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DATE: 4/10/25
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TANGGAPAN NG SANGGUNANG PANGALAMANG
TANDAG CITY, SURIGAO DEL SUR

DEPUTY EXECUTIVE SECRETARY NAELLA BAINTO AGUINALDO

Office of the President (OP)

Attention: **Assistant Executive Secretary Neal Vincent M. Bainto**

This pertains to the referral by the OP-ODESGA to the Department of Budget and Management (DBM) of the following requests/Resolutions of the local government units (LGUs) concerned for evaluation and appropriate action of this Department:

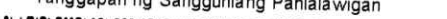
- Request of the **Provincial Government of Bukidnon** to allow LGUs to implement the **second tranche** of the updated salary schedule under Executive Order (EO) No. 64, s. 2024¹ **beginning January 1, 2025**, as expressed under *Sangguniang Panlalawigan (SP) Resolution No. 2025-5195*
- Requests of the **Provincial Governments of Surigao del Sur, Misamis Occidental, and Sorsogon** to reconsider the provisions under DBM **Local Budget Circular (LBC) No. 160**² in order to allow the retroactive implementation of the salary increase for LGU officials and employees, i.e., **from August 2, 2024 to January 1, 2024**, as outlined in *SP Resolution No. 2805-25, No. 865-24, and No. 546-2024* respectively

It is worth mentioning that SP Resolution No. 2805-25 and No. 546-2024 are in support of Resolution No. 667 of the SP of Davao del Norte and Resolution No. 2024-630 of the SP of Cotabato, while SP Resolution No. 865-24 is in support of Resolution No. 24-811 of the SP of Davao del Sur, expressing the same sentiments on the retroactive implementation of the salary adjustment in LGUs.

Tanggapan ng Sangguniang Panlalawigan

SURIGAO DEL

SUR



OSSP-SDS-2025-4600

Telephone No. : (086) - 211 - 5832

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² Implementation of the First Tranche of the Modified Salary Schedule for Local Government Personnel Pursuant to Executive Order (EO) No. 64, s. 2024

May we highlight that **EO No. 64, s. 2024** updated the salaries and benefits of civilian government personnel to ensure an effective, competitive, and sustainable Compensation and Position Classification System (CPCS).

Section 5 thereof (*Implementation Schedule*) stated that the updated Salary Schedule shall be implemented in national government agencies (NGAs) in four (4) tranches, with the first beginning on January 1, 2024, the second on January 1, 2025, the third on January 1, 2026, and the fourth and final on January 1, 2027.

In the case of the **LGUs**, the **implementation shall not be less than four (4) years**, depending on their financial capabilities, provided that each tranche shall start **not** earlier than the dates mentioned above.

Section 6 (*Retroactive Application*) further stated that the implementation of the first tranche in LGUs shall be **subject to the pertinent provisions of the EO and Republic Act (RA) No. 7160** (*Local Government Code of 1991*).

Meanwhile, **Section 11** (*Implementing Guidelines*) provided that the DBM shall issue the guidelines necessary to implement the provisions of the EO.

Corollary, the DBM issued **LBC No. 160** dated August 12, 2024 to guide the LGUs in the implementation of the first tranche of the modified salary schedule under EO No. 64.

In this regard, we wish to highlight **Items 5.5 and 13** of the LBC on the implementation timeline for LGUs, as follows:

➤ **Item 5.5**

*"The implementation of the First Tranche Salary Schedule shall be **effective for a period not less than one (1) year from the date of the approval of the appropriation ordinance** authorizing the supplemental budget or augmentation or on the date fixed therein by the Sanggunian concerned, subject to the pertinent provisions of RA No. 7160."*

➤ **Item 13.0**

*"The implementation by the LGU of the First Tranche of the Updated Salary Schedule shall be **effective not earlier than August 2, 2024**, pursuant to Section 325(g) of RA No. 7160, which states that salary increases or adjustments shall in no case be made retroactive."*

We wish to inform you that the DBM is currently preparing the guidelines for the implementation of the second tranche of the modified salary schedule in LGUs.

For this purpose, this Department will issue the LBC to provide the rules and regulations on the matter, including the effectivity of the implementation of the modified salary schedule by LGUs.

Thank you.

Very truly yours,

LEONIDO J. PULIDO III

Assistant Secretary

cc: **Atty. Apollo A. Maguale**

Secretary to the *Sangguniang Panlalawigan*
Provincial Government of Bukidnon
1/F Sangguniang Panlalawigan Building
Malaybalay City, Bukidnon

Mr. Edgar G. Perez II

Secretary to the *Sangguniang Panlalawigan*
Provincial Government of Surigao del Sur
Legislative Building, Capitol Hills, Telaje
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Ms. Irene T. Zapatos

Secretary to the *Sangguniang Panlalawigan*
Provincial Government of Misamis Occidental
Provincial Capitol Building
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Atty. Rodolfo C. Dealca, Jr.

Secretary to the *Sangguniang Panlalawigan*
Provincial Government of Sorsogon
Sangguniang Panlalawigan Building, Capitol Compound
Brgy. Burabod, East District, Sorsogon City





Office of the President
Malacañang

**OFFICE OF THE DEPUTY EXECUTIVE SECRETARY
FOR GENERAL ADMINISTRATION**

07 MAR 2025

SECRETARY AMENAH F. PANGANDAMAN

Department of Budget and Management (DBM)
San Miguel, Manila

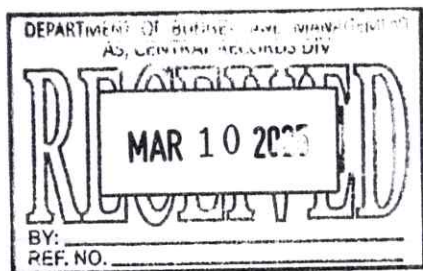
Dear Secretary Pangandaman:

We respectfully refer for any action you may deem proper, subject to existing laws, rules, and regulation, the attached *Sangguniang Panlalawigan* (SP) Resolution No. 2805-25 of the Province of Surigao del Sur, expressing support for Resolution No. 667 (s. 2024) of the SP of Davao del Norte which requested for reconsideration of the retroactive application of salary increase for local government unit officials and employees to begin on 01 January 2024 under DBM Local Budget Circular No. 160 (s. 2024).

May we likewise mention that the purpose of this letter is only to forward a copy of the correspondence and should not, in any way, be construed as interceding in the recipient's own evaluation and action, in accordance with existing laws, rules and regulations.

For the Secretary's consideration.

With kind regards,



NEAL VINCENT M. BAINTO
Assistant Executive Secretary

Copy furnished:

MR. EDGAR G. PEREZ II
Secretary to the *Sangguniang Panlalawigan*
Province of Surigao del Sur

030625-MRO-161685

