noted on the result. Without any table entry, the result shows a reminder, and dates before the first entry are reported as not checked.

The region list includes NIR and BARMM. Transitional wage-order coverage can differ from administrative regional boundaries, so read each order's locality and category conditions. A category named Other / special still needs exact documented applicability; it does not grant an exemption.

7. Add and maintain employees

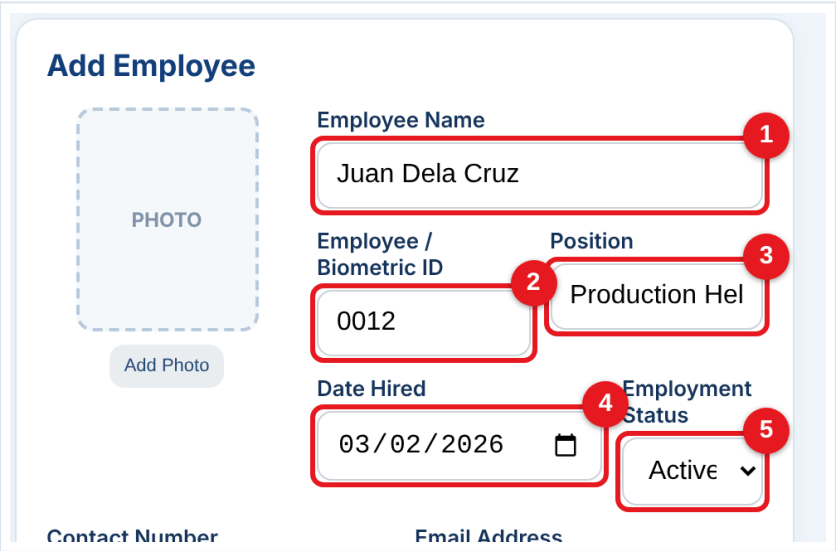
This is the most important setup screen. What you enter here decides whether LokalPay can check the minimum wage for the employee, and whether the employee is treated as a minimum wage earner (MWE) for tax. Take your time and do it carefully once for each employee. The pictures follow the sample employee Juan Dela Cruz, who works at a shop in Cebu City and is paid ₱582 a day, the Region VII Class A minimum from 14 October 2026.

Before you start, have these ready:

- the employee's ID number in your biometric or time-clock device, if you use one;
- the daily rate you actually pay the employee;
- where the employee actually works (the city or municipality of the workplace, not their home);
- the wage order that covers that workplace, and a copy of it (for Cebu City from 14 October 2026: ROVII-27, ₱582 a day);
- the name of the person who checked the classification (you, or your accountant or bookkeeper).

Part A. Basic details

1. Open Employees. The list of employees is on the left and the Add Employee form is on the right.
2. Enter the Employee Name (1) and the Employee / Biometric ID (2). The ID must match the number in the attendance device file exactly, including leading zeroes: 0012 is not the same as 12.
3. Enter the Position (3), Date Hired (4) and Employment Status (5).



Add Employee, basic details: (1) name, (2) biometric ID, (3) position, (4) date hired, (5) employment status.

4. Record the SSS, PhilHealth, Pag-IBIG and TIN numbers from the employee's verified documents. Do not invent identifiers to remove a warning. Enter contact details and the residential Address. The workplace is entered separately in Part C.

