



Republic of the Philippines  
**Department of Education**  
Region IV-A  
SCHOOLS DIVISION OF QUEZON PROVINCE



DEPED - QUEZON  
ICT UNIT

**UPLOADED**

Date/Time: SEP 02 2022  
By: Wiktell 12:11  
Ref. no. DM 724, s. 2022

31 August 2022

**DIVISION MEMORANDUM**  
DM No. 724, s. 2022

**AMENDMENTS AND ADDITIONAL PROVISIONS TO APPLICATION FOR  
PROVIDENT FUND LOAN**

**To:** Assistant Schools Division Superintendents  
CID and SGOD Chief  
Public School District Supervisors  
Elementary and Secondary School Heads  
All Others concerned

1. This is issued pursuant to DepEd Order No. 37, s.2018, Amendments and Additional Provisions to DepEd Order Nos. 12, s.2004; 36,s.2007 and 52, s.2017 to serve as guide in the evaluation and processing of applications for Provident Fund Loan at the Division.
2. Hereto attached is the copy of new Provident Fund Loan Application Form.
3. Immediate and widest dissemination of this Memorandum is earnestly desired.

**ELIAS A. ALICAYA JR., EdD**  
Assistant Schools Division Superintendent  
Officer-in-Charge  
Office of the Schools Division Superintendent

Admmda08/31/2022

DEPEDQUEZON-TM-SDS-04-009-003



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**Address:** Sitio Fori, Brgy. Talipan, Pagbilao, Quezon  
**Trunkline #:** (042) 784-0366, (042) 784-0164, (042) 784-0391, (042) 784-0321  
**Email Address:** quezon@deped.gov.ph  
**Website:** www.depedquezon.com.ph



Republic of the Philippines  
**Department of Education**

10 SEP 2018

DepEd ORDER  
No. **037** s. 2018

**AMENDMENTS AND ADDITIONAL PROVISIONS TO DEPED ORDER  
NOS. 12, S. 2004; 36, S. 2007; AND 52, S. 2017**  
(Revised Implementing Guidelines for the DepEd Provident Fund)

To: Undersecretaries  
Assistant Secretaries  
Bureau and Service Directors  
Regional Directors  
Schools Division Superintendents  
Public and Private Elementary and Secondary School Heads  
All Others Concerned

1. Pursuant to Resolution No. 1, s. 2018 of the Department of Education (DepEd) Provident Fund (PF) National Board of Trustees (NBT), the pertinent provisions of DepEd Order (DO) Nos. 12, s. 2004; 36, s. 2007; and 52, s. 2017 on the Revised Implementing Guidelines for the DepEd are amended as follows:

**a. Item 1.a of DO 36, s. 2007 (Section X.4 of DO 12, s. 2014)**

<b>Existing Provision</b>	<b>Amendment</b>
<p>The loan shall be used for emergency needs of the teacher/employee, or immediate and other members of his/her family up to the fourth degree of civil consanguinity or affinity:</p> <p>i. Hospitalization and/or medical expenses resulting from an accident/illness;</p> <p>ii. Death of immediate and/or other members of his/her family up to the fourth degree of consanguinity or affinity;</p> <p>iii. Educational loans;</p> <p>iv. Minor but immediately needed repair of the house of the teacher/employee; and</p> <p>v. Other emergency expenses to be specified by the teacher/employee-applicant.</p>	<p><b>The following are the types of PF loans that may be applied for by a DepEd personnel:</b></p> <p><b>a. Multi-Purpose Loan (MPL), whether for educational, medical, or emergency needs of the teacher/employee, or the immediate and other members of his/her family, major and minor house repairs/improvements, payment of loans from other private lending institutions (PLIs) and/or government financial institutions (GFIs), livelihood, and for other legal purposes; and</b></p> <p><b>b. Additional Loan, which shall be for extreme emergency cases only.</b></p>

