Republic of the Philippines
TARLAC STATE UNIVERSITY
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EXCERPTS FROM THE MINUTES OF THE SPECIAL MEETING OF THE BOARD OF REGENTS OF THE TARLAC STATE UNIVERSITY HELD VIA ZOOM ON JULY 29, 2022

Resolution No. 68, s. 2022

APPROVING THE ADJUSTMENT IN THE DAILY SALARIES OF JOB ORDER EMPLOYEES OF THE UNIVERSITY.

Certified Correct:

AURELIA S. VALENCIA
Board Secretary

CSW FORM

PROPOSED INCREASE IN THE DAILY RATE OF JOB ORDERS USING THE 2022 SALARY TRANCHE SUBJECT TO ACCOUNTING, BUDGETING, AUDITING AND COA RULES AND REGULATIONS

A. Proponent Office: Human Resource Development and Management Office

B. Action Requested: - FOR APPROVAL -

C. Rationale/Background Information

Through the years, the University continues to achieve its goals and objectives with the help of untiring efforts of hired the job orders. The job orders have proven to have contributed to the milestones of the University despite their no-employee-employer-relationship status and without the tenure and benefits enjoyed by the plantilla personnel. Currently, the University has **262 Job Orders** deployed in different offices.

The COA-DBM Joint Circular No. 2 s. 2020 dated October 20, 2020 provides for Updated Rules and Regulations Governing Contract of Service (COS) and Job Order (JO) Workers in the Government. Specifically, item no. 9 of the same circular states the policy on the payment which is read as follows:

> *"Individuals hired through **JO shall be paid wages equivalent to the daily wage/salary of comparable positions in government and a premium of up to 20% of such wage/salary, subject to the availability of funds**. The premium payment **may be paid monthly, in lump sum or in tranches** (i.e. mid-year and year-end payments) as may be stated in the agreement or contract with the agency. The payment of services **shall be charged against the MOOE** in the approved agency budget."*

Since 2017, TSU has been generally using the 2017 Salary Scheme for most job order positions and the 2020 scheme for some critical job order positions to attract and retain talents needed by the University. With the increase in the minimum wage in the private sector and the spike in prices of basic commodities, the University deems it necessary to update its salary scheme for the Job Orders. In addition, the proposal would also support the budget utility rate of the University in terms of the MOOE which is one of the parameters in the grant of Performance-Based Bonus for the fiscal year 2022. The table below presents the summary of positions, current rate and proposed rate based on the 2022 salary tranche in the DBM BC No. 588 dated January 3, 2022 and in accordance to the comparable positions and salary grade in the government using the QS Manual of the Civil Service Commission.

POSITION	OLD SALARY SCHEME			PROPOSED RATE (2022)		DIFFERENTIAL	TOTAL NO. OF STAFF	FUNDING REQS.
	RATE	SG	YEARS IN SERVICE	RATE	SG			
UTILITY I	420.00	1*	0-11 months	568.95	1	148.95	3	446.85
	453.68	1	1-5 years			115.27	18	2,074.86
	517.59	3	1-5 years			51.36	1	51.36
HELPER/ACU HELPER I	420.00	1*	0-11 months	568.95	1	148.95	8	1,191.60
	453.68	1	1-5 years			115.27	2	230.54
HOUSEKEEPING ASSISTANT	420.00	1*	0-11 months	568.95	1	148.95	5	744.75
	453.68	1	1-5 years			115.27	1	115.27
CLERK / FRONT DESK CLERK I	432.64	1*	0-11 months	642.04	3	209.40	41	8,585.40
	517.59	3	1-5 years			124.45	19	2,364.55

POSITION	OLD SALARY SCHEME			PROPOSED RATE (2022)		DIFFERENTIAL	TOTAL NO. OF STAFF	FUNDING REQS.
	RATE	SG	YEARS IN SERVICE	RATE	SG			
DRIVER I	432.64	1*	0-11 months	642.04	3	209.40	1	209.40
	552.50	4	1-5 years			89.54	2	179.08
HOUSEKEEPING ASSISTANT I	432.64	1*	0-11 months	642.04	3	209.40	2	418.80
	517.59	3	1-5 years			124.45	1	124.45
MASON/ CARPENTER I	432.64	1*	0-11 months	642.04	3	209.40	1	209.40
	517.59	3	1-5 years			124.45	1	124.45
PAINTER I	517.59	3	1-5 years	642.04	3	124.45	1	124.45
PROPERTY CUSTODIAN I	432.64	1*	0-11 months	642.04	3	209.40	1	209.40
SWIMMING POOL ATTENDANT I	517.59	3	0-11 months	642.04	3	124.45	1	124.45
UTILITY II	517.59	3	1-5 years	642.04	3	124.45	11	1,368.95
ACCOUNTING CLERK I	459.18	1*	0-11 months	681.50	4	222.32	2	444.64
CLERK II	552.50	4	1-5 years	681.50	4	129.00	3	387.00
ELECTRICIAN II	552.50	4	1-5 years	681.50	4	129.00	1	129.00
PRINTING MACHINE OPERATOR I	552.50	4	1-5 years	681.50	4	129.00	1	129.00
FOOD SERVER	459.18	1*	0-11 months	681.50	4	222.32	3	666.96
TECHNICIAN/ MAINTENANCE I	552.50	4	1-5 years	681.50	4	129.00	1	129.00
PLUMBER II	589.77	5	0-5 years	723.13	5	133.36	3	400.08
ACU TECHNICIAN I	629.59	6	1-5 years	767.13	6	137.54	3	412.62
AUDIO-VISUAL SYSTEMS TECHNICIAL I	629.59	6	1-5 years	767.13	6	137.54	1	137.54
CLERK III	518.86	6	0-5 years	767.13	6	248.27	2	496.54
DATA CONTROLLER	629.59	6	1-5 years	767.13	6	137.54	1	137.54
UNIVERSITY TESTING STAFF	601.69	1*	0-11 months	767.13	6	165.44	1	165.44
UTILITY FOREMAN	629.59	6	11-15 years	767.13	6	137.54	2	275.08
ASSOCIATE GUIDANCE COUNSELOR I	601.69	1*	0-11 months	813.59	7	211.90	2	423.80
	672.04	7	1-5 years		7	141.55	2	283.10
CAREER SPECIALIST I	631.36	1*	0-11 months	813.59	7	182.23	2	364.46
	672.04	7	1-5 years			141.55	1	141.55
PSYCHOMETRICIAN	631.36	1*	0-11 months	813.59	7	182.23	3	546.69
HR TECHNICAL STAFF	432.64	1*	0-11 months	813.59	7	380.95	2	761.90
OPA TECHNICAL STAFF	613.00	1*	0-11 months	813.59	7	200.59	1	200.59
	672.04	7	1-5 years			141.55	2	283.10
GAD TECHNICAL STAFF	631.36	1*	0-11 months	813.59	7	182.23	1	182.23
SAS TECHNICAL STAFF	631.36	1*	0-11 months	813.59	7	182.23	2	364.46
SPMU TECHNICAL STAFF	631.36	1*	0-11 months	813.59	7	182.23	2	364.46
QMS TECHNICAL STAFF	672.04	7	1-5 years	813.59	7	141.55	1	141.55
ASSOCIATE GUIDANCE COUNSELOR II	679.95	1*	0-11 months	863.54	8	183.59	1	183.59
	719.00	8	1-5 years			144.54	1	144.54
CLERK IV	835.68	10-2	6-10 years	863.54	8	27.86	1	27.86
ESMO TECHNICAL STAFF	843.14	1*	0-11 months	863.54	8	20.40	7	142.80
FTRC TECHNICAL STAFF	891.82	11	1-5 years	927.36	9	35.54	1	35.54
TDTCO TECHNICAL STAFF	843.14	1*	0-11 months	1,156.31	11	313.17	2	626.34
ARCHITECH I	1,113.40	12 (2020)	0-11 months	1,254.90	12	141.50	5	707.50