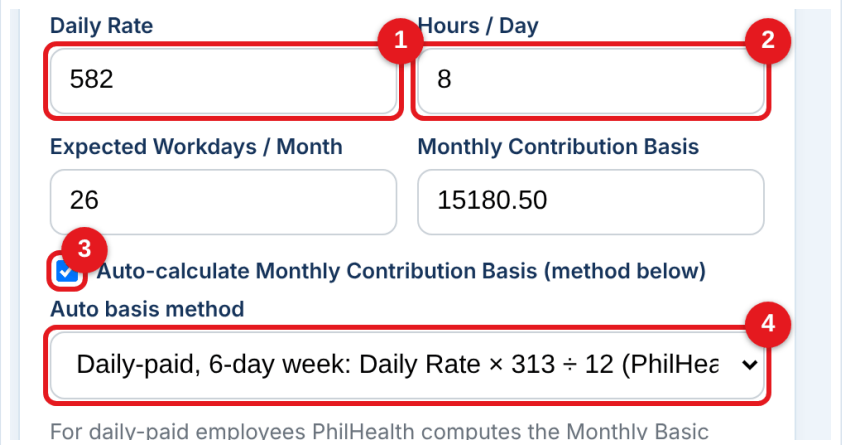
Part B. Daily rate and PhilHealth basis

On the screen these boxes are below the Work location box, but fill them in first: the wage review in Part D saves this Daily Rate.

5. Enter the Daily Rate (1): the rate you actually pay for one normal day. Hours / Day (2) is normally 8.

6. Keep Auto-calculate Monthly Contribution Basis ticked (3).

7. Choose the Auto basis method (4). If the employee works Monday to Saturday, choose Daily-paid, 6-day week (Daily Rate × 313 ÷ 12). If they work Monday to Friday, choose Daily-paid, 5-day week (× 261 ÷ 12). Do not use Daily Rate × Expected Workdays: it is only an estimate, and payroll will stop until you switch to a verified Manual basis.



Daily rate and PhilHealth basis: (1) Daily Rate, (2) Hours / Day, (3) keep auto-calculate ticked, (4) Auto basis method.

Part C. Work location and minimum wage

This box decides which minimum wage applies to the employee. The box is narrow, so the drop-down lists show only the start of the choice; for example, "VII —" is VII — Central Visayas.

8. Work region (1): choose the region where the employee works. "Use company default" uses the region saved in Settings (chapter 6).

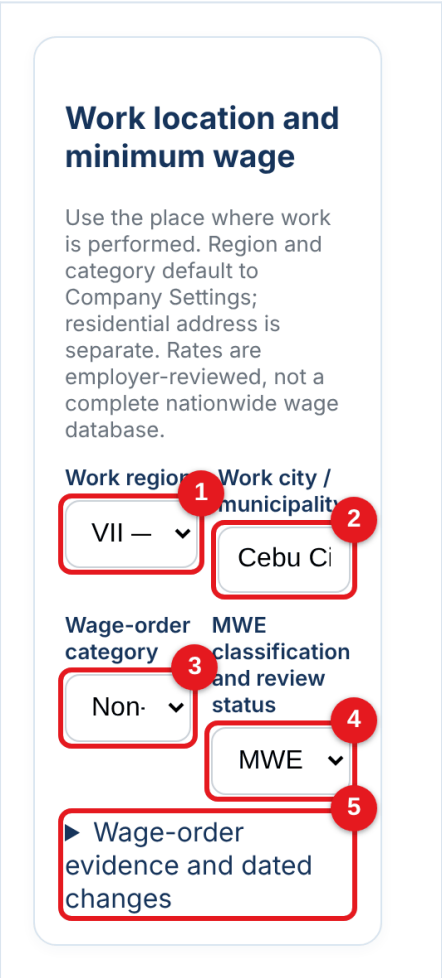
9. Work city / municipality (2): type the city or municipality of the actual workplace, for example Cebu City. Do not type the employee's home address.

10. Wage-order category (3): choose the category from the wage order: Non-agriculture, Agriculture, Retail / service, Manufacturing, or Other / special. Most shops and offices are Non-agriculture, but follow what the wage order says for your type and size of business.

11. MWE classification and review status (4): there are three choices.

- Needs review: you have not finished checking. You can still save the employee, but not a dated wage review (Part D), and LokalPay does not treat the employee as an MWE.
- Not an MWE — employer reviewed: the employee is paid more than the statutory minimum for their workplace, or is otherwise not an MWE.
- MWE — employer reviewed: the employee is paid exactly the statutory minimum for their workplace. LokalPay accepts this only when the Daily Rate equals the statutory minimum you enter in Part D. Do not choose MWE just to reduce tax.

