

**[ DBM LOCAL BUDGET CIRCULAR NO. 58, July 07, 1995 ]**

**COMPENSATION OF BARANGAY OFFICIALS AND PERSONNEL**

**1**  
**Coverage**

This Circular is issued to provide guidelines on the compensation of barangay officials/personnel pursuant to the Local Government Code (RA 7160), the Compensation and Position Classification Act (RA 6758, as amended) and Administrative Order No. 42, s. 1993.

**2**  
**Guidelines**

2.1 The Local Government Code (RA 7160) provides for the minimum compensation of barangay officials at P1,000 per month for the punong barangay and P600 per month for the sangguniang barangay members, barangay secretary and barangay treasurer. It further provides authority to the sangguniang barangay to create positions as may be deemed necessary to carry out the purposes of the barangay government and to provide compensation thereto.

2.2 The compensation of barangay officials may be increased from minimum prescribed under the LGC subject to the following conditions:

2.2.1 The adjusted rate shall not exceed the minimum basic salary of positions allocated to the following salary grades in the city or municipality where the barangay belongs:

SG-14 for the punong barangay

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

2.2.2 The compensation rate shall be in accordance with salary schedule being implemented by the city or municipality where the barangay is located.

2.2.3 The increase shall be charged against the city, municipal or barangay funds.

2.2.4 The increase shall be made proportionately and uniform for all levels of officials concerned (Annex "A")

2.2.5 The increase shall be subject to the general limitation on personal service expenditures prescribed under RA No. 7160.

2.2.6 In cases where the Ordinance authorizing the increase comes from the Barangay Council, the increase in compensation shall take effect only after the terms of those approving such increase shall have expired.

2.3 Positions other than those of the mandatory officials which may be created in the barangay shall be compensated, subject to the following conditions:

2.3.1 The compensation may be in the form of salary or honorarium. The salary/honorarium rates shall not exceed the minimum of the salary grade allocation of the following indicated positions:

POSITIONS	SALARY GRADE
Utility Worker	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

2.3.2 The compensation rate shall be in accordance with the salary schedule being implemented by the city or municipality where the barangay is located.

2.3.3 The compensation rate shall not equal nor exceed the rate paid to the lowest barangay official.

2.3.4 The positions so created shall be classified in accordance with RA 6758, as amended.

2.3.5 Cities, municipalities or barangays, depending on their financial capability, may grant honorarium, allowances or other emoluments as compensation to the barangay tanods provided that the total amount received by the barangay tanods from any or all sources does not exceed the minimum salary rate for SG-1.