POSITION	OLD SALARY SCHEME			PROPOSED RATE (2022)		DIFFERENTIAL	TOTAL NO. OF STAFF	FUNDING REQS.
	RATE	SG	YEARS IN SERVICE	RATE	SG			
DATA CONTROLLER III	891.81	11	0-11 months	1,156.31	11	264.50	1	264.50
DRAFTSMAN I	795.68	8 (2020)	1-5 years	863.54	8	67.86	3	203.58
CIVIL ENGINEER I	1,126.31	12-2 (2020)	6-10 years	1,267.81	12-2	141.50	1	141.50
	1,113.40	12 (2020)	1-5 years	1,254.90	12	141.50	3	424.50
ELECTRICAL ENGINEER I	1,113.40	12 (2020)	1-5 years	1,254.90	12	141.50	2	283.00
SAFETY OFFICER I	1,113.40	12 (2020)	1-5 years	1,254.90	12	141.50	2	283.00
ELECTRONICS AND COMMUNICATIONS EQUIPMENT TECHNICIAN I	518.56	1*	0-11 months	767.13	6	248.57	1	248.57
	629.59	6	1-5 years		6	137.54	4	550.16
LABORATORY TECHNICIAN I	631.36	1*	0-11 months	767.13	6	135.77	1	135.77
LIBRARIAN I	891.81	11	1-5 years	1,156.31		264.50	1	264.50
NURSE I	1,456.95	15 (2020)	1-5 years	1,612.50	15-2	155.55	2	311.10
	1,330.77	14 (2020)	0-11 months	1,595.31	15	264.54	2	529.08
PRODUCTION PROJECT ASSISTANT II	919.04	10	0-11 months	1,008.63	10	89.59	2	179.18
RESEARCH ASSISTANT I	679.95	1*	0-11 months	863.54	8	183.59	1	183.59
RESEARCH ASSISTANT II	784.34	1*	0-11 months	1,008.63	10	224.29	1	224.29
SCIENCE RESEARCH ANALYST I	1,014.36	11	0-11 months	1,156.31	11	141.95	2	283.90
SECURITY GUARD I	420.00	1*	0-11 months	642.04	3	222.04	18	3,996.72
	517.59	3	1-5 years		3	124.45	11	1,368.95
SECURITY GUARD II	589.77	5	6-10 years	723.13	5	133.36	13	1,733.68
SECURITY GUARD III	719.00	8	11-15 years	863.54	8	144.54	5	722.70
	719.00	8	21-25 years	879.22	8-3	160.22	3	480.66
							262	**₱41,547.44**

X 22 days (per month)

₱914,043.68

X 12 months

TOTAL DIFFERENTIAL FOR 12 MOS. **₱10,968,524.16**

TOTAL DIFFERENTIAL FOR 6 MOS. ₱5,484,262.08

D. Supporting Documents/Legal Basis

1. COA-DBM Joint Circular No. 2 s. 2020 dated October 20, 2020
2. DBM BC No. 588, dated January 3, 2022
3. Certification of Availability of Funds
4. Funding Requirement

E. Proposed Resolution for BOR Action

Resolution No. ____ Series 2022

APPROVING THE PROPOSED INCREASE IN THE DAILY RATE OF JOB ORDERS USING THE 2022 SALARY TRANCHE SUBJECT TO ACCOUNTING, BUDGETING, AUDITING AND COA RULES AND REGULATIONS

Office	Signature	Remarks
Vice President for Administration	**DR. GRACE N. ROSETE**	

OFFICIAL RELEASE



COMMISSION ON AUDIT
DEPARTMENT OF BUDGET AND MANAGEMENT
JOINT CIRCULAR NO. 2, s. 2020
October 20, 2020

TO : ALL HEADS OF CONSTITUTIONAL BODIES, NATIONAL GOVERNMENT AGENCIES (NGAs), GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS (GOCCs) WITH ORIGINAL CHARTERS and STATE UNIVERSITIES AND COLLEGES (SUCs)

SUBJECT : Updated Rules and Regulations Governing Contract of Service (COS) and Job Order (JO) Workers in the Government

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1.0 Background

Civil Service Commission (CSC)-Commission on Audit (COA)-DBM JC No. 1, s. 2017 was issued to provide the rules and regulations regarding the engagement of the services of COS and JO workers in the government.