12. Click Wage-order evidence and dated changes (5) to open the rest of the box.



Work location and minimum wage: (1) region, (2) city or municipality of the workplace, (3) wage-order category, (4) MWE classification, (5) open the wage-order evidence.

Part D. Wage-order evidence and dated changes

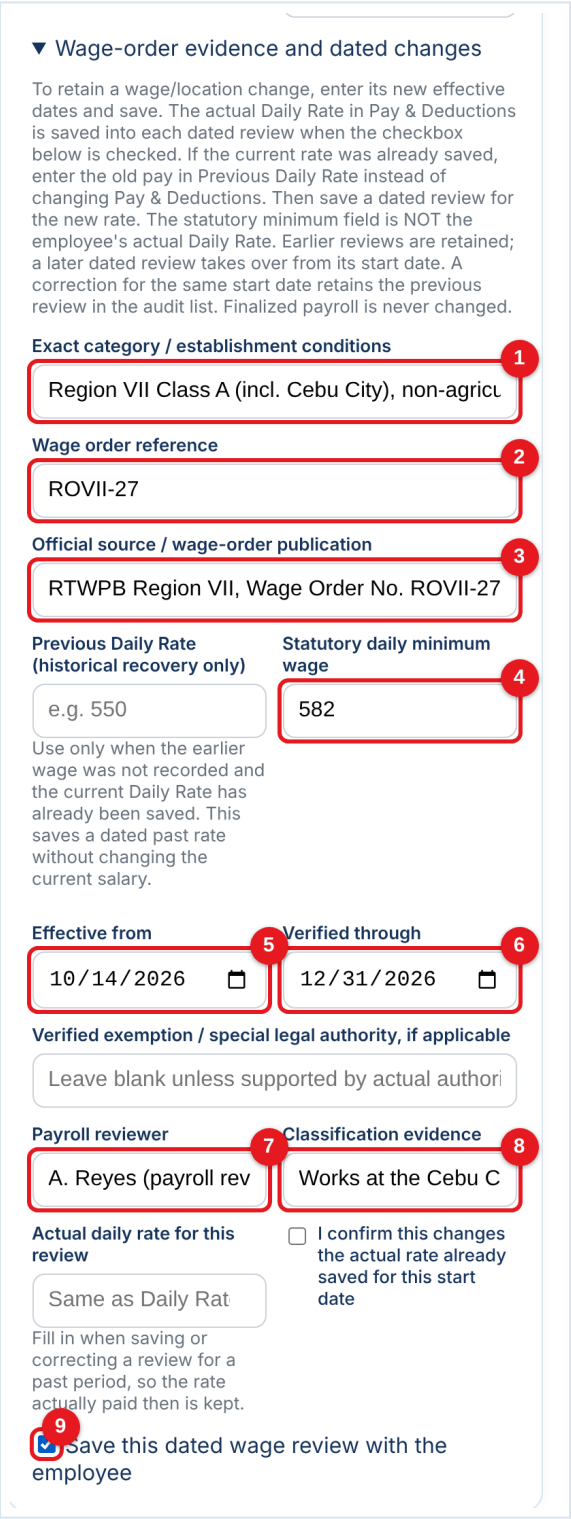
The grey text at the top of this box is a summary of the rules below. Fill in the boxes in this order:

13. Exact category / establishment conditions (1): describe in words why this wage order and rate apply, for example the area or class, the industry, and the size of the business if the wage order depends on it. Copy the wording from the wage order. This is not filled in from Settings; type it, or copy it from Company / Settings.
14. Wage order reference (2): the wage order number, for example ROVII-27.
15. Official source / wage-order publication (3): where the official copy came from, for example the RTWPB Region VII publication. Keep a printed or saved copy with your payroll records.
16. Leave Previous Daily Rate empty. It is only for recovering an old rate that was never recorded (Part F).
17. Statutory daily minimum wage (4): the minimum daily wage in the wage order for this workplace, for example 582. This is the legal minimum, not necessarily what you pay. For an MWE it is the same as the Daily Rate.

