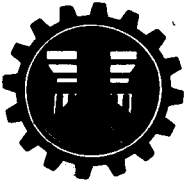


9-6-2001



REPUBLIC OF THE PHILIPPINES  
**DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS**  
 OFFICE OF THE SECRETARY  
 MANILA



6 September 2001

DEPARTMENT ORDER )  
 )  
 No. **156** )  
 )  
 Series of 2001 )  
 X-X-X-X-X-X-X-X-X-X-X-X )

**SUBJECT: AUTHORIZED DEDUCTIONS, THRU  
 THE ATM PAYROLL SYSTEM, FROM  
 SALARIES, EMOLUMENTS OR  
 OTHER BENEFITS ACCRUING TO  
 DPWH OFFICIALS AND EMPLOYEES**

Section 36 of the General Provisions of Republic Act No. 8760, otherwise known as the General Appropriations Act (GAA) of CY 2000, as re-enacted, provides the following:

*"Sec. 36. Authorized Deductions. Deductions from salaries, emoluments or other benefits accruing to any government employee may be allowed for the payment of obligations due or owing to government lending institutions such as government banks, the Government Service Insurance System, duly licensed insurance companies, savings and loans associations, and those organized for, and managed by, government employees. xxx PROVIDED, that such deductions shall not reduce the employee's monthly take home pay to an amount lower than Two Thousand Pesos (P2,000.00), after deducting all other statutory deductions: PROVIDED, FURTHER, that the agencies and offices with existing deductions arrangements with private lenders shall continue such deductions until the credits/loans outstanding or the premiums of the policies in force at the date of passage of this Act shall have been fully paid".*

To ensure that only those enumerated above are allowed to be included in the DPWH ATM Payroll System (ATM-PS) for the automatic deductions of payment of obligations, as authorized, and in order that the administration of the DPWH ATM-PS (initially for the Central Office, Region IV-A, Region IV-B, and NCR) is cost-effective, the following guidelines are hereby prescribed for the guidance of all concerned:

1. Only insurance companies and/or associations of good standing and duly licensed and/or registered with appropriate government agencies may be allowed in the DPWH ATM-PS. Insurance companies should be duly licensed by the Insurance Commission.
2. The inclusion of a duly licensed insurance company in the DPWH ATM-PS may be allowed only if endorsed by at least one hundred (100) interested employees.
3. The Accounting Office concerned shall see to it that total deductions per employee shall not reduce the employee's monthly take home pay to an amount lower than Two Thousand Pesos (P2,000.00), after deducting all other statutory deductions.

4. Existing deductions arrangements with private lenders shall continue to be included in the ATM-PS until credits/loans outstanding or the premiums of the policies in force shall have been fully paid.
5. Henceforth, enrollment of private companies and/or associations to the DPWH ATM-PS shall be coursed thru the Comptrollership and Financial Management Service, the Administrative and Manpower Management Service, and the Legal Service, for the approval of the undersigned.

This Order shall take effect immediately.

  
SIMEON A. DATUMANONG  
Secretary

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**Sec. 36. Authorized Deductions.** Deductions from salaries, emoluments or other benefits accruing to any government employee may be allowed for the payment of obligations due or owing to government lending institutions such as government banks, the Government Service Insurance System, duly licensed insurance companies, savings and loans associations, and those organized for, and managed by, government employees. Deductions under Section 21 of R.A. No. 4670, otherwise known as the Magna Carta for Public School Teachers may be allowed, including such deductions representing amortizations arising from educational loan for tuition fees, reasonable amount for textbooks and other school obligations granted by insurance companies duly licensed by the Insurance Commission: PROVIDED, That such deductions shall not reduce the employee's monthly take home pay to an amount lower than Two Thousand Pesos (P2,000.00), after deducting all other statutory deductions: PROVIDED, FURTHER, That the agencies and offices with existing deductions arrangements with private lenders shall continue such deductions until the credits/loans outstanding or the premiums of the policies in force at the date of passage of this Act shall have been fully paid.