



Republic of the Philippines
Department of Education
Region VI – Western Visayas
SCHOOLS DIVISION OF CAPIZ
Banica, Roxas City

February 14, 2024

DIVISION MEMORANDUM

No. 087 s. 2024

**PRIORITIZATION OF DEDUCTIONS ON A FIRST-IN-FIRST-SERVED (FIFS)
BASIS PER FY 2024 GENERAL APPROPRIATION ACT**

To: OIC, Office of the Assistant Schools Division Superintendent
Chief Education Program Supervisors, SGOD & CID
Public Schools District Supervisors
Heads of Public Elementary, Secondary and Integrated Schools
All Others Concerned

1. Attached is **Memorandum OUF-OUA-2024-001** titled **“Prioritization of Deductions on a First-In-First-Served (FIFS) Basis per FY 2024 General Appropriation Act”**.
2. Immediate dissemination of this Memorandum is desired.

MIGUEL MAC/D. APOSIN EdD, CESO V
Schools Division Superintendent

Enclosure: As stated



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Republic of the Philippines
Department of Education
OFFICE OF THE UNDERSECRETARY

MEMORANDUM
OUF-OUA-2024-001

TO : **REGIONAL DIRECTORS**
SCHOOLS DIVISION SUPERINTENDENTS
SCHOOL HEADS OF IMPLEMENTING UNIT SECONDARY SCHOOLS
ALL OTHERS CONCERNED

ATTENTION : *Chief, BHROD-Personnel Division*
Chiefs, Regional Administrative and Finance Divisions
Heads, Regional Payroll Services Unit (RPSU)
Heads, Schools Division Administrative Unit
Heads, Schools Division Finance Unit
Regional and Schools Division Human Resource Management Officers
School Heads of Implementing Unit Secondary Schools (IU-SS)
Information and Communications Technology Service (ICTS)
Designated Agency Authorized Officers
Designated DepEd Verifiers

FROM : **ATTY. MICHAEL WESLEY T. POA**
Undersecretary and Chief of Staff
Officer-in-Charge, Office of the Undersecretary for Finance


NOLASCO A. MEMPIN
Undersecretary for Administration

SUBJECT : **PRIORITIZATION OF DEDUCTIONS ON A FIRST-IN-FIRST-SERVED (FIFS) BASIS PER FY 2024 GENERAL APPROPRIATIONS ACT**

DATE : **JANUARY 31, 2024**

1. This pertains to Section 56 – Authorized Deductions of the General Provisions of the FY 2024 General Appropriations Act.
2. In compliance to the response of the Department of Budget and Management on the position of the GSIS on the prioritization of payroll deductions, as stated under Memorandum OUF-2023-0756 dated December 20, 2023 on “Loan Amortization Payment on a First-In-First-Served (FIFS) as per the General Appropriation Act of 2023”, all loans and other financial obligations due to GSIS, HDMF, and PLIs accredited with the Department’s APDS Program, shall now be paid according to the order in which they were incurred.

3. It is hereby reiterated that all concerned personnel (payroll processors, Agency Authorized Officers [AAOs], Human Resource Management Officers [HRMOs], Pag-IBIG endorsers, and Verifiers) shall strictly follow the prioritization of deductions as follows:

Order of Priority	Particulars
1	Obligations due to the BIR; contributions due to the PhilHealth, GSIS, and HDMF
2	Salary overpayment
3	Obligations due to the following entities listed under Section 56 of the FY 2024 GAA (to be deducted in the order on which they were incurred): <ul style="list-style-type: none"> a) GSIS and HDMF; b) Non-stock savings and loans associations and mutual benefit associations duly operating under existing laws and cooperatives which are managed by and/or for the benefit of government employees; c) Associations or Provident Funds organized and managed by government employees for their benefit and welfare; d) Government Financial Institutions and Authorized Government Depository Banks authorized by law and accredited by appropriate government regulating bodies to engage in lending; e) Licensed insurance companies; and f) Thrift banks or rural banks accredited by the BSP.

Hence, loans and other financial obligations due to GSIS, HDMF, or private entities accredited with the Department's APDS Program shall have the same line of prioritization and shall be paid on a First-In-First-Served (FIFS) basis.

4. All payroll processors are also reminded to ensure that financial obligations to be incorporated into the payroll program are within the Net Take Home Pay (NTHP) of DepEd personnel and underwent the proper verification process. Moreover, AAOs, verifiers, and loan endorsers are reminded that verification and assessment to be made shall be non-discretionary.