18. Effective from (5): the date this review starts. Use the wage order's effective date (14 October 2026 for ROVII-27), or the date hired if the employee started later. Do not use the date you are typing it in: payroll days before Effective from are not covered and cannot be calculated.
19. Verified through (6): the last date for which you have checked that these facts are still true, for example 31 December 2026. A payroll with days after this date stops until you save a new review, so choose a date when you will check again.
20. Leave Verified exemption / special legal authority empty, unless the employee is covered by an actual legal exemption from the minimum wage (for example, one granted by the wage board). Low pay alone is not an exemption.
21. Payroll reviewer (7): the name of the person who checked the classification.
22. Classification evidence (8): what the classification is based on, for example "Works at the Cebu City shop; signed assignment on file".
23. Leave Actual daily rate for this review empty for a current review; LokalPay then uses the Daily Rate from Part B. Fill it in only when you record a review for a past period (Part F).

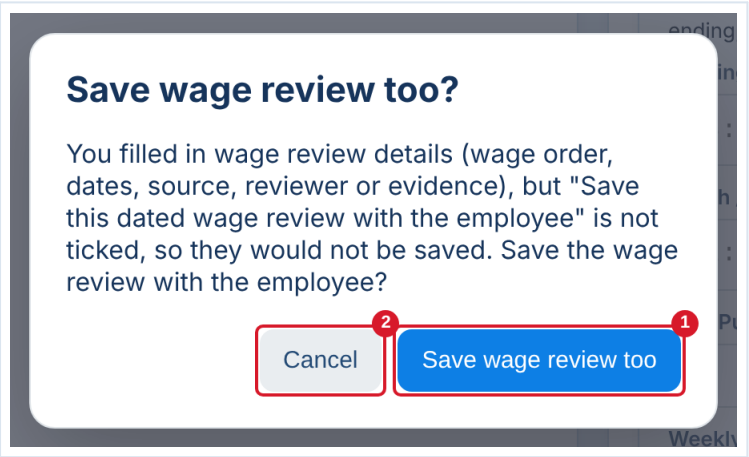
24. IMPORTANT: tick Save this dated wage review with the employee (9). Without this tick, nothing in this box is saved.

25. Click Save Employee at the bottom of the form. The message "Employee saved." appears under the button.



Wage-order evidence and dated changes, filled in for the sample employee. The numbers match steps 13 to 24.

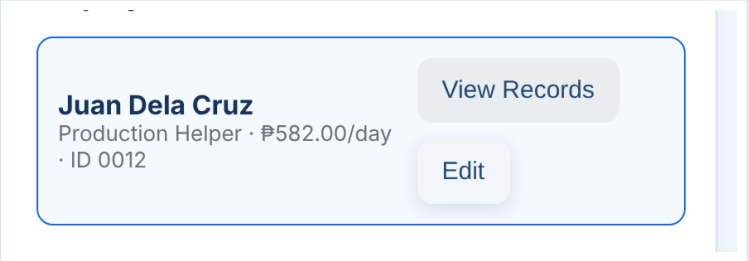
If you typed in these boxes but forgot the tick (9), Save Employee asks "Save wage review too?" before saving. Click Save wage review too (1) to tick the box and save the review with the employee. Click Cancel (2) to save nothing; a message under the button explains what to tick.



Save wage review too?: (1) save the employee together with the wage review, (2) Cancel saves nothing.

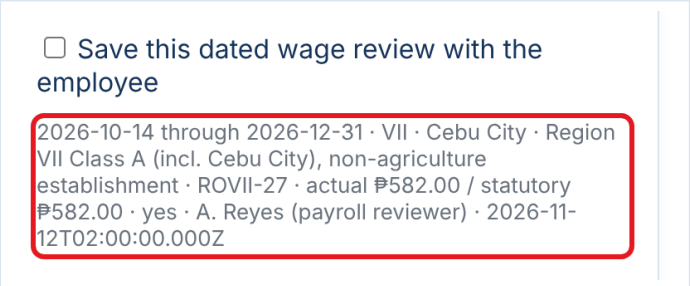
Part E. Check that the review was saved

26. In the employee list, click Edit next to the employee.



The employee list. Edit opens the employee's form; View Records opens their records.