Item 11.1 thereof provided a transitional period which allowed agencies concerned to renew the individual contracts of their existing COS/JO workers up to December 31, 2018.

In view of this, CSC-COA-DBM JC No. 1, s. 2018 was issued to further extend the transition period allowing agencies to engage the services of new COS/JO workers and renew the existing contracts of COS/JO workers until December 31, 2020.

In light of the challenges brought about by the COVID-19 pandemic affecting the operations of government agencies, there is a need to update the existing policies on the engagement of COS and JO workers to ensure the smooth, effective, and efficient delivery of services to the public.

2.0 Policy Statement

Government agencies are authorized to enter into service contracts with other government agencies, private firms, non-government agencies or individuals for services related or incidental to their respective functions and operations, whether on a part-time or full-time basis.

3.0 Purpose

This Joint Circular is issued to prescribe the updated rules and regulations governing COS and JO workers in the government.

4.0 Coverage

This Joint Circular covers all NGAs, GOCCs with original charters, SUCs, and constitutional bodies, which avail of the services of COS or JO workers.

5.0 Definition of Terms

5.1 **Contract of Service** refers to the engagement of the services of an individual, private firm, other government agency, non-governmental agency or international organization as consultant, learning service provider or technical expert to undertake special project or job within a specific period.

5.2 **Contractor or Service provider** refers to an individual, a government agency or a private or a non-government entity that is duly-registered and recognized by authorized government agencies to provide consultancy services in their respective field of expertise.

5.3 **Institutional contract** refers to the agreement between the government agency and contractor or service provider duly-registered and recognized by authorized government agencies to provide services such as janitorial, security, consultancy, and other support services.

5.4 **Job Order** refers to piece work (*pakyaw*) or intermittent or emergency jobs such as clearing of debris on the roads, canals, waterways, etc. after natural/ man-made disasters/occurrences, and other manual/trades and crafts services such as carpentry, plumbing, electrical, and the like. These jobs are of short duration and for a specific piece of work.

5.5 **Support services** may include janitorial, security, driving, data encoding, equipment and grounds maintenance, and other services that support the day to day operations of the agency.

6.0 Contract of Service

6.1 Institutional Contract of Service

As a general rule, government agencies may avail of outsourced services through institutional COS, subject to the following conditions:

6.1.1 Institutional COS covers lump sum work or services to perform janitorial, security, consultancy, and other support functions, subject to the provisions of Republic Act (RA) No. 9184[1] and its Implementing Rules and Regulations, and pertinent budgeting, accounting, and auditing rules and regulations.

The contractor or service provider should meet the following requirements:

a) Duly registered with the Department of Labor and Employment;

b) Duly registered with the Bureau of Internal Revenue;

[1] Government Procurement Reform Act

c) For sole proprietorship, duly registered with the Department of Trade and Industry;

d) For corporations and partnerships, duly registered with the Securities and Exchange Commission; and

e) Must be an active employer registered with the following agencies:

1) Social Security System,
2) Home Development Mutual Fund (Pag-IBIG Fund), and
3) Philippine Health Insurance Corporation.

6.1.2 Workers hired through institutional COS shall remain to be employees of the contractor or service provider.

6.1.3 The discipline of workers under institutional COS shall be the responsibility of the contractor or service provider. The head of the procuring entity may report to the contractor or service provider any misconduct or wrongdoing of the said worker/s.

6.1.4 The contractor or service provider shall be responsible for providing the workers with compensation and benefits compliant with existing labor law[2], including the necessary social security and other benefits mandated by law, in addition to the direct compensation as payment for their services.

6.2 **Individual Contract of Service**

Government agencies may enter into COS with individuals as consultants/contractors, subject to the following guidelines:

6.2.1 The term of contract between the agency and the individual contractor shall be for a maximum period of one (1) year, renewable at the option of the Head of the procuring entity, but in no case shall exceed the term of the latter[3].

6.2.2 Engaging the services of an individual contractor shall be subject to pertinent provisions of RA No. 9184 and its implementing guidelines, as applicable[4], and the existing budgeting, accounting, and auditing rules and regulations.

6.3 **Job Order**

Government agencies may hire JO workers subject to the following conditions:

6.3.1 The services of a JO worker is either paid according to an agreed contract amount for the piece of work or on a daily wage basis.

6.3.2 Contracting the services of JO workers shall be subject to pertinent budgeting, accounting, and auditing rules and regulations.

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[2] Title II (Wages), Book 3 (Conditions of Employment) of PD 442 or the Labor Code of the Philippines
[3] Section 53.7, Revised IRR of RA No. 9184, Highly Technical Consultants
[4] GPPB Resolution No. 09-2012 and GPPB Policy Opinion 2012-11-21 (Applicability of RA 9184 and its Revised IRR in the Engagement of Individuals under Job Order or Contract of Service)

7.0 Limitations

7.1 Hiring under COS shall be limited to consultants, learning service providers, and/or other technical experts to undertake special project or job within a specific period. The project or job is not part of the regular functions of the agency, or the expertise is not available in the agency, or it is impractical or more expensive for the government agency to directly undertake the service provided by the individual or institutional contractor.

7.2 Hiring of JO workers shall be limited to emergency or intermittent work, such as clearing of debris on the roads, canals, waterways, etc. after natural/ man-made disasters/occurrences; other trades and crafts, and manual tasks such as carpentry, plumbing, painting, electrical, and the like which are not part of the regular functions of the agency.

7.3 COS and JO workers should not, in any case, be made to perform functions which are part of the job description of the agency's existing regular employees.

7.4 COS and JO workers should not be designated to positions exercising control or supervision over regular and career employees.

