulations.



# Updates on Incentives



Republic of the Philippines  
Department of Budget and Management

# Incentives

- To reward an employee's loyalty to government service and contributions to an agency's continuing viable existence.
- As rewards for exceeding agency performance targets and to motivate employee productivity.
  1. Loyalty Incentive
  2. Anniversary Bonus
  3. Mid-Year Bonus
  4. **Productivity Enhancement Incentive**
  5. **Collective Negotiation Agreement Incentive**
  6. **Performance-Based Bonus**
  7. Program on Awards and Incentives for Service Excellence

# Loyalty Incentive



CSC Memorandum Circular (MC) No. 06, s. 2002 - guidelines on the grant of Loyalty Award, which was renamed as Loyalty Incentive under JR No. 4, s. 2009

Granted to personnel in the national and local governments including those in SUCs and GOCCs with original charter who rendered 10 years of continuous and satisfactory service in government

## **Loyalty memorabilia/souvenir:**

- 10 and 15 years – bronze service pin
- 20 and 25 years – silver service ring
- 30, 35 and 40 years – gold service medallion
- -or other memorabilia/souvenir as may be provided in the agency PRAISE

In addition, a cash gift of not less than ₱500 not more than ₱1,000.00 for every year of service shall be given to qualified officials/employees.



# Anniversary Bonus (Administrative Order (AO) No. 263 dated March 28, 1996)



## **Anniversary Bonus (AB)**

A financial incentive granted to employees on the occasion of their agency's milestone years (15th year and every 5 years thereafter).

## **Coverage**

All personnel under permanent, temporary, contractual or casual status, elective or appointive, who have rendered at least one year of service in the agency as of date of milestone year and continue to be employed in the same agency as of the occasion of its milestone anniversary.

## **Not Covered**

- Those absent without leave as of date of milestone year;
- Those no longer in the service in the same agency as of date of milestone year.



# Anniversary Bonus



## Guidelines

- The AB shall be at **₱3,000** per employee.
- In case of insufficient funds, a lesser but uniform amount of AB may be paid.
- A milestone year refers to the **15th anniversary** and to **every 5th year** thereafter.
- For NGAs including SUCs, the amounts shall be charged against **savings from released allotments for current operating expenses**, provided that all authorized mandatory expenses shall have been paid first.





# Mid-Year Bonus (MYB) (RA No. 11466 and BC No. 2017-2)



## **Guidelines**

The MYB equivalent to one (1) month basic pay as of May 15 shall be given to entitled personnel not earlier than May 15 of the current year, subject to the following:

- Employee is still in the service as of May 15 of the current year;
- Has rendered at least a total or an aggregate of 4 months of service from July 1 of the immediately preceding year up to May 15 of the current year; and
- At least a satisfactory performance rating in the immediately preceding rating period, or the applicable performance appraisal period.





# Updates on Collective Negotiation Agreement (CNA) Incentive

BC No. 2024-2 dated November 11, 2024



# Collective Negotiation Agreement (CNA) Incentive

## Background

- **AO No. 135, s. 2005<sup>2</sup>** authorized the grant of CNA Incentive to NGAs, LGUs, SUCs, and GOCCs. The same AO directed the DBM to issue the policy and procedural guidelines to implement the provisions thereof.
- **Congress JR No. 4, s. 2009** stipulated that the CNA Incentive may be granted to both management and rank-and-file employees of agencies with approved and successfully implemented CNAs in recognition of their efforts in accomplishing performance targets at lesser cost, and in attaining more efficient and viable operations through cost-cutting measures and systems improvement. *[Item (4)(h)(ii)(aa)]*
- **DBM BC No. 2024-2** provides the policy and procedural guidelines on the grant of the CNA Incentive for FY 2024
- The General Provisions of the annual GAA contain rules in the grant of the CNA Incentive. *[Sec. 81, General Provisions, FY 2024 GAA]*

