

Office Order No. **23 - 1333**
Series of 2023

SUBJECT : INTERIM RULES AND PROCEDURES FOR HANDLING HIGHLY DELINQUENT ACCOUNTS

In the interest of service and in order to increase collection in the implementation of the condonation program with respect to highly delinquent accounts, the following rules and procedures shall be adopted:

- 1.) Accounts handled by the Remedial Accounts Department (RAD) shall be turned over to the respective branches for remediation. However, those accounts which are already in the initial stage of substitution, re-organization, individualization, or other similar instances shall be retained by RAD.
- 2.) Thereafter, the RAD shall:
 - a. Provide each branch with a list of their highly delinquent accounts (60 months and above). For this purpose, the Finance and Controllershship Department (FCD) and other concerned units shall assist RAD in providing each branch with the list;
 - b. Conduct problem-solving activities together with the branches and adopt specific, achievable, realistic, and time-bound targets;
 - c. Monitor and submit quarterly updates to the OSVP Operations regarding the agreed targets, action plans and timeline. The OSVP Operations shall give RAD the assistance necessary to accomplish the agreements;
 - d. Identify specific strategies/plans for each delinquent Community Association (CA) account; and
 - e. Assist the branches in filing of small claims with the courts.
- 3.) The RAD shall exercise supervisory authority over all remedial account officers designated by the respective branches. On the other hand, the branch manager shall retain administrative control over them.
- 4.) The branch shall:
 - a. Execute the plans-of-action within the agreed timeline and update RAD as to the progress of these plans;
 - b. Manage the accounts once the delinquent associations are reorganized and revived and are ready to pay this regular monthly amortizations to SHFC; and
 - c. File and appear before the courts for complaints under small claims pursuant to previous Board approved.

After the implementation of the condonation program, RAD and Operations shall undergo a gradual transition to delineate their functions pertaining to problematic accounts. As such, the branches shall take charge with organizational issues of the delinquent CAs. On the other hand, the RAD shall take charge with problematic accounts with legal issues. Management will ensure that the appropriate resources will be provided before the full implementation of the transition plan.

However, these rules shall be further reviewed to promote efficiency, decentralization and rationalization of the functions and processes among the involved units, departments and groups.

This Office Order shall take effect immediately. Any office policies, office orders, and memoranda or parts thereof inconsistent with any provision of this Order are deemed modified or repealed accordingly.

MR. FEDERICO A. LAXA

President and CEO *ua*

Date Approved: Feb. 2, 2023