7.5 The services of the COS and JO workers are not covered by Civil Service laws, rules, and regulations, thus, not creditable as government service. They do not enjoy the benefits being received by government employees, such as leave, Personnel Economic Relief Allowance, Representation and Transportation Allowances, and other bonuses and incentives.

8.0 Payment of Services under Individual COS

Individuals hired through COS shall be paid the prevailing market rates, subject to the provisions of RA 9184 and its Implementing Rules and Regulations.

The payment of services shall be charged against the Maintenance and Other Operating Expenses (MOOE) in the approved agency budget.

9.0 Payment of Services under JO

Individuals hired through JO shall be paid wages equivalent to the daily wage/salary of comparable positions in government and a premium of up to 20% of such wage/salary, subject to the availability of funds.

The premium payment may be paid monthly, in lump sum or in tranches (i.e. mid-year and year-end payments) as may be stated in the agreement or contract with the agency.

The payment of services shall be charged against the MOOE in the approved agency budget.

10.0 Monitoring

The COA shall monitor the compliance of agencies with the provisions of this Joint Circular.

11.0 Transitory Provisions

11.1 Agencies may engage the services of new COS/JO workers through individual contract and renew the individual contracts of their existing COS/JO workers until December 31, 2022. Thereafter, the engagement of COS/JO workers shall be in accordance with the provisions of this Joint Circular.

11.2 The institutional contract to be entered into by government agencies with a contractor or service provider shall include a provision which will state that the existing qualified COS/JO workers engaged by the agencies may be considered in the hiring by the contractor or service provider.

11.3 The existing qualified COS/JO workers shall be considered for appointment by the government agencies to their vacant positions subject to existing civil service laws, rules, and regulations, as well as the CSC-approved Merit Selection Plan of the agency.

11.4 Government agencies shall review their functions, systems and procedures, organizational structure, and staffing pattern to assess the needs and gaps, if any, and determine the appropriate human resource complement for their programs/ activities/projects.

The creation of permanent positions may be considered for regular functions, while the hiring of casual or contractual personnel may be considered for projects and activities that are temporary in nature, subject to evaluation of the DBM/Governance Commission for GOCCs, as well as existing budgeting and accounting rules and regulations.

11.5 Services of individuals engaged through COS basis, excluding persons or entities engaged through RA No. 9184, and JO shall be paid wages equivalent to the daily wage/salary of comparable positions in government.

Subject to the availability of funds, the COS and JO workers may also be granted a premium of up to 20% of their respective wage/salary.

The premium payment may be paid monthly, in lump sum or in tranches (i.e. mid-year and year-end payments) as may be stated in the agreement or contract with the agency. The payment of services shall be charged against the MOOE in the approved agency budget.

12.0 Sanctions

Heads of agencies and/or responsible officers found to violate the provisions of these rules and regulations may be charged before the proper administrative bodies (Office of the Ombudsman, Office of the President or CSC) for violation of the existing Civil Service Laws and rules of serious nature or conduct prejudicial to the best interest of the service.

13.0 Resolution of Issues

Issues and concerns that may arise in the implementation of these rules and regulations shall be resolved by the COA and the DBM, as appropriate.

14.0 Repeal

All issuances, orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Joint Circular are hereby repealed or modified accordingly.

15.0 Effectivity

This Joint Circular shall take effect after 15 days from its publication in a newspaper of general circulation.

MICHAEL G. AGUINALDO
Chairperson
Commission on Audit

WENDEL E. AVISADO
Secretary
Department of Budget and Management

DEPARTMENT OF BUDGET AND MANAGEMENT
OFFICIAL RELEASE
Central Records Division
MALACAÑANG, MANILA

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT

NATIONAL BUDGET CIRCULAR

No. 601
January 22, 2026

TO : **Heads of Departments, Agencies, and Other Offices of the National Government, Including Commissions/Offices under the Constitutional Fiscal Autonomy Group (CFAG), State Universities and Colleges (SUCs), and Government-Owned or –Controlled Corporations (GOCCs); and All Others Concerned**

SUBJECT : **Implementation of the Third Tranche of the Updated Salary Schedule for the Civilian Government Personnel Under Executive Order (EO) No. 64, s. 2024**

1.0 Background

EO No. 64, s. 2024[1] provides an updated Salary Schedule for the civilian government personnel to ensure an effective, competitive, and sustainable Compensation and Position Classification System (CPCS) that attracts, retains, and engages high-performing civil servants.

Section 5 thereof provides that the updated Salary Schedule for the civilian personnel shall be implemented in four (4) tranches, from Fiscal Year (FY) 2024 to FY 2027, with the **third tranche** beginning on **January 1, 2026**.

2.0 Purpose

This Circular provides the implementing guidelines, rules, and regulations for the third tranche of the updated Salary Schedule for the civilian personnel under EO No. 64, s. 2024.

3.0 Coverage

This Circular applies to all civilian government personnel, now existing or hereafter created in the Executive, Legislative, and Judicial Branches, the Constitutional Commissions and other Constitutional Offices, SUCs, and GOCCs

[1] Updating the Salary Schedule for Civilian Government Personnel and Authorizing the Grant of an Additional Allowance, and For Other Purposes

not covered by Republic Act (RA) No. 10149[2] and EO No. 150, s. 2021[3], as repealed or modified by EO No. 95. s. 2025[4], regardless of the appointment status, i.e., whether regular, casual, or contractual; appointive or elective; and on a full-time or part-time basis.