27. Open Wage-order evidence and dated changes again. The saved reviews are listed under the tick box, one line each: the dates, region, city, conditions, wage order, actual and statutory rates, MWE (yes or no), reviewer, and when it was saved.

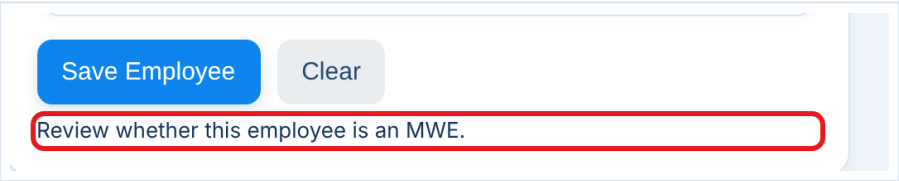


A saved wage review, listed under the tick box.

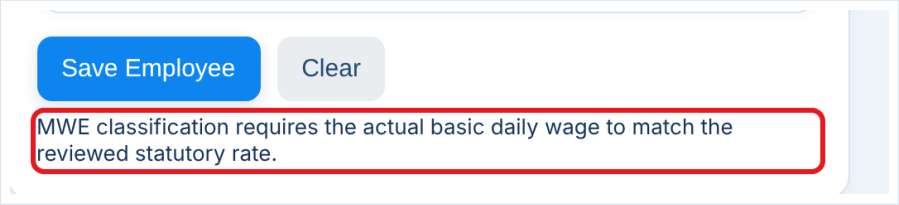
If the line says "No dated work-location review recorded", the tick box was not ticked. Tick it and click Save Employee again. Saving the same review twice does not create a duplicate. The newest applicable review controls a new calculation; older finalized payroll keeps its snapshot.

If LokalPay does not save

When something is missing or does not agree, a message appears under Save Employee and nothing is saved. Correct the item and click Save Employee again.



Example: MWE was left at Needs review while the tick box was ticked.



Example: MWE was chosen, but the statutory minimum (600) does not match the Daily Rate (582).

- "Review whether this employee is an MWE.": MWE classification is still Needs review. Choose MWE or Not an MWE, after checking.
- "MWE classification requires the actual basic daily wage to match the reviewed statutory rate.": the Daily Rate and the statutory minimum are different. Correct the wrong number, or choose Not an MWE if you pay more than the minimum.
- "Select the actual work region and enter the work city / municipality …": the region or the city / municipality is empty.
- "Select a wage category and describe its exact geographic / industry / establishment conditions.": the category or the Exact category / establishment conditions box is empty.
- "Enter a valid effective date range.": Effective from or Verified through is empty, or Verified through is earlier than Effective from.
- "Enter the wage order, official source, reviewer and classification evidence.": one of those four boxes is empty.
- "Enter the actual and statutory daily wage rates.": the Daily Rate or the statutory minimum is empty or zero.
- "Below-minimum basic pay needs a verified applicable exemption …": you pay less than the statutory minimum. Raise the rate to at least the minimum. Record an exemption only if a real legal authority applies.
- "Daily Rate changed. Save a dated wage review for the new rate before changing current pay.": see Part F.

Part F. When the wage or workplace changes

When a new wage order takes effect, or the employee's rate or workplace changes, add a new dated review. Do not edit the old one.

1. If it is a new wage order, first add the new minimum in Company / Settings → Minimum Wage (chapter 6).

2. Open Employees and click Edit next to the employee.

3. Change the Daily Rate to the new rate.

4. Open Wage-order evidence and dated changes. Enter the new statutory minimum, the new wage order and source, and the new Effective from and Verified through dates. Update the region, city and conditions if the workplace changed.

5. Tick Save this dated wage review with the employee and click Save Employee. Check the list (Part E): the earlier review is still there, and the new one starts on its own date.

A payroll period that crosses a dated wage change is calculated day by day, at the rate in force on each day, from approved daily attendance. Do not edit finalized payroll merely to make it agree with today's employee master.

