

**[DBM LOCAL BUDGET CIRCULAR NO. 63, October
22, 1996]**

**POSITION CLASSIFICATION AND COMPENSATION OF BARANGAY
OFFICIALS AND PERSONNEL**

**1.0
Policy Statements**

1.1 Barangay Officials shall be compensated in the form of honorarium. The minimum honorarium of barangay officials is set at P1,000 per month for the punong barangay and P600 per month for the sanggunian barangay members, barangay secretary and barangay treasurer. The sangguniang barangay is authorized to create positions as may be deemed necessary to carry out the purposes of the barangay government and to provide compensation thereto. (RA 7160)

1.2 The barangay government shall be covered by the Revised Position Classification and Compensation System being administered by the Department of Budget and Management. (Executive Order No. 332)

**2.0
Purpose**

This Circular is being issued to provide guidelines relative to position classification and compensation in the barangay government in accordance with Republic Act 7160 and Presidential Executive Order No. 332 issued on May 16, 1996.

**3.0
Rules and Regulations**

3.1 Subject to availability of funds and the general limitation on personal services, the honorarium rates of the barangay officials may be adjusted/increased. However, such adjusted rates shall not exceed the rate equivalent to the first step of the following salary grades in the city or municipality where the barangay belongs:

SG- for the punong barangay
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SG- for the sanggunian barangay members, barangay secretary
10 and barangay treasurer

3.2 The maximum honorarium/salary rates shall correspondingly change to conform with the adjustments authorized by Congress and/or the President of the Philippines notwithstanding the restriction under Section 391(10) of RA 7160.

3.3 Positions other than those for the mandatory barangay officials may be created in the barangay and may be compensated in the form of salary or honorarium at the

discretion of the barangay government concerned, at rates not exceeding the minimum of the salary grade allocation of the following indicative positions:

POSITIONS	SALARY GRADE
Utility Worker I	1
Clerk I	3
Accounting Clerk I	4
Barangay Health Aide	4
Revenue Collection Clerk I	5
Day Care Worker I	6
Administrative Assistant	8

Positions compensated in the form of salary shall be allocated to their proper position titles and salary grades in accordance with the revised Index of Occupational Services, Position Titles and Salary Grades under LBC No. 61. Position titles not consistent with the said Index shall be subject to approval by the Department of Budget and Management through the Compensation and Position Classification Bureau in accordance with LBC No. 53.

3.4. Barangay tanods and members of the Lupong Tagapamayapa may be granted honorarium, allowances or other emoluments provided the total amount shall not exceed the minimum salary rate for SG-1.

3.5 The honorarium/salary rates shall be in accordance with the salary schedule being implemented by the city or municipality where the barangay is located, as authorized under the implementing rules of RA 6758.

3.6 In the event that local funds will not be sufficient to implement the maximum honorarium/salary rates as prescribed, increase in the same shall be made proportionately and uniform for all positions in the local government concerned (Illustrative Example A^{*})

3.7 Applicability of this Circular insofar as increase in honoraria/salary cannot be made retroactive.

3.8 Barangay personnel paid on salary basis referred to in sub-paragraph 3.2 above, and whose positions are classified in accordance with RA 6758 and issued appointments in accordance with the Civil Service law, rules and regulations may be entitled to the following benefits in accordance with law, rules and regulations pertaining thereto:

BENEFITS	LEGAL BASIS
Personnel Economic	The General Appropriations Act; Budget