4.0 Exclusions

This Circular shall **not** apply to the following:

4.1 Military and uniformed personnel;

4.2 Government agencies exempt from RA No. 6758[5], as amended, as expressly provided in their respective enabling laws or charters, and are actually implementing their respective CPCS approved by the President of the Philippines;

4.3 GOCCs under RA No. 10149 and EO No. 95, s. 2025, which shall be covered by a CPCS established by the Governance Commission for GOCCs (GCG) and approved by the President of the Philippines; and

4.4 Individuals engaged without employer-employee relationship and funded from non-Personnel Services (PS) appropriations/budgets, as follows:

4.4.1 Consultants and experts engaged for a limited period to perform specific activities or services with expected outputs;

4.4.2 Laborers engaged through job contracts *(pakyaw)* and those paid on piecework basis;

4.4.3 Student workers and apprentices; and

4.4.4 Those whose services are engaged through job orders, contracts of service, or others similarly situated.

5.0 Third Tranche Implementation of the Updated Salary Schedule for the Civilian Personnel Effective January 1, 2026

The new salary rates shall take effect beginning January 1, 2026 in accordance with the Third Tranche Monthly Salary Schedule for the civilian personnel under EO No. 64, s. 2024, attached as ***Annex A*** to this Circular.

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[2] An Act to Promote Financial Viability and Fiscal Discipline in Government-Owned or -Controlled Corporations and to Strengthen the Role of the State in its Governance and Management to Make Them More Responsive to the Needs of Public Interest and For Other Purposes

[3] Approving the Compensation and Position Classification System (CPCS) and Index of Occupational Services, Position Titles and Job Grades for GOCCs (IOS-G) Framework, Repealing Executive Order No. 203 (s. 2016), and For Other Purposes

[4] Approving the Compensation and Position Classification System II and Pay Grades for Government-Owned or -Controlled Corporations, Repealing Executive Order No. 150 (s.2021), and For Other Purposes

[5] An Act Prescribing a Revised Compensation and Position Classification System in the Government and For Other Purposes

5.1 Rules for Adjusting Salaries

5.1.1 The salaries of incumbent civilian personnel shall be adjusted to the rates in the Salary Schedule in ***Annex A*** corresponding to the designated steps of the salary grade allocations of their positions as of December 31, 2025, provided, that their positions and salary grades are in accordance with the Index of Occupational Services, Occupational Groups, Classes, and Salary Grades issued under Budget Circular No. 2022-2[6], including any subsequent additions or modifications thereto.

5.1.2 If the actual monthly basic salary of an incumbent as of December 31, 2025 falls between steps of the salary grade allocation of the position due to the grant of a service award or as a result of demotion or transfer due to the exigency of the service, the salary shall be adjusted to the rate of the higher step in the Salary Schedule in ***Annex A.***

5.1.3 If the actual monthly basic salary of an incumbent as of December 31, 2025 exceeds Step 8 of the salary grade allocation of the position:

5.1.3.1 The salary shall be adjusted to the rate for Step 8 of the same salary grade in the Salary Schedule in ***Annex A.***

5.1.3.2 The employee shall not be entitled to salary increase if the actual salary as of December 31, 2025 exceeds the rate for Step 8 of the same salary grade in the Salary Schedule in ***Annex A.***

5.1.4 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 in ***Annex A.***

5.1.5 The salaries/wages of the contractual/casual personnel shall be adjusted to the rates corresponding to Step 1 of the salary grade allocations of their positions in the Salary Schedule in ***Annex A.***

The adjusted daily wage rates of casual personnel shall be computed by dividing the monthly rates by 22 workdays per month.

5.1.6 Compulsory retirees whose services have been extended beyond December 31, 2025 shall be entitled to salary increase based on Items 5.1.1 to 5.1.3 of this Circular, whichever is applicable.

[6] Index of Occupational Services, Occupational Groups, Classes and Salary Grades, CY 2022 Edition (April 5, 2022)

However, their retirement benefits, including Terminal Leave Benefits, shall be computed based on their monthly basic salaries as of the day prior to the effective date of their retirement, in accordance with existing laws, rules, and regulations.

Annex C contains illustrative examples of how to apply the above salary rules.

6.0 Implementation of the Third Tranche Salary Schedule in GOCCs under the coverage of the Department of Budget and Management (DBM)

6.1 The implementation of the Third Tranche Monthly Salary Schedule in GOCCs covered by the DBM shall be determined by their respective governing boards, provided it shall not be earlier than January 1, 2026.

6.2 GOCCs which do not have sufficient funds to fully implement the Salary Schedule in ***Annex A*** may adopt their own salary schedules at lower rates but at a uniform percentage of the salaries in ***Annex A.***

6.3 When developing such salary schedules, GOCCs shall ensure that they can fund on a sustainable basis the salary adjustments, including the government counterparts to the Retirement and Life Insurance Premiums (RLIP), Pag-IBIG Contributions, PhilHealth Contributions, and the Employees Compensation Insurance Premiums.

6.4 The relevant rules in this Circular shall apply when adjusting the salaries of incumbent personnel, effective not earlier than January 1, 2026.

7.0 Procedural Guidelines

7.1 The Human Resource Management Officer (HRMO)/Administrative Officer (AO) of a national government agency (NGA) or GOCC shall prepare Notices of Salary Adjustment (NOSAs) for the incumbent civilian personnel by following the format marked as ***Annex B-1*** or ***Annex B-2,*** whichever is applicable, for approval by the Head of Agency.

On the other hand, the HRMO/AO is no longer required to prepare NOSAs for personnel whose actual monthly salaries as of December 31, 2025, exceed the rates corresponding to Step 8 of the salary grade allocations of their positions in ***Annex A.***

7.2 When using digital/electronic signatures for NOSAs, agencies must follow the guidelines for the purpose, as provided under DBM Circular Letter No. 2024-7[7].

[7] Guidelines on the Use of Digital and Electronic Signature for the Notice of Step Increment (NOSI) and Notice of Salary Adjustment (NOSA) (February 27, 2024)

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

7.4 The salary adjustment under this Circular shall be subject to the usual accounting and auditing laws, rules, and regulations, and to appropriate re-adjustment if found not in order. The personnel concerned shall refund any overpayments received.

8.0 Fund Sources

8.1 The amounts required for the herein salary adjustment and related fixed expenditure increases for civilian government personnel are already incorporated in the respective agency budgets under RA No. 12314 or the FY 2026 General Appropriations Act (GAA).