When saving a review for a past period, enter the rate actually paid in Actual daily rate for this review; left blank, it means the Daily Rate above. A review that would change the rate already saved for the same start date is refused, unless you tick the confirmation that the saved rate was wrong. If the current rate was already saved without a review for the earlier rate, enter the old rate in Previous Daily Rate instead of changing the Daily Rate, save a dated review for the earlier period, and then save a review for the current rate.

An employee with finalized or historical payroll cannot be deleted; set the status to Separated or Inactive so that their history remains.

Part G. Monthly-salaried employees

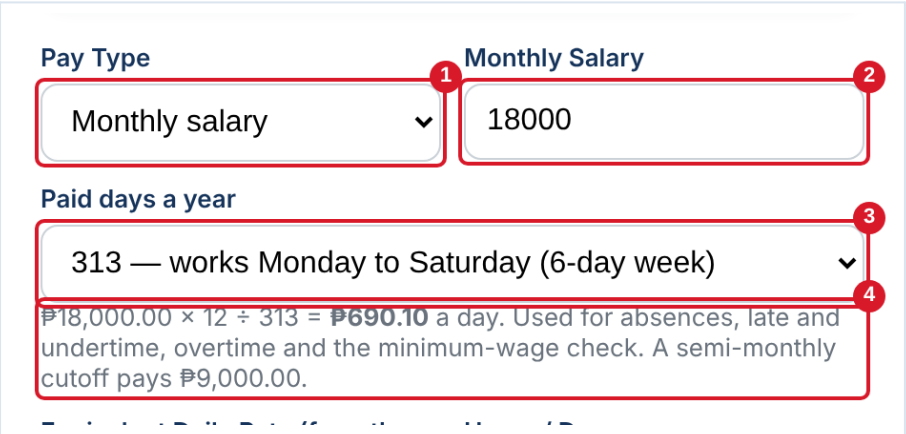
Use this for an employee paid a fixed monthly salary instead of a daily rate.

1. In the employee's form, set Pay Type (1) to Monthly salary.

2. Enter the Monthly Salary (2).

3. Choose Paid days a year (3): 313 if the employee works Monday to Saturday, 261 if Monday to Friday.

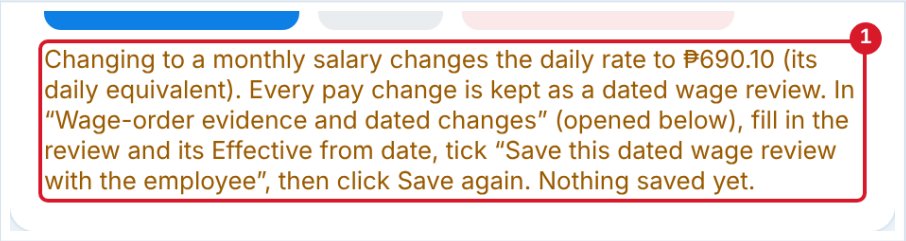
4. Read the line under it (4). It shows the equivalent daily rate (monthly salary × 12 ÷ 313 or 261) and what one cutoff pays. LokalPay uses the daily rate for absences, late and undertime, overtime and the minimum-wage check.



A monthly-salaried employee: (1) Pay Type, (2) Monthly Salary, (3) paid days a year, (4) the equivalent daily rate and the cutoff pay.

Each semi-monthly cutoff pays half the monthly salary. Absences are deducted at the equivalent daily rate, and late or undertime minutes at its hourly rate. Holidays are included in the monthly salary. A monthly-salaried employee always needs approved daily attendance for the exact period, because that is where absences and late minutes come from; typed hours are refused.

When you switch an existing employee from a daily rate to a monthly salary, the daily rate changes, so LokalPay keeps the change as a dated wage review (Part F). The first Save explains this and opens Wage-order evidence and dated changes. Enter the Effective from date (the first day of the new pay), tick Save this dated wage review with the employee, and click Save again. Cutoffs before that date still use the old rate. If the employee was a minimum wage earner and the new salary is above the minimum wage, also change the MWE classification.

