

[EXECUTIVE ORDER NO. 76, April 30, 2012]

**IMPLEMENTATION OF THE FOURTH TRANCHE OF THE MODIFIED
SALARY SCHEDULE FOR CIVILIAN PERSONNEL AND BASE PAY
SCHEDULE FOR MILITARY AND UNIFORMED PERSONNEL IN THE
GOVERNMENT**

WHEREAS, the Philippine Government has adopted the modified Salary Schedule for civilian personnel and the Base Pay Schedule for military and uniformed personnel authorized in the Senate and the House of Representatives Joint Resolution No. 4 approved on 17 June 2009, which shall be implemented in four (4) yearly tranches for personnel in national government agencies (NGAs);

WHEREAS, for personnel in government-owned or -controlled corporations (GOCCs), government financial institutions (GFIs), and local government units (LGUs), the implementation of the modified Salary Schedule shall be in at least four (4) years depending on their financial capabilities, pursuant to item 13 of said Joint Resolution;

WHEREAS, the third tranche of the Salary Schedule and Base Pay Schedule have been implemented effective 1 June 2011 for personnel in NGAs, GOCCs, and GFIs, and effective 1 January 2012 for personnel in LGUs; and

WHEREAS, Republic Act (R.A.) No. 10155, the FY 2012 General Appropriations Act (GAA), provides appropriations under the Miscellaneous Personnel Benefits Fund (MPBF) for the implementation of the fourth tranche of the Salary Schedule and Base Pay Schedule for personnel in NGAs.

NOW, THEREFORE, I, BENIGNO S. AQUINO III, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, Presidential Decree No. 985, Presidential Decree No. 1597, R.A. No. 6758, as amended by the Senate and House of Representatives Joint Resolution No. 01 approved on 7 March 1994, and Senate and House of Representatives Joint Resolution No. 4 do hereby order and direct:

SECTION 1. Coverage and Exclusion.

(a) Civilian Personnel – The compensation adjustments due to the implementation of the fourth tranche of the modified Salary Schedule shall cover all positions for civilian personnel in the Executive, Legislative, and Judicial Branches, the Constitutional Commissions/ Offices, State Universities and Colleges, GOCCs, GFIs, and LGUs, whether regular, casual, or contractual in nature, appointive or elective, on full-time or part-time basis, now existing or hereafter created.

(b) Military and Uniformed Personnel – The compensation adjustments due to the implementation of the fourth tranche of the modified Base Pay Schedule shall cover the military personnel under the Department of National Defense (DND) and uniformed personnel under the Department of the Interior and Local Government

(DILG), Philippine Coast Guard (PCG), and National Mapping and Resource Information Authority (NAMRIA).

(c) The following are excluded from the coverage of the compensation adjustments:

(i) Individuals and groups whose services are engaged through job orders, contracts of services, or others similarly situated; and

(ii) Civilian personnel in government entities which are exempted from Republic Act (R.A.) No. 6758, "Compensation and Position Classification Act of 1989," as amended, and are authorized by law to adopt and are actually implementing their own compensation and position classification systems approved by the Office of the President.

SECTION 2. Implementation of the Fourth Tranche Monthly Salary Schedule for Civilian Personnel of the National Government. The Salary Schedule attached as Annex "A," which is the fourth tranche of the Salary Schedule provided in item (4)(b) of Joint Resolution No. 4, shall be implemented effective 1 June 2012 for national government personnel. However, for the President of the Philippines , Vice President, and Cabinet Secretaries, the fourth tranche shall be effective 1 July 2012 .

SECTION 3. Implementation of the Fourth Tranche Monthly Base Pay Schedule for Military and Uniformed Personnel. The Base Pay Schedule attached as Annex "B," which is the fourth tranche of the Base Pay Schedule in item (8) of Joint Resolution No. 4, shall be implemented effective 1 June 2012 .

SECTION 4. Implementation of the Fourth Tranche Monthly Salary Schedule for LGU Personnel. The implementation of the fourth tranche of the Salary Schedule for LGU personnel shall be determined by the *sanggunian* based on the LGU income class and financial capability: *Provided*, That such salary rates shall not exceed the following applicable percentages of the salary rates in Annex "A," pursuant to item (7)(a) of Joint Resolution No. 4: *Provided*, Further, That the resulting Personal Services (PS) cost shall not exceed the PS limitation in LGU budgets, as provided under Sections 325(a) and 331(b) of R.A. No. 7160: *Provided*, Finally, that there shall be no diminution in the basic salaries of incumbents for purposes of complying with said PS limitation.

Percentages of Salary Rates in Annex "A"

For Provinces/Cities

Special Cities

100%

For Municipalities

1 st Class

100%

90%

2 nd Class

95%

85%

3 rd Class

90%

80%

4 th Class

85%

75%

5 th Class

80%

70%

6 th Class

75%

65%

For this purpose, the Department of Budget and Management shall issue the "Fourth Tranche Monthly Salary Schedule for Local Government Personnel" for each LGU income class to take effect not earlier than 1 January 2013 .