

## OFFICE OF THE PRESIDENT

September 12, 1986

MEMORANDUM NO. 101  
Series of 1986

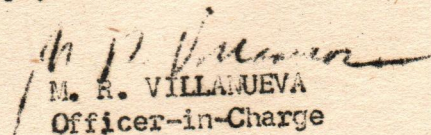
TO: All Concerned

SUBJECT: Prohibiting Payment of Salary, Allowances or Other  
Emoluments of Government Officials or Employee to  
Any Person Other than the Employee Concerned

We are in receipt of COA Circular No. 85-248, further emphasized by our resident auditor, which prohibits payment of salaries/wages and other emoluments of government employees to any person other than the employee concerned. Under the traditional practice adopted by many offices, the cashier/disbursing officer assumes the task of deducting certain amounts from the employee's salary/wage to cover loans, insurance premiums, fees for private organization from the employee concerned. It is advised under the COA circular that the practice should be discouraged in view of its adverse effects on the efficiency and morale of employees whose incentive to work is necessarily impaired since their salary or a portion thereof goes to other persons.

Nevertheless, while the COA circular is, in general, quite reasonable and favor many employees, it may not be favorable to all VISCA employees considering the availability of support facilities and efficiency of services in the community. In particular, post office facilities in the community are still inadequate to handle fund transmittal safely and efficiently. Therefore, VISCA is asking COA authorities for exemption from this ruling inasmuch as certain salary deductions under our circumstances are more of a service and therefore favoring most of our employees rather than demoralizing them. However, in the meantime, starting the second half of September 1986, only GSIS premiums, Medicare and Pag-ibig contributions, withholding taxes, salary and policy loans due to the GSIS are the only authorized deductions from your salaries until such time that an exemption will be issued by COA.

Please be guided accordingly.

  
M. R. VILLANUEVA  
Officer-in-Charge