# Collective Negotiation Agreement (CNA) Incentive

## Coverage

**Civilian personnel** occupying regular, contractual, or casual positions in NGAs, including Constitutional Offices enjoying fiscal autonomy, SUCs, GOCCs, LWDs, and LGUs, whether or not covered by RA No. 6758:

- Rank-and-file employees who are **members** of an employees' organization accredited by the CSC as the sole and exclusive negotiating agent (hereinafter referred to as "negotiating agent") in accordance with rules and regulations issued by the Public Sector Labor Management Council (PSLMC)
- Rank-and-file employees who are **non-members** of the CSC-accredited sole and exclusive negotiating agent but want to enjoy or accept benefits under the CNA, subject to payment of agency fee to the negotiating agent in accordance with PSLMC Resolution No. 1, s.1993
- Those who perform **managerial functions**.

# Collective Negotiation Agreement (CNA) Incentive

## Conditions for the Grant of the CNA Incentive

- Existence of a CNA
- Accomplishment of Targets – at least 75%
- Submission of Accountability Reports

## Rate of the CNA Incentive

- The rate of the CNA Incentive shall not be pre-determined in the CNA since it is subject to compliance with the conditions and the availability of the allowable allotments;
- The CNA Incentive may be given equally to all qualified employees or at varying rates in consideration of the employee's or his/her office's contribution to the accomplishment of performance targets, efficiency, productivity, or profitability, as determined by the agency head.
- In all cases, the CNA Incentive shall **not exceed P30,000** per qualified employee.

# Collective Negotiation Agreement (CNA) Incentive

## Fund Sources of the CNA Incentive

- For NGAs, Constitutional Offices, SUCs, GOCCs, LWDs, and LGUs - from available balances of allowable MOOE allotments after considering the FY 2024 requirements
- Provided that the same have become available as a result of cost-cutting and systems improvement measures undertaken collectively by the agency and its personnel.

- Communication Expenses
- Repairs and Maintenance Expenses
- Supplies and Materials Expenses
- Transportation and Delivery Expenses

- Traveling Expenses
- Utility Expenses
- **Printing and Publication Expenses**
- **Advertising Expenses**
- **Subscription Expenses**

# Collective Negotiation Agreement (CNA) Incentive

## Budget Circular (BC) No. 2024-4 on November 11, 2024

- CNA Incentive for FY 2024 is a **one-time benefit**
- The CNA Incentive for the year shall be granted only during the validity of appropriations from which the available MOOE allotments shall be sourced
- Agencies are advised that additional funds can no longer be provided during the remainder of the current year for those programs, projects, and activities covered by the MOOE allotments, which are to be modified to fund the CNA Incentive.



# Updates on Performance-Based Bonus





# Performance-Based Bonus (PBB)

- It is a top-up bonus given to personnel of bureaus or delivery units as one of the components in accordance with their contribution to the accomplishment of their Department's overall targets and commitments
- The grant of the PBB is one of the components under the Performance-Based Incentive System (PBIS) authorized under EO No. 80, s. 2012.
- Beginning FY 2021, the delivery units of eligible agencies are no longer ranked and the existing PBB rates adopted are fixed and based on a portion of an individual's monthly basic salary (MBS).

# Performance-Based Bonus (PBB)

- **EO No. 61**, which was issued on June 3, 2024, provides the **review and study** of the government's (i) **Results-Based Performance Management System (RBPMS)** that was established under Administrative Order No. 25, s. 2011, and the (ii) **Performance-Based Incentive System (PBIS)** that was introduced under EO No. 80, s. 2012.
- Corollary, a **Technical Working Group (TWG)**, composed of DBM, OP-OES, DOF, NEDA, and ARTA, is established to specifically conduct a study and review of the RBPMS and PBIS with the goal of streamlining, overhauling, improving, and simplifying government performance management and incentives systems.
- The TWG is tasked to submit to the OP a **Transition Plan for the FY 2023 PBB** within three (3) months from the effectivity of the EO, as well as a **Comprehensive Report** on its findings and policy recommendations for the grant of the PBB for FY 2024 and years thereafter within six (6) months from the effectivity of EO No. 61.