**b. Item 2.iii of DO 36, s. 2007**

<b>Existing Provision</b>	<b>Amendment</b>
<p>Examples of extreme emergency cases are:</p> <p>(1) Payment for hospital bills of the teacher/employee or member of his/her family within the third civil degree of consanguinity/affinity;</p> <p>(2) Death of a member of the borrower's family within the third degree of consanguinity/affinity; or</p> <p>(3) Borrower is a direct victim of a natural or man-made calamity, such as typhoons, fire, robbery, armed conflict, etc.;</p> <p>The loan requirements are as follows:</p> <p>i. Accomplished application form, stating among others, the specific purpose for which the loan will be used, including the appropriate supporting documents;</p> <p>ii. Latest pay slip/payroll indicating monthly salary deductions;</p> <p>iii. Casual employee-borrowers shall also submit a copy of his/her latest appointment, in addition to the above requirements.</p>	<p><b>Applications for Additional Loans at the Regional and Schools Division PF Chapters shall be approved by the DepEd PF Regional Board of Trustees, which will then be reported to the DepEd NBT for confirmation, while the DepEd Central Office Chapter shall be approved by the DepEd NBT.</b></p> <p><b>Additional loans shall be justified by the DepEd borrower by citing extreme emergency cases, such as:</b></p> <p><b>a. Payment of hospital bills of DepEd personnel or member of his/her family within the third civil degree of consanguinity/affinity; or</b></p> <p><b>b. Death of a member of the borrower's family within the third civil degree of consanguinity/affinity; or</b></p> <p><b>c. Borrower is a direct victim of a natural or man-made calamity, such as typhoons, fire, robbery, armed conflict, and others.</b></p> <p><b>The documentary requirements are as follows:</b></p> <p><b>i. Accomplished application form, stating among others, the specific purpose for which the loan will be used. Refer to the enclosure for the Revised Loan Application Form; and</b></p> <p><b>ii. Latest pay slip/payroll indicating monthly salary deductions.</b></p>

**c. Item 1.e of DO 36, s. 2007**

<b>Existing Provision</b>	<b>Amendment</b>
The National/Regional Boards may allow renewal of loan provided that fifty percent (50%) of the previous loan has been paid, there are no pending applications for new loans, and the balance of the principal amount shall be deducted from the new loan.	<b>The National/Regional Boards may allow renewal of loan provided that at least thirty percent (30%) of the existing loan has been paid, there are no pending applications for new loans, and the balance of the principal amount shall be deducted from the new loan.</b>

**d. Part VI, Item 3 (Enclosure) of DO 12, s. 2004—Secretariat of the Board**

<b>Existing Provision</b>	<b>Amendment</b>
The Regional Board shall create its own respective Secretariat, determine its specific functions, organization and compensation for overtime services rendered by its clerical staff. It shall also create secretariats in the division offices to administer the operations of the Fund in the division level.	<p><b>The Regional Board shall create its own respective Secretariat composed of selected staff from the Administrative Services Division (focal office), Finance Division and Legal Section. The Secretariat shall determine its specific functions, organization and compensation for overtime services rendered by its clerical staff. It shall also create Secretariats in the schools division offices, with similar/parallel composition as in the Regional Board, to administer the operations of the Fund in the schools division level.</b></p> <p><b>The Regional Board shall regularly update the National Board through the National Board Secretariat with compositions of the Regional and Schools Division Boards Secretariats, for records and monitoring purposes.</b></p>

**e. Item 1.b of DO 52, s. 2017**

<b>Existing Provision</b>	<b>Amendment</b>
All types of loans shall have a contractual interest rate of six percent (6%) per annum, computed using the diminishing/declining balance method, wherein the interest per installment period is calculated based on the outstanding balance of the PF	<b>Effective November 2017, all types of loans shall have a contractual interest rate of six percent (6%) per annum, with no grace period on the start of payment of loan, computed using the diminishing/declining balance method, wherein the</b>

<p>loan at the beginning of each installment period.</p> <p>Total amount due, inclusive of principal and interest, will be payable in equal monthly amortizations. The borrower may opt for a repayment period from 12 up to 60 months, subject to his/her capacity to pay. In all cases, repayment of loans shall be through automatic payroll deductions. For guidance, refer to Illustrations 1 to 5, for terms of loan of 1 to 5 years, respectively and the corresponding notes.</p>	<p><b>interest per installment period is calculated based on the outstanding balance of the PF loan at the beginning of each installment period.</b></p> <p><b>Total amount due, inclusive of principal and interest, will be payable in equal monthly amortizations. The borrower may opt for a repayment period from 12 up to 60 months, subject to his/her capacity to pay. In all cases, repayment of loans shall be through automatic payroll deductions and over-the-counter payment in case of dislodged PF deductions in the payroll.</b></p> <p><b>The amount of loan amortization of the borrowers with outstanding PF loan balance as of November 2017 shall be maintained in the payroll until full payment. The PF Secretariat shall make necessary adjustments in the posting of the borrowers' respective accounts in the Subsidiary Ledgers, and any excess payments for fully paid loans using the new method of loan computation shall be refunded to the concerned borrowers.</b></p> <p><b>For guidance, refer to Illustrations 1 to 5, for terms of loan of 1 to 5 years, respectively.</b></p>
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2. The following are the additional provisions to DO 12, s. 2004:

**a. Newly hired teachers are allowed to avail of PF loan with the following terms:**

<b>Maximum Loanable Amount</b>	<b>One month basic salary</b>
<b>Term</b>	<b>Six months</b>
<b>Interest</b>	<b>6% per annum or 0.5% per month, computed using the diminishing balance method</b>

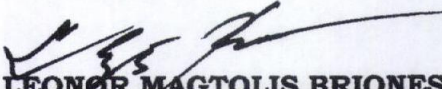
**b. The outstanding principal PF loan balance of a DepEd borrower who transferred from one station to another shall be transferred to the recipient station through proper recording in their books of accounts. The PF loan account transferred shall still be subject to imposition of interest.**

**c. Provision of bad debts for deceased borrowers shall be allowed at 1% of the total outstanding loans receivables for each PF chapter starting year 2018, subject to the usual accounting and auditing rules and regulations.**

3. Provisions in the implementing guidelines as contained in DO 12, s. 2004; 36, s. 2007; and 52, s. 2017, which are inconsistent with the aforementioned amendments and additional provisions are rescinded while those that are not affected shall continue to be observed.

4. This Order shall take effect upon its approval.

5. Immediate dissemination of and strict compliance with this Order is directed.

  
**LEONOR MAGTOLIS BRIONES**  
Secretary

Encl.:

As stated

References:

DepEd Order: (Nos. 12, s. 2004; 36, 2007; and 52, s. 2017)

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

AMENDMENT  
BENEFITS  
CHANGE  
EMPLOYEES  
FUNDS  
OFFICIALS  
POLICY  
SALARY  
TEACHERS



Republic of the Philippines
Department of Education
Provident Fund

Date Submitted: [ ] Loan Application No. [ ]
Loan Amount: [PhP [ ]]
Type of Loan: [ ] Multi-purpose, [ ] New, [ ] Renewal, [ ] Additional
Term: [ ] year/s
Purpose: [ ] Educational, [ ] Hospitalization/Medical, [ ] Long Medication/Rehabilitation, [ ] House Arrears/Equity, [ ] House Repair - Major, [ ] House Repair - Minor, [ ] Payment of Loans from Private Institution, [ ] Calamity, [ ] Others (specify): [ ]

Borrower's Information
(Surname) (First Name) (M.I.)
Home Address: [ ]
Position: [ ]
Employee No.: [ ] Employment Status: [ ]
Office: [ ]
Date of Birth: [ ] Age: [ ]
Monthly Salary: PhP [ ] Office tel. no. [ ]
Years in Service: [ ] Mobile no. [ ]
Specimen Signatures: [ ]

Co-Maker's Information
(Surname) (First Name) (M.I.)
Home Address: [ ]
Position: [ ]
Employee No.: [ ] Employment Status: [ ]
Office: [ ]
Date of Birth: [ ] Age: [ ]
Monthly Salary: PhP [ ] Office tel. no. [ ]
Years in Service: [ ] Mobile no. [ ]
Specimen Signatures: [ ]

LOAN AGREEMENT

I hereby apply for a Provident Fund Loan in the amount of PESOS: [ ] (P [ ]). In consideration of the grant thereof, I promise to pay all installments due based on the attached amortization schedule and bind myself with the terms and conditions of the loan as stipulated in the applicable guidelines of the DepEd Provident Fund. This document also serves as the Promissory Note upon approval of this loan.
Accordingly, I hereby authorize the deductions of the monthly amortization from my salary. Should I be separated from the service, I also hereby agree to settle my outstanding loan balance before the date of my retirement/separation from the service, either through full payment in cash or through the execution of a notarized Promissory Note.

I hereby agree to assume all the outstanding obligations for the grant of this loan should the principal borrower be separated from the service, and either retirement or separation benefits due to him/her is not received or is insufficient to settle the borrower's outstanding loan, and upon proper notification by the Provident Fund Secretariat.
Accordingly, I hereby authorize the monthly deduction from my salary of the amortizations for the outstanding obligation of the principal borrower until his/her loan is fully paid.

