



REPUBLIKA NG PILIPINAS
REPUBLIC OF THE PHILIPPINES
KAGAWARAN NG EDUKASYON
DEPARTMENT OF EDUCATION
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DepEd MEMORANDUM
No. 108, s. 2002

**STRICT COMPLIANCE TO GUIDELINES FOR THE APPLICATION OF THE CHECKLESS
PAYROLL SYSTEM AND AMENDMENTS**

To: Regional Directors
School Superintendents
Public Elementary and Secondary Schools Principals

1. For the information and guidance of all concerned, the following are amendments to DepEd Memorandum No. 27, series 2002:

- a. All DepEd teachers and employees located within 1st and 2nd Class municipalities are required to avail of the direct (ATM) payroll system.
- b. Exemption to ATM payroll system will be upon the recommendation of the Regional Director for reason of impracticability or absence of banks in the area.
- c. In areas where ATM services are not available, banks may be chosen to provide direct payroll thru passbook. Private banks chosen for this purpose may serve as conduits of the depository bank of the region. This must be coordinated with the Office of the Undersecretary for Administration and Finance.
- d. The following is an updated list of banks that have an existing MOA with DepEd to provide ATM payroll.
 - Lank Bank of the Philippines
 - Development Bank of the Philippines
 - Philippine Veterans Bank
 - 1st e-Bank (as conduit of LBP)

2. Reports are being received regarding the loose compliance of the guidelines in DepEd Memorandum No. 27, s. 2002 particularly on the deadlines related to the processing of payroll (Section III) and funding (Section IV).

These guidelines must strictly be followed to avoid unnecessary delays in the implementation of direct (ATM) payroll.

3. To enable the IBM-Accounting Unit to effectively and accurately audit the ATM preliminary payroll, submission of the updated Monthly Report of Service (F-7) to the Payroll Services Division and to IBM Accounting Unit must be on or before the 5th of the following month is hereby reiterated. This is also in consonance with DepEd Memorandum No. 27, s. 2002.

No submission of the required F-7 may result in:

- the delay of the processing of payroll
- the delay of the eventual release of salaries of teachers who are on leave without pay
- the delay of salaries of those who may have resigned/retired
- non-deduction of overpayments and absences

To ensure strict compliance thereof, salaries of Division Superintendents, Assistant Superintendents, Administrative Officers and other accountable Officials who fail to comply shall be withheld pending the updated submission of the Monthly Report of Service.

4. For strict compliance.


ERNESTO S. PANGAN
Undersecretary

Reference:

DepEd Memorandum: (No. 27, s. 2002)

Allotment: 1—(D.O. 50-97)

To be indicated in the Perpetual Index
under the following subjects:

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