



Republic of the Philippines
Department of Education
REGION III – CENTRAL LUZON
SCHOOLS DIVISION OFFICE - SCIENCE CITY OF MUÑOZ

February 6, 2024

SCHOOLS DIVISION MEMORANDUM

No. 047, s. 2024

EMPHASIS ON THE KEY PROVISIONS OF THE DEPED PROVIDENT FUND

To: Assistant Schools Division Superintendent
Chief Education Supervisors
Public Elementary and Secondary Schoolheads
All Others Concerned

- 1: Pursuant to DepEd Order No. 23, s. 2022 “Amendment and Additional Provision to DepEd Order Nos. 36, s. 2007 and 037, s. 2018” and Regional Memorandum No. 292, s. 2021 “Implementation Guidelines for the DepEd Provident Fund in Region III”, this office emphasizes the specified limits for Provident Fund loans on each available loan type provided to each DepEd employee:

Type	Ceiling
a. Multi-Purpose Loan	Php100,000.00
b. Additional Loan (for extreme cases)	Php200,000.00

2. Multi-purpose loan (MPL) may be applied for the educational, medical or emergency needs of the teaching and non-teaching personnel or the immediate and other members of his/her family, major and minor house repairs/improvements, payment of loans from other PLIs and/or (GFIs), livelihood and other legal purposes.
3. Additional loan may be availed for extreme emergency cases only to be justified by the borrower by attaching a letter request supported with documents evidencing the cited extreme emergency cases such as:
- Payment of hospital bills of the borrower or member of his/her family within the third civil degree of consanguinity/affinity
 - Death of a member of the borrower's family within the third civil degree of consanguinity/affinity
 - Borrower is a direct victim of a natural or man-made calamity, such as typhoons, fire, robbery, armed conflict, and others.
4. The contractual interest rate for both types of PF loans shall be 6% per annum and may be paid from one to five years, depending on the capacity to pay by the DepEd borrower which is subject to the net-take home pay



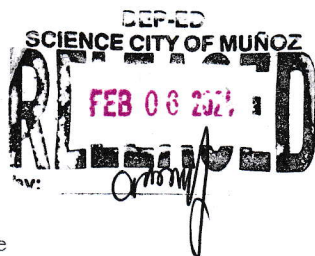
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requirement set under the General Provisions of the Annual General Appropriations Act.

5. Moreover, the approving authorities for the approval of the said loans shall be as follows:

Multi-purpose Loan		Additional Loan	
Recommending Approval	Approval	Recommending Approval	Approval
Head, Schools Division PF Board Secretariat	Schools Division Superintendent	Head, Schools Division PF Board Secretariat	Schools Division Superintendent

6. Newly hired teaching and non-teaching personnel who are in the service for less than six months are allowed to avail PF loan of a maximum amount equivalent to a one-month salary payable for six months with 6% interest per annum or 0.5% per month computed using diminishing/declining balance method.
7. Co-terminus employees who have been in the service for at least two years inclusive of services as Contract of Service (COS) for the last five years may avail of the PF loan up to a maximum principal amount of Php50,000.00 payable from 12 up to 24 months at the option of the applicant/borrower subject to his capacity to pay.
8. Application for renewal of loan may be allowed provided that at least 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.
9. For information and compliance.



Johanna N. Gervacio
JOHANNA N. GERVACIO, PhD, CESO V
 Schools Division Superintendent

Encl: As stated
 Reference: None
 To be indicated in the Perpetual Index
 Under the following subjects:

EMPHASIS ON THE KEY PROVISIONS OF THE DEPED PROVIDENT FUND

ACCT/JVM-Key Provisions of Provident Fund
 002/February 6, 2024

