



**CIVIL SERVICE COMMISSION
DEPARTMENT OF BUDGET AND MANAGEMENT**



JOINT CIRCULAR No. 01, s. 2016

January 27, 2016

TO : ALL HEADS OF CONSTITUTIONAL BODIES, EXECUTIVE AND LEGISLATIVE BRANCHES, LOCAL GOVERNMENT UNITS (LGUs), AND ALL OTHERS CONCERNED

SUBJECT : Rules and Regulations on the Grant of Step Increments to Elective Officials Based on Length of Service

1.0 Background

The rules and regulations on the grant of step increment/s due to meritorious performance and step increment due to length of service were issued through the Civil Service Commission (CSC) and Department of Budget and Management (DBM) Joint Circular No. 1, s. 2012 dated September 3, 2012.

In Item 4 of said circular, elective officials were excluded from the coverage thereof. However, the Department of Justice (DOJ) in its Opinion No. 38, s. 2012 concluded that they are covered and entitled to the step increment pursuant to R.A. No. 6758, "Compensation and Position Classification Act of 1989," Joint Resolution No. 4, s. 2009, "Joint Resolution Authorizing the President of the Philippines to Modify the Compensation and Position Classification System of Civilian Personnel and the Base Pay Schedule of Military and Uniformed Personnel in the Government, and for Other Purposes," and other relevant laws.

2.0 Policy Statement

The grant of step increments to elective officials shall be based on length of service. They shall enjoy this benefit as a form of reward for completing their term of office and being re-elected to the same position.

3.0 Purpose

This Joint Circular is issued to prescribe the rules and regulations on the grant of step increments to elective officials based on length of service.

4.0 Coverage

For purposes of this Joint Circular, the terms used herein are defined as follows:

"Elective position" refers to a position occupied by a winning or chosen candidate by virtue of the mandate of the electorate and with a definite term of office.

A term is "the period of time during which a duly elected official has title to and can serve the functions of an elective office."¹

¹ Abundo, Sr. vs. COMELEC and Vega, G.R. No. 201716, January 8, 2013

This Joint Circular applies to the following elective positions in the national and local governments with their corresponding terms of office:

- 4.1 Vice President and Senators, with a six-year term and allowed to serve for a maximum of two consecutive terms;
- 4.2 Elective positions with a three-year term and allowed to serve for a maximum of three consecutive terms:
 - 4.2.1 Members of the House of Representatives;
 - 4.2.2 Elective officials in provinces, e.g., governors, vice-governors, and regular and ex-officio members of the Sangguniang Panlalawigan (provincial board members); and
 - 4.2.3 Elective officials in cities and municipalities, e.g., mayors, vice mayors, and regular and ex-officio members of the Sangguniang Panlungsod/ Bayan (city/municipal councilors).

5.0 Exclusions

Excluded from the coverage of this Joint Circular are the President of the Philippines and elective barangay officials.

6.0 Grant of Step Increments Based on Length of Service

One (1) Step increment based on length of service shall be granted to elective officials for every three (3) years of service. Their salaries shall be as follows:

6.1 For the Vice President and Senators

At Step 1 of the authorized salary grade upon assumption to duty on his/her first term;

At Step 2 after 3 years of service during his/her first term;

At Step 3 upon assumption to duty on his/her second term with the same elective position;

At Step 4 after 3 years of service during his/her second term; and so on.

6.2 For Elective Officials with three-year term

At Step 1 of the authorized salary grade upon assumption to duty on his/her first term;

At Step 2 upon assumption to duty if re-elected for a second term with the same elective position;

At Step 3 upon assumption to duty if re-elected for a third term with the same elective position; and so on.