5. The said deduction scheme shall take effect **prospectively** starting the payroll month of **February 2024**. Therefore, all existing obligations already incorporated in the payroll prior to this memorandum shall continue to be deducted as is.

6. The Solutions Development Division - ICTS, DepEd Central Office shall prepare the corresponding FoxPro program for necessary adjustments in the payroll systems used by the payroll services units (PSUs) in the Central, Regional, and Schools Division Offices and Implementing Unit Schools. PSUs using other payroll systems or programs shall adjust their system or program in accordance with this memorandum.

7. For strict compliance.



Republic of the Philippines
Department of Education
OFFICE OF THE UNDERSECRETARY FOR FINANCE

MEMORANDUM
OUF-2023-0756

TO : **REGIONAL DIRECTORS**
SCHOOLS DIVISION SUPERINTENDENTS
SCHOOL HEADS
DIRECTOR FERDINAND B. PITAGAN
ALL OTHERS CONCERNED

ATTENTION : *Chief, BHROD-Personnel Division*
Chiefs, Regional Administrative and Finance Divisions
Heads, Regional Payroll Services Unit (RPSU)
Heads, Schools Division Administrative Unit
Heads, Schools Division Finance Unit
Regional and Schools Division Human Resource Management Officers
School Heads of Implementing Unit Secondary Schools (IU-SS)
Information Communication and Technology Service (ICTS)
Designated Agency Authorized Officers
Designated DepEd Verifiers

FROM : **ATTY. MICHAEL WESLEY T. POA**
Undersecretary and Chief of Staff
Officer-in-Charge, Office of the Undersecretary for Finance

SUBJECT : **LOAN AMORTIZATION PAYMENT ON A FIRST-IN-FIRST-SERVED**
(FIFS) AS PER GENERAL APPROPRIATION ACT OF 2023

DATE : **DECEMBER 20, 2023**

This memorandum is being issued in relation to the prioritization and interpretation of Section 56 of the General Provisions under Republic Act (RA) No. 11936 or the FY 2023 General Appropriation Act (GAA).

The DepEd was in receipt of a copy of the DBM letter dated December 04, 2023, in response to GSIS position on the interpretation of afore-mentioned provision.

Consistent with the DepEd Legal Opinion (herein attached as Annex A), the DBM stated that "the term 'contributions' as used in the second paragraph of the Section 56 of the FY 2023 General Provisions cannot be deemed to include loan payments, as averred by the GSIS. The contributions contemplated therein are the amounts due to the PhilHealth, GSIS and HDMF by an individual for being a member of a program of these government financial institutions. In particular, the contribution to GSIS is the amount payable to the GSIS by the member and the employer in accordance with Section 5 of RA No. 8291. Moreover, Section 6 thereof mandates that the remittance by the employer of the contributions to the GSIS shall take



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priority over and above the payment of any and all obligations, except salaries and wages of its employees.

After satisfying, however, the obligations to the BIR and contributions to PhilHealth, GSIS and HDMF, the payment of loans and other financial obligations shall be satisfied in the order in which they were incurred”.

Further, the DBM also stated that the guidelines to be issued by the DepEd for this purpose must conform with Section 56 of the FY 2023 General Provisions.

In view of the foregoing, all concerned personnel (payroll processors, Agency Authorized Officers [AAOs], Human Resource Management Officers [HRMOs], Pag-IBIG endorsers, and Verifiers) are advised to strictly follow Section 56 of the General Provisions of the FY 2023 GAA. In other words, loans, and other financial obligations due to GSIS, HDMF, or PLIs accredited with the Department’s APDS shall be paid on a First-In-First-Served (FIFS) basis or according to the order in which they were incurred.

If corresponding adjustments to DepEd’s payroll program reflecting such changes are necessary, the heads of RPSU shall coordinate with our Information Communication and Technology Service (ICTS).

The heads of RPSUs are also reminded to ensure that financial obligations to be incorporated into the payroll program are within the Net Take Home Pay (NTHP) of DepEd personnel. Billings from accredited entities shall not be incorporated under APDS unless processed through the verification process. Finally, they are reminded that verification and assessment made by the AAOs, Verifiers, and loan endorsers shall be non-discretionary.

For strict compliance.

Thank you.