# Performance-Based Bonus (PBB)

- FY 2023 PBB – AO 25 Secretariat already issued the Final Eligibility Assessment Reports of agencies concerned and DBM is processing on the release of funds for the purpose
- FY 2024 PBB – EO 61 TWG will issue the governing guidelines
- FY 2025 PBB and onwards – part of the Comprehensive Report and already for consideration by the OP

# Productivity Enhancement Incentive (PEI)



## Coverage

- Civilian personnel, whether regular, casual, or contractual in nature, appointive or elective, in the Executive, Legislative, and Branches, the Constitutional Commissions and other Constitutional Offices, SUCs, GOCCs not covered by RA No. 10149, and local water districts (LWDs); and in LGUs; and
- Military and uniformed personnel.

The PEI of **₱5,000** shall be given **not earlier than December 15 of the current year**, subject to the following conditions:

- The employee is still in the service as of November 30 of the current year; and
- The employee has rendered at least a total or an aggregate of 4 months of at least satisfactory service as of November 30 of the current year, including leaves of absence with pay.

 **DBM to issue guidelines once PBIS proposal is approved by the OP**

# Other Matters



# Status of the Review of Overseas Allowances



# Status of the Review of Overseas Allowances

- The System of Allowances of foreign service personnel (FSP) who are posted abroad is provided under **RA No. 7157** dated September 19, 1991, also known as the “Philippine Foreign Service Act of 1991.”
- President Ferdinand R. Marcos Jr. issued **Executive Order (EO) No. 73 on 30 October 2024** to update the rates, indices, rules, and regulations governing the payment of the following allowances applicable to all national government employees who are assigned overseas.
  - Overseas Allowance (OA);
  - Living Quarters Allowance (LQA);
  - Education Allowance (EA);
  - Family Allowance (FA); and
  - Representation Allowance

# Status of the Review of Overseas Allowances

- Under the new EO, the overall rate of the increase in the base rates for the **OA** and **LQA** will be implemented in four (4) tranches
- The updated rates and indices for OA, LQA, FA, and RA resulted from the comprehensive review conducted by the Department of Foreign Affairs (DFA) and the DBM of the allowances under **EO No. 156, s. 2013**, which was issued **more than 10 years ago**.





# Extension of the Transition Period of Contract of Service (COS) and/or Job Order Workers (JO)

COA-DBM JC No. 2, s. 2024 dated July 19,  
2024



# Definition of Terms

## ***Contract of Service***

Engagement of services of an individual, private firm, other government agency, non-government agency or international organization as consultant, learning service provider or technical expert to undertake a special project or job within a specific period.

## ***Job Order***

A piece work (*pakyaw*) or intermittent or emergency jobs such as clearing of debris, canals, waterways, etc., other manual, trades and crafts services such as carpentry, plumbing, electrical. These jobs are of short duration and for a specific piece of work.

# Rules and Regulations on Contract of Service (COS) and Job Order (JO) Workers

- **COA-DBM JC No. 2, s. 2024 amended** the **transitory period** under Section 11.1 of the DBM-COA JC No. 2, s. 2020, allowing the NGAs, SUCs, and GOCCs to engage the services of new COS and JO workers through individual contract and renew the existing individual contracts until **December 31, 2025**.

Thereafter, the engagement of COS and JO workers shall be in accordance with the provisions of COA-DBM JC No. 2, s. 2020, as well as any subsequent guidelines, rules, and regulations issued by the COA, DBM, and other concerned parties.

- President Ferdinand R. Marcos, Jr. ordered the extension of the transition period until December 31, 2025 to provide the departments/agencies sufficient time to revisit their respective staffing requirements vis-a-vis their organizational structure and mandate, as well as implement the revised rules on the engagement of COS and JO workers.