8.2 The amounts required to implement the salary adjustment and related fixed expenditure increases of casual and contractual personnel in NGAs whose salaries are drawn from the lumpsum appropriations for non-itemized positions shall be sourced from the agency's lumpsum appropriations included in its FY 2026 budget.

8.3 For covered GOCCs, the amounts shall be charged against their approved Corporate Operating Budgets (COBs), provided that the national government shall not release funds for salary adjustment or any related expenditures; provided, further, that the GOCCs shall not resort to borrowings for the purpose; and provided, furthermore, that the performance targets in their DBM-approved COBs are met and their programs/projects for the year are not adversely affected.

9.0 Release of Funds

9.1 The requirements for the implementation of the herein salary adjustment and the related fixed expenditures for personnel of NGAs shall be released through the following:

9.1.1 GAA as the Allotment Order

For the full year requirements of the salary adjustment, based on the number of filled positions as of December 31, 2025, chargeable against the respective agency's PS budget under the FY 2026 GAA; and

9.1.2 General Allotment Release Order

For the related fixed expenditures of the regular personnel, i.e., RLIP requirements, chargeable against automatic appropriations.

9.2 In case of deficiency arising from newly filled position(s) after the cut-off date, the agency concerned may submit a request to the DBM for the release of additional funds. Such request shall be subject to the submission of the required supporting documents for the processing of the PS deficiency, together with the following information:

9.2.1 Item Number, Position Title, Salary Grade, Name of Incumbent, Actual Salary, and Date of Assumption to Duty; and

9.2.2 The latest Statement of Appropriations, Allotments, Obligations, Disbursements, and Balances, highlighting the amount of allotments received and the corresponding obligations and disbursements incurred for salary adjustments.

10.0 Exempt Entities

Consistent with Section 8 of EO No. 64, s. 2024, exempt entities shall be governed by their respective CPCS, which shall be made effective upon the recommendation of the DBM or the GCG, as the case may be, and approved by the President of the Philippines.

Exempt entities refer to: *(a)* government agencies that are not covered by the CPCS authorized under RA No. 6758, as amended; *(b)* GOCCs governed by the CPCS established by the GCG under RA No. 10149 and EO No. 95, s. 2025; and *(c)* those authorized by law and have actually implemented their own CPCS.

11.0 Applicability to Certain Officials

Pursuant to Section 6 of Article VII and Section 10 of Article VI of the Constitution, the salaries authorized herein for the President of the Philippines, Vice-President of the Philippines, and Members of the Congress shall take effect only after the expiration of the respective terms of the present incumbents.

12.0 Responsibilities of Agencies

Agencies shall be responsible for the proper implementation of the provisions of this Circular. The responsible officers shall be held liable for any payment not in accordance with the provisions hereof, without prejudice to the refund by the employees concerned of any excess or unauthorized payments.

13.0 Resolution of Cases

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

14.0 Effectivity

This Circular shall take effect on January 1, 2026.

ROLANDO U. TOLEDO
Acting Secretary

ANNEX A

The Third Tranche Monthly Salary Schedule for the Civilian Personnel of the National Government Effective January 1, 2026 (In Pesos)

Salary Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
1	14,634	14,730	14,849	14,968	15,089	15,211	15,333	15,456
2	15,522	15,636	15,752	15,869	15,986	16,103	16,223	16,342
3	16,486	16,610	16,732	16,856	16,982	17,106	17,234	17,360
4	17,506	17,636	17,767	17,898	18,031	18,163	18,298	18,433
5	18,581	18,720	18,858	18,998	19,137	19,280	19,423	19,565
6	19,716	19,862	20,009	20,158	20,307	20,456	20,609	20,761
7	20,914	21,069	21,224	21,382	21,539	21,699	21,859	22,022
8	22,423	22,627	22,832	23,038	23,246	23,456	23,668	23,883
9	24,329	24,523	24,720	24,917	25,117	25,318	25,521	25,725
10	26,917	27,131	27,347	27,565	27,786	28,007	28,230	28,456
11	31,705	31,820	32,109	32,401	32,697	32,998	33,302	33,611
12	33,947	34,069	34,357	34,648	34,943	35,242	35,544	35,850
13	36,125	36,283	36,599	36,919	37,244	37,572	37,904	38,241
14	38,764	39,141	39,523	39,910	40,300	40,696	41,097	41,503
15	42,178	42,594	43,015	43,442	43,874	44,310	44,753	45,202
16	45,694	46,152	46,615	47,084	47,559	48,040	48,528	49,020
17	49,562	50,066	50,576	51,092	51,614	52,144	52,678	53,221
18	53,818	54,371	54,933	55,499	56,075	56,657	57,246	57,842
19	59,153	59,966	60,793	61,632	62,486	63,353	64,236	65,132
20	66,052	66,970	67,904	68,853	69,818	70,772	71,727	72,671
21	73,303	74,337	75,388	76,456	77,542	78,645	79,692	80,831
22	81,796	82,963	84,151	85,356	86,582	87,746	89,011	90,295
23	91,306	92,622	93,962	95,330	96,823	98,341	99,883	101,318
24	102,603	104,209	105,841	107,500	109,185	110,898	112,533	114,301
25	116,643	118,469	120,326	122,212	124,131	126,079	128,061	130,073
26	131,807	133,870	135,968	138,100	140,268	142,469	144,707	146,983
27	148,940	151,273	153,644	155,906	158,353	160,235	162,752	165,310
28	167,129	169,752	172,418	174,797	177,545	180,339	182,660	185,537
29	187,531	190,482	193,480	196,528	199,624	202,005	205,191	208,430
30	210,718	214,038	217,207	220,425	223,691	227,224	230,595	234,240
31	300,961	306,691	312,532	318,182	323,938	329,989	336,092	342,310
32	356,237	363,257	370,418	377,359	384,805	392,400	400,150	408,055
33	449,157	462,329						

ANNEX B-1

For Regular Positions

Notice of Salary Adjustment

Date: _____

_____
_____
_____

_____:

Pursuant to National Budget Circular No. ____ dated _____, implementing Executive Order No. 64 dated August 2, 2024, your salary is hereby adjusted effective January 1, 2026, as follows:

1. Adjusted monthly basic salary effective January 1, 2026, under the new Salary Schedule; SG ____, Step ____ ₱_____

2. Actual monthly basic salary as of December 31, 2025; SG _____, Step _____ _____

3. Monthly salary adjustment effective January 1, 2026 (1-2) ₱ _____

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

Position Title: _____
Salary Grade: _____
Item No./Unique Item No., FY ____ Personnel Services Itemization and/or Plantilla of Personnel: _____

Copy Furnished: GSIS

ANNEX B-2

For Contractual/Casual Personnel

Notice of Salary/Wage Adjustment

Date: _____

_____
_____
_____

_____:

Pursuant to National Budget Circular No. ____ dated _____, implementing Executive Order No. 64 dated August 2, 2024, your salary/daily wage is hereby adjusted effective _____, as follows:

1. Monthly basic salary/daily wage rate under the new Salary Schedule; SG ____, ₱ _____

2. Actual monthly basic salary/daily wage rate as of December 31, 2025; SG _____ _____

3. Monthly salary adjustment/Daily wage adjustment effective _____ (1-2) ₱ _____

It is understood that this salary/wage 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

Position Title: _____
Salary Grade: _____

Copy Furnished: GSIS

ANNEX C

Illustrative Examples

Illustrative Example A

Ms. Juana Dela Cruz was appointed as Administrative Officer II (Human Resource Management Officer I), Salary Grade (SG)-11, effective March 13, 2025.

She will be entitled to the following salary adjustment:

Position Title/SG	Salary as of December 31, 2025	Adjusted Salary beginning January 1, 2026
Administrative Officer II, SG-11	₱ 30,024	₱ 31,705

Illustrative Example B

Mr. Juan Castillo was appointed as Senior Agrarian Reform Program Officer, SG-18 on January 7, 2023. He consistently received a "Very Satisfactory" performance rating from FY 2023 to FY 2025.

In accordance with CSC–DBM Joint Circular No. 1, s. 2012[8], he shall be entitled to one (1) salary step increment due to length of service in FY 2026.

His salary shall be adjusted as follows:

Position Title/SG	Salary as of Dec. 31, 2025	Adjusted Salary beginning January 1, 2026	One step increment effective January 7, 2026
Senior Agrarian Reform Program Officer, SG-18	₱51,304 (SG-18, Step 1)	₱53,818 (SG-18, Step 1)	₱54,371 (SG-18, Step 2)

Illustrative Example C

Due to the exigency of service, Ms. Maria Chua was reassigned from the General Services Division to the Procurement Division, effective October 16, 2025. The reassignment entailed a change in her position and functions, i.e., from Administrative Assistant II, SG-8 to Administrative Assistant I, SG-7.

In accordance with the salary rules under DBM Budget Circular No. 2019-1[9], she continued to receive a monthly salary of ₱21,448 (SG-8, Step 1) in her new post.

Her present salary falls between Step 4 (₱21,382) and Step 5 (₱21,539) of SG-7 in the Third Tranche Salary Schedule under EO No. 64 (Annex A).

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[8] Rules and Regulations on the Grant of Step Increment/s Due to Meritorious Performance and Step Increment Due to Length of Service

[9] Salary Rules and Regulations Applicable to Human Resource, Position Classification and Staffing Actions (February 12, 2019)

Beginning January 1, 2026, she shall be entitled to the following salary adjustment:

Position Title/SG	Salary as of December 31, 2025	Adjusted Salary beginning January 1, 2026
Administrative Officer I, SG-7	₱21,448 (SG-8, Step 1)	₱21,539 (SG-7, Step 5)

Illustrative Example D

Mr. Mario Acosta was originally appointed as Administrative Officer II (Financial Analyst I), SG-11. During his more than 10 years of service in the same position, he received step increments due to length of service, as well as due to meritorious performance. As of February 1, 2025, he was receiving a monthly basic salary of ₱31,486 (Step 6).

Following the agency's reorganization, he was reappointed as Administrative Officer I (Cashier I), SG-10, effective September 8, 2025. In accordance with the principle of non-diminution of pay, his salary of ₱31,486 remains unchanged in his new post.

However, he shall no longer be entitled to the Third Tranche Salary Adjustment under this Circular, as his current salary of ₱31,486 already exceeds the prescribed rate for SG-10, Step 8 (₱28,456).

Illustrative Example E

Mr. Juan Pedro has been working for a national government agency as Administrative Assistant II (Accounting Clerk III) for more than 30 years. As of December 31, 2025, he is receiving a monthly salary of ₱22,843 (SG-8, Step 8).

Effective January 1, 2026, Mr. Pedro will receive a monthly salary of ₱23,883 (SG-8, Step 8).

WAGE ORDER NO. RBIII-26

PROVIDING FOR A MINIMUM WAGE INCREASE IN REGION - III

WHEREAS, the Regional Tripartite Wages and Productivity Board (RTWPB) - III is mandated under ***Republic Act (RA) No. 6727***, otherwise known as the ***Wage Rationalization Act,*** to periodically assess wage rates and conduct continuing studies in the determination of the minimum wage applicable in the region or industry;

WHEREAS, the current Wage Order No. **RBIII-25** took effect on 17 October 2024;

WHEREAS, pursuant to *Section 3(A), Rule II of the Omnibus Rules on Minimum Wage Determination*, as amended, in the absence of any petition for a minimum wage adjustment filed, the Board may, *motu proprio,* initiate wage review;

WHEREAS, the Board, upon deliberation during its meeting on 15 July 2025, *motu proprio*, decided to commence the minimum wage determination process starting 03 September 2025 and review the current minimum wage rates;

WHEREAS, on 18 August 2025, the Board caused the publication of the Notice of Public Hearing for workers in private establishments in a newspaper of general circulation in the region;