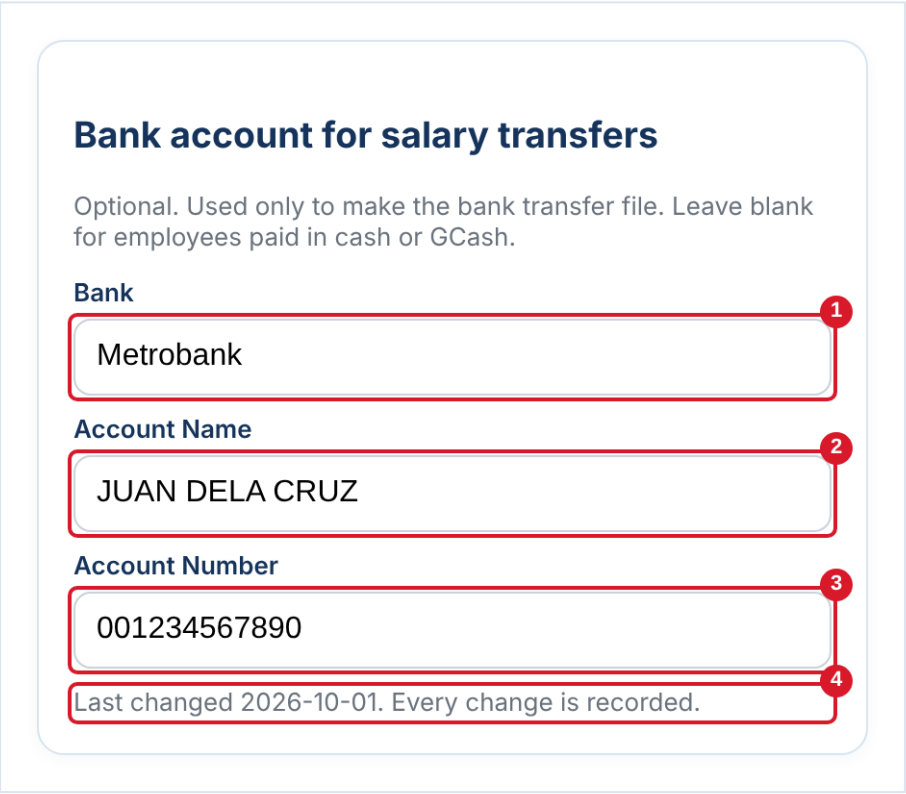


The message after the first Save when switching to a monthly salary. Nothing is saved until the dated wage review is ticked.

Part H. Bank account for salary transfers

Fill this in only for employees you pay by bank transfer (chapter 26). Leave it blank for employees paid in cash or GCash.

1. In the employee's form, find Bank account for salary transfers.
2. Bank (1): choose from the list of Philippine banks or type the bank's name.
3. Account Name (2): exactly as shown on the employee's bank account.
4. Account Number (3): copy it from the employee's bank document or passbook. Spaces and dashes are removed when you save; leading zeroes are kept. It must be 6 to 20 digits.
5. Save. The line under the boxes (4) shows when the account last changed.



Bank account: (1) Bank, (2) Account Name, (3) Account Number, (4) when it last changed.

Every change of bank or account number is recorded with its date. Changing an employee's account number to someone else's is a common payroll fraud, so the bank transfer file warns you about any account changed since the last file (chapter 26). Confirm any change directly with the employee, not only by message.

Tax facts and overtime exemption

Set the annual single-employer tax facts only after reviewing the entire tax year, including benefits and other compensation. An unchecked box is a useful safeguard while previous/concurrent employer facts are unresolved.

Overtime exemption (Labor Code Art. 82) is only for employees who are legally outside the overtime rules: managerial employees and managerial staff, field personnel whose hours cannot be determined, dependent family members, and workers paid by results. Choose the category, write the basis (duties or pay basis) and the reviewer's name, and keep the signed confirmation with your payroll records. For an exempt employee, a Custom OT rate is used exactly as entered and is printed with the exemption on the payroll and payslip. For everyone else, the statutory minimum overtime rate still applies.