- 6.3** An elective official shall be considered to have completed the term of office (6 or 3-year service, as applicable) of the elective position on any of the following circumstances:
- 6.3.1** Assumption of a higher elective position through succession provided, that the official has served for more than half of the term;
 - 6.3.2** Winning a recall election, provided that the official has served for more than half of the term;
 - 6.3.3** Declaration by final and executory judgment as the rightful winner; provided that the official has served for more than half of the term;
 - 6.3.4** Service of term where there is conversion of municipality into a city; or
 - 6.3.5** Service of term, though interrupted by preventive suspension for a period not exceeding six (6) months.
- 6.4** An elective official who served an elective position for a maximum of two (2) or three (3) consecutive terms, as applicable, and re-elected to the same position after a break or interruption of the continuity of his/her service shall be granted one (1) step higher from the salary he/she last received for the same position.
- 6.5** An elective official elected to a new elective position shall receive Step 1 of the authorized salary of the new elective post.
- 6.6** An elective official shall not be granted step increment upon re-election to the same position if his/her previous services are interrupted or broken, temporarily or permanently, by any of the following conditions:
- 6.6.1** Conviction by final judgment to imprisonment of at least one (1) year for any crime involving moral turpitude;
 - 6.6.2** Suspension from office due to disorderly behavior or unauthorized absences;
 - 6.6.3** Expulsion from office due to disorderly behavior or unauthorized absences;
 - 6.6.4** Resignation or voluntary renunciation of the office for any length of time;
 - 6.6.5** Loss in recall election; or
 - 6.6.6** Disqualification from holding office by final and executory judgment pursuant to the Omnibus Election Code and other Election Laws.
- 6.7** An elective official who has been granted step increment/s prior to the temporary interruption of his/her services cited in Item Nos. 6.6.1 and 6.6.2 herein, shall continue to receive the same upon re-assumption to duty.

7.0 Adjustment of Salaries

7.1 For the Vice President and Senators

The salaries of the Vice President and Senators shall be adjusted after three (3) years of service, subject to the conditions provided in Item Nos. 6.3 and 6.6 herein.

7.2 For Elective Officials with three-year term

The salaries of the Elective Officials with three-year term shall be adjusted upon assumption to duty to the succeeding term, if re-elected to the same elective position, subject to the conditions provided in Item Nos. 6.3 and 6.6 herein.

8.0 Initial Adjustment of Salaries

For purposes of determining eligibility to the grant of step increment, the number of years of service shall be reckoned from the term of office beginning July 1, 2010 and onwards. The adjustment of salaries of elective officials to reflect the step increment shall start not earlier than January 1, 2016.

9.0 Preparation and Issuance of Notice of Step Increment

The Notice of Step Increment (NOSI) Due to Length of Service following the format attached as Annex "A" shall be prepared by the Human Resource Management Officer or Administrative Officer concerned. The heads of the Executive and Legislative Branches and Local Government Units shall issue such Notices to the elective officials concerned copy furnished the Government Service Insurance System (GSIS).

10.0 Fund Sources

10.1 For the Vice President, Senators and Congressmen, the step increments shall be charged against the respective agency budget.

10.2 For Elective Local Officials, the amounts shall be charged against their respective local government funds not exceeding the budgetary limitation on personnel services provided under Republic Act No. 7160 and applicable laws, rules, and regulations.

11.0 Responsibilities of the Heads of the Legislative Branch and Local Government Units

Heads of the legislative branch and the local government units shall be responsible for the development and review of the agency system and procedure in the implementation of this Joint Circular.

They shall issue the NOSI to elective officials entitled thereto.

They shall be held liable for any payment of step increments not in accordance with the provisions of this Joint Circular without prejudice, however, to the refund of any excess/undue payment received by the official concerned.

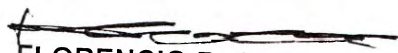
12.0 Resolution of Issues

Issues and concerns that may arise in the implementation of these rules and regulations shall be resolved jointly by the CSC and DBM.

13.0 Effectivity

This Joint Circular shall take effect fifteen (15) days after its publication in a newspaper of nationwide circulation.


ALICIA dela ROSA - BALA
Chairperson
Civil Service Commission


FLORENCIO B. ABAD
Secretary
Department of Budget and Management

Annex "A"

Notice of Step Increment to Elective Officials Based on Length of Service

Date: _____

Hon. _____

Dear _____:

Pursuant to the Civil Service Commission and Department of Budget and Management Joint Circular No. _____ dated _____, 2015, implementing item (4)(d) of the Senate and House of Representatives Joint Resolution No. 4, s. 2009, approved on June 17, 2009, your salary as _____ is hereby adjusted effective _____, as follows:

- 1. Actual monthly basic salary as of _____ (SG-____, Step ____) PhP _____
- 2. Add: Increment Based on Length of Service PhP _____
- 3. Adjusted monthly basic salary effective _____ PhP _____

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

Item No. ____/Unique Item No. ____
FY ____ Personal Services Itemization and/or
Plantilla of Personnel

cf: GSIS