WHEREAS, after due notice to all stakeholders, the Board conducted the following public hearings to assess and determine the propriety of issuing a new wage order:

DATE	VENUE
For the Provinces of Bataan & Zambales	
03 September 2025	SMX Olongapo City Convention Center, Olongapo City, Zambales
For the Provinces of Nueva Ecija & Tarlac	
09 September 2025	Old SP Hall, Tarlac Capitol, Brgy. San Vicente, Tarlac City, Tarlac
For the Province of Aurora	
11 September 2025	AMCO Beach Resort, Baler, Aurora
For the Provinces of Bulacan & Pampanga	
16 September 2025	CDC Training Hall Health and Sanitation Department, Clark Freeport Zone, Pampanga

WHEREAS, in setting the minimum wage, the Board has to consider the various criteria under *RA No. 6727*, as well as the procedures laid down in the *Omnibus Rules on Minimum Wage Determination,* as amended;

WHEREAS, after a thorough review and evaluation of the existing socio-economic conditions in the region, the following were established:

a. The Consumer Price Index **("CPI")** in Region III increased to 132.6 in August 2025 from 131.1 in October of 2024;

b. The 2023 poverty threshold in Region III, based on the latest available data provided by the Philippine Statistics Authority **("PSA")**, for an average family of five (5) members is in the amount of Five Hundred Twenty-Eight Pesos (Php528.00), and

c. Based on the latest available data provided by the PSA, Region - III is among the eight (8) regions with an economic growth rate above the national level. The Gross Regional Domestic Product ("**GRDP**") of Region - III is at 6.5% for 2023-2024 period using constant 2018 prices.

WHEREAS, during the deliberation process, aside from the prevailing socio-economic conditions in Region - III and its provinces, the Board also considered the positions and views of all interested parties during the public hearings, the needs of the workers and their families, the capacity of the employers to pay, and labor and enterprise productivity and sustainability in the region;

WHEREAS, the Board deemed it just to increase the daily minimum wage, considering the need to restore the purchasing power of the workers' wages; to progressively close the minimum wage-poverty threshold gap in the region; and to ensure equitable distribution of the fruits of economic growth between workers and employers;

NOW THEREFORE, by virtue of the power and authority vested under *RA No. 6727*, RTWPB - III hereby issues this Wage Order.

Section 1. Amount of Increase. Upon effectivity of this Wage Order, minimum wage earners in the private sector in the Region shall receive Php50.00 – Php80.00 basic wage increase per day.

A. For the minimum wage earners in the provinces of Bataan, Bulacan, Nueva Ecija, Pampanga, Tarlac, and Zambales:

1. **Non-Agriculture Sector** - Php20.00 (1st tranche) and Php30.00 (2nd tranche);

2. **Agriculture Sector** - Php20.00 (1st tranche) and Php30.00 (2nd tranche); and

3. **Retail and Service Sector** - Php20.00 (1st tranche) and Php30.00 (2nd tranche).

B. For the minimum wage earners in the province of Aurora:

1. **Non-Agriculture Sector** – Php30.00 (1st tranche) and Php30.00 (2nd tranche);

2. **Agriculture Sector** – Php30.00 (1st tranche) and Php30.00 (2nd tranche); and

3. **Retail and Service Sector** – Php40.00 (1st tranche) and Php40.00 (2nd tranche).

Section 2. New Minimum Wage Rates. The new daily minimum wage rates in Region - III shall be as follows:

Sector/Industry	Provinces of BATAAN, BULACAN, NUEVA ECIJA, PAMPANGA, TARLAC, ZAMBALES				
	MW under W.O. No. RBIII-25	Wage Increase	New Minimum Wage	Wage Increase	New Minimum Wage
		1st Tranche		2nd Tranche	
		Upon Effectivity		April 16, 2026	
Non-Agriculture	₱550.00	₱20.00	₱570.00	₱30.00	₱600.00
Agriculture	₱520.00	₱20.00	₱540.00	₱30.00	₱570.00
Retail / Service	₱540.00	₱20.00	₱560.00	₱30.00	₱590.00

Sector/Industry	Province of AURORA				
	MW under W.O. No. RBIII-25	Wage Increase	New Minimum Wage	Wage Increase	New Minimum Wage
		1st Tranche		2nd Tranche	
		Upon Effectivity		April 16, 2026	
Non-Agriculture	₱500.00	₱30.00	₱530.00	₱30.00	₱560.00
Agriculture	₱485.00	₱30.00	₱515.00	₱30.00	₱545.00
Retail / Service	₱435.00	₱40.00	₱475.00	₱40.00	₱515.00

Section 3. Basis of Minimum Wage Rates. The minimum wage rates prescribed under this Order shall be for the normal working hours which shall not exceed eight (8) hours of work a day.

Section 4. Covered. The wage increase prescribed herein shall apply to all minimum wage earners in the private sector within the region, regardless of their position, designation or status and irrespective of the method by which their wages are paid.

Section 5. Penal Provision. Any person, corporation, trust, firm, partnership, association or entity which refuses or fails to pay the prescribed increase shall be dealt with pursuant to the provisions of *Section 12* of *RA No. 6727*, as amended by *RA No. 8188*.

Section 6. Effectivity. This Wage Order shall take effect after fifteen (15) days from its publication in a newspaper of general circulation.

APPROVED. This 16th day of September 2025.

Done in Clark Freeport Zone, Pampanga, Philippines.

RAUL C. REMODO
Member, Workers' Sector

FLORDELIZA MARIA C. REYES-RAYEL
Member, Employers' Sector

EDGAR B. VENTURA
Member, Workers' Sector

MARCO D. NEPOMUCENO
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NERRISA T. ESGUERRA
Vice-Chairperson
Department of Economy, Planning, & Development

EDNA D. DIZON
Vice-Chairperson
Department of Trade & Industry

GERALDINE M. PANLILIO
Chairperson
Department of Labor & Employment

(For NWPC Secretariat)

Date of Publication: 14 day of October 2025
Date of Effectivity: 30 day of October 2025