Signature of Borrower over Printed Name Date

Signature of Co-Maker over Printed Name Date

CERTIFICATE OF EMPLOYMENT AND CREDIBILITY

Personnel Division/Unit:
This is to certify that the above loan applicant/borrower:
(1) is a [ ] permanent/[ ] co-terminus employee of this Office and is not on leave of absence without pay;
(2) has net pay of PhP [ ] for the payroll month & year of [ ]; and
(3) has given the true and correct information on the Loan Application Form.
WENNIE O. GAELA
Signature over Printed Name
Designation: ADMINISTRATIVE OFFICER IV
Date: [ ]

Legal Service/Unit:
This is to certify that the above loan applicant/borrower has no pending administrative nor civil case charge against him/her based on records on file with DepEd.
ATTY. REXCIA MARIA B. BALDEO
Signature over Printed Name
Designation: ATTORNEY III
Date: [ ]

**SECRETARIAT'S ASSESSMENT/EVALUATION**

**A. Documents Submitted:**

- Loan Application Form (LAF) - two (2) copies
  - Authorization to Deduct - two (2) copies
  - Print out of EHRIS-generated pay slip, certified correct by Personnel Division/Unit - original
  - Photocopy of DepEd ID
  - Certification of pending loan application/s with other lending institutions - two (2) copies
  - Others (specify): \_\_\_\_\_
- Additional documents for Additional Loan:
    - Letter request
    - Hospitalization/Medical Expenses
    - Medical Abstract/Certificate/Prescription/Diagnosis
    - Barangay/LGU certificate/resolution declaring the borrower's place under State of Calamity

Reviewed by: _____	Date: _____
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**B. Completeness and Veracity of Submitted Documents:**

- Signed and completely filled out LAF
- Complete supporting documents for type of loan applied for
- Signatures on LAF are by authorized signatories

Reviewed by: _____	Date: _____
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**C. Eligibility of the Borrower and Co-Maker**

- Borrower will not reach the mandatory age retirement on or before the maturity of his/her loan. Age: \_\_\_\_\_
- Co-Maker will not reach the mandatory age retirement on or before the maturity of his/her loan. Age: \_\_\_\_\_
- Borrower has Outstanding PF Loan Balance:
  - Current Loan Balance Amount: PhP \_\_\_\_\_
  - Past-Due Loans Amount: PhP \_\_\_\_\_
  - No. Of Years/Months Past-Due: Year/s: \_\_\_\_\_ Month/s: \_\_\_\_\_
- Borrower's Net Take-Home Pay after deduction of monthly amortization of the loan being applied for is equal to or higher than the required threshold for the current year.
- For renewal of loans: Borrower has paid at least 30% of the principal of the existing loan.  
 Percentage of principal paid: \_\_\_\_\_ %

Verified by: _____	Date: _____
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**D. Computation of Loan:**

Principal Amount of Loan	PhP _____	Monthly Amortization	PhP _____	
<i>Less: Outstanding Balance of Loan to be Renewed</i>				
Principal	PhP _____	Period of Loan (mm/yy - mm/yy)	_____	
Interest	_____	Date Processed:	_____	
Net Proceeds	PhP _____			

**Processed by:** \_\_\_\_\_  
 Signature over Printed Name  
 (Secretariat, PF NBT)

**Reviewed by:** MARIA DOLORES D. ATIENZA  
ADMINISTRATIVE OFFICER V  
 Signature over Printed Name  
 (Head, Secretariat, PF NBT)

**Remarks:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**ACTION TAKEN:**

**Recommending Approval:**

MARIA DOLORES D. ATIENZA  
ADMINISTRATIVE OFFICER V  
**Head, Secretariat, PF**  
 Signature over Printed Name  
 Date: \_\_\_\_\_

- Approved
- Disapproved

ELIAS A. ALICAYA, JR. EdD  
ASSISTANT SCHOOLS DIVISION SUPERINTENDENT  
 OIC- OFFICE OF THE SCHOOLS DIVISION SUPERINTENDENT  
**Chairperson of the Board**  
 Signature over Printed Name  
 Date: \_\_\_\_\_



**Authorization for Salary Deduction**

Personnel Division/Unit  
(Address) \_\_\_\_\_

I hereby authorize the deduction of \_\_\_\_\_ PESOS  
(P \_\_\_\_\_) from my salary for \_\_\_\_\_ months, from \_\_\_\_\_, 20\_\_ to \_\_\_\_\_, 20\_\_,  
or until my total outstanding loan of \_\_\_\_\_ PESOS (P \_\_\_\_\_) plus  
interest has been fully paid. Amount deducted shall be **credited to the account** of the DepEd Provident Fund as  
receivables on the said loans.

\_\_\_\_\_  
Signature over Printer Name

Employee No.: \_\_\_\_\_  
Division: DIVISION OF QUEZON

Status: \_\_\_\_\_  
Code: 099

Designation: \_\_\_\_\_  
Service: \_\_\_\_\_