# Updated Guidelines on Participation of Government Officials and Employees in Conventions, Seminars, Conferences, Symposia and Similar Non-Training Gathering Sponsored by Non Government Organizations and Private Institutions

NBC No. 596 dated January 20, 2025



## NBC No. 596

- NBC specifically states that government officials and employees may be authorized to participate in conventions, seminars, conferences, symposia, and such other activities conducted by non-government organizations or private institutions **for a fee, as part of the human resource development program of the government**, chargeable against agency funds.
- The participation fee for said convention, seminar, and symposium, etc. shall not exceed **₱2,800** per day per participant. Thus, the maximum allowable registration or participation fee **increased** from ₱2,000.00 to ₱2,800.00 per day for each participant.
- NBC No. 596 provides that conventions, seminars, and the like shall refer to those conducted primarily to **share, discuss or disseminate ideas or information on developments in a particular field or fields of interest for common appreciation, awareness, and resolution of specific issues, as well as to foster collaboration with different stakeholders**. It was added that these include, but are not limited to, those **conducted by professional organizations or groups of common interest** where government personnel are members.

## NBC No. 596

- Circular **excludes** those conducted for training purposes where participants are expected to gain or strengthen skills and technical or management expertise relevant to the performance of their official duties and responsibilities. In view of this, seminars and trainings designed to enhance the abilities/skills of participants in their field or discipline are **not covered by this Circular**.
- Membership and similar **fees paid for personal or individual membership in a private organization** shall be for the account of the member concerned and **shall not be charged to agency funds**.
- On the other hand, **institutional membership fees**, i.e., agency membership, may be charged against the respective agency funds.
- Agency Heads shall be responsible for determining the training needs of their respective personnel, as part of the agency's **Career and Development Plan**, to ensure the development and retention of a competent and efficient workforce in the public service.



# Updates on the Review of Local Travel Rates under EO No. 77, s. 2019



# Status of the Study on the Revision of Local Travel Rates under EO No. 77, s. 2019

At present, the maximum allowable daily travel expenses (DTE) of government personnel, regardless of rank and position, are as follows:

Destination		Maximum DTE
Cluster I	Regions I, II, III, V, VIII, IX, XII, XIII, ARMM	<b>P 1,500</b>
Cluster II	Regions VI, VII, X, XI, Cordillera Administrative Region	<b>P 1,800</b>
Cluster III	Regions IV-A, IV-B, National Capital Region	<b>P 2,200</b>



# Status of the Study on the Revision of Local Travel Rates

- The Travel Rates Committee (TRC), which is chaired by the DBM, with the Department of Tourism (DOT), Department of Foreign Affairs (DFA), and Commission on Audit (COA) as members, conducted a study regarding the possible adjustment on the rates of the DTE for official domestic travel.
- Currently, the DBM is **finalizing the draft Executive Order**, which will be submitted to the Office of the President for consideration and approval.



# REVISED ORGANIZATION AND STAFFING STANDARDS (ROSS) PHASE II



Republic of the Philippines  
Department of Budget and Management



# ROSS PHASES

- First Phase – provided under National Budget Circular (NBC) 589.
  - It covered the Office of the SUC President, Office of the SUC Vice-Presidents, and Administrative and Finance Divisions, including the staffing complement in each satellite campus/branch of a SUC
- Second Phase – will cover Office of Research and External Linkages, and the OSS for auxiliary services
- Third Phase –will cover Offices involved in academic instruction and student services





# Upgrading of Psychologist positions in the government

## DBM Budget Circular No. 2024-5



Republic of the Philippines  
Department of Budget and Management

## Upgrading of the Psychologist positions

The upgrading of the salary grades of psychologist positions shall cover all Psychologist I, II, and III positions, whether regular, casual, or contractual in nature, full-time, now existing or hereafter created in the NGAs, including SUCs and GOCCs, and in LGUs covered by the compensation and position classification system under RA No. 6758, as amended.

The salary grades of Psychologist positions are upgraded effective not earlier than January 1, 2025, as follows:

Position title	Salary grade	
	From	To
Psychologist I	11	16
Psychologist II	15	18
Psychologist III	18	20



# THANK YOU!



Republic of the Philippines  
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