

Republika ng Filipinas
(PANGMUNSA NG PANGASIYAHAN NG PATUBIG)
National Irrigation Administration
Lungsod ng Quezon

MC No. 50, s. 1993

MEMORANDUM CIRCULAR

T O : THE DEPUTY ADMINISTRATOR, ASSISTANT ADMINISTRATORS,
DEPARTMENT MANAGERS, REGIONAL MANAGERS, OPERATION/
PROJECT MANAGERS, IRRIGATION SUPERINTENDENTS,
PROVINCIAL IRRIGATION ENGINEERS, PROJECT ENGINEERS,
REGIONAL/PROJECT AUDITORS AND ALL OFFICERS CONCERNED
National Irrigation Administration

SUBJECT : COMMISSION ON AUDIT CIRCULAR NO. 93-819

Quoted hereunder in full is COA Circular No. 93-819 for
your implementation.

"Republic of the Philippines
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City, Philippines

COMMISSION ON AUDIT MEMORANDUM NO. 93-819

T O : All Directors and Officers-in-Charge of
Central and Regional Offices, Heads of
Auditing Units, and Others Concerned

SUBJECT : Payroll Deduction System of Amortizing
Housing Loan Payments to National Home
Mortgage Finance Corporation.

For information and guidance of all concerned, below
are excerpts of Administrative Order No. 72, dated July 29,
1993 of the Office of the President.

"ADMINISTRATIVE ORDER NO. 72

"PROVIDING FOR A MANDATORY PAYROLL DEDUCTION SYSTEM
OF AMORTIZING HOUSING LOAN PAYMENTS
IN THE GOVERNMENT SECTOR

"WHEREAS, the provision for shelter, as a basic social
need has become a major government concern;

"WHEREAS, the continuous provisions for housing being
pursued by the government, as part of its medium-term
development plan, is largely dependent on a strong housing
finance system, which will make available housing credit
and loan facility for some acquisition to middle and low
income families;

"WHEREAS, the adoption of a salary deduction scheme
for the payment of housing loan amortization shall certainly
enhance collection capability of NHMFC, thereby increasing
the pool of funds which will again be available for home-
lending purposes;

"WHEREAS, in accordance with its policy and procedural guidelines, the Government Service Insurance System (GSIS), has required compulsory salary deduction for loan payments of GSIS members availing of its various loan programs, including housing loans.

"NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, do hereby order as follows:

"SECTION 1. When the government employee has agreed in writing that payment of his lot/housing loan amortization to NHMFC shall be under the payroll-deduction system, all employers in the government sector, its political subdivision and instrumentalities including government-owned and controlled corporations are directed to implement such mode of payment.

"SECTION 2. The implementation of the salary deduction scheme for housing loan payments, shall comply with the statutory requirements under Section 41 of the General Provisions of the 1993 General Appropriation Act, that the not take home pay of the employees after all the deductions shall not be lower than One Thousand Pesos (P1,000.00).

"SECTION 3. Agreements as to collection servicing of housing loan payments can be negotiated between NHMFC and the agency concerned: Provided that the service fee to be paid shall not be more than One percent (1%) of total collections.

"SECTION 4. This Order shall take effect immediately.

"DONE, in the City of Manila this 29th day of July in the year of our Lord, Nineteen Hundred and Ninety Three."

• All concerned shall see that the guidelines prescribed in the aforequoted Administrative Order are strictly complied with in the implementation of the payroll deduction system of amortizing housing loan payments to NHMFC.

(SGD.) PASCASIO S. BAFARIA
Chairman"

Be guided accordingly.