



Republic of the Philippines  
**Department of Education**  
REGION VI – WESTERN VISAYAS  
SCHOOLS DIVISION OF CAPIZ

August 26, 2022

**DIVISION MEMORANDUM**  
No. 310 s. 2022

**REVISED GUIDELINES FOR DIVISION PROVIDENT FUND LOAN**

TO: OIC, Office of the Assistant Schools Division Superintendent  
Chief Education Supervisors  
Education Program Supervisors  
Public Schools District Supervisors  
Public Elementary School Heads  
Division Unit Heads  
Division Personnel  
All others concerned

1. DepEd Order No. 003, s. 2022 (Amendment and Additional Provision to DepEd Order Nos. 36, s. 2007 and 37, s. 2018) prescribes the amended and additional guidelines on the grant of provident loan.
2. Further, DepEd Order No. 008, s. 2022 (Revised Signing Authorities on Provident Fund Loans) provides the revised signing authorities on provident fund loans.
3. Anent these, the following guidelines shall be followed in order to have faster, effective and efficient granting of loans to qualified personnel:
  - a. The following shall be qualified to avail of the provident loan:
    - i. Permanent employees integrated in the regional payroll who are below sixty (60) years old; and
    - ii. Newly hired permanent employees subject to conditions set under item 4 of this memorandum.
  - b. The loans shall be used for the emergency need of the teacher/employee, or immediate and other members of his/her family up to the fourth degree of civil consanguinity or affinity:
    - i. Hospitalization and/or medical expenses resulting from an accident/illness;
    - ii. Death of the immediate and/or other members of his family up to the fourth degree of consanguinity or affinity;
    - iii. Educational loans;
    - iv. Minor but immediate need for repair of the house of the teacher/employee; and
    - v. Other emergency expenses to be specified by the teacher/employee-applicant.
  - c. The maximum amount of **Multi-Purpose Loan** shall be **One Hundred Thousand Pesos (P100,000.00)**, subject to the availability of funds, the actual need of the





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teacher/employee-applicant, other pertinent limitations set forth, and without prejudice to other pending loan applications for new loans. For **Additional Loan (for extreme cases)**, the maximum amount shall be **Two Hundred Thousand Pesos (P200,000.00)**.

d. The loan requirements are as follows:

- i. Accomplished application form;
- ii. Latest pay slip/payroll indicating monthly salary deductions of the teacher/employee-applicant and co-maker who is a permanent employee of this agency and not due for retirement during the pendency of the loan;
- iii. In case of **Additional Loan (for extreme cases)**, the following are the **additional requirements**:
  - iii.a. Letter request (addressed to the Schools Division Superintendent) stating, among others, the specific purpose for which the loan will be used; and
  - iii.b. Additional supporting documents such as:
    - iii.b.1. Photocopy of Hospital Bill or Official Receipt in case of hospitalization;
    - iii.b.2. Photocopy of the death certificate of the family member;
    - iii.b.3. Photocopy of the statement of account or Official Receipt in case of educational loan;
    - iii.b.4. Picture of the portion of the house which needs **EMERGENCY/URGENT** repair; or
    - iii.b.5 Other supporting document as may be deemed necessary such as program of works, list of expenses for the education aside from tuition and miscellaneous fees, list of books to be purchased, among others.

4. Newly hired permanent employees who are appointed less than one (1) year in service may avail of the provident loan subject to the following conditions:

- a. Item no. 2 of DepEd Order No. 037 s. 2018 provides that newly hired teachers are allowed to avail provident fund loan up to a maximum of one (1) month salary and is payable within 6 months.
- b. In case that the newly hired teacher is not yet integrated in the regional payroll, a certified photocopy of the approved appointment shall be attached to the application; and
- c. The co-maker must be a permanent employee who is already integrated in the regional payroll.

5. The Provident Fund loan shall have an interest rate of six percent (6%) per annum. Repayment period shall be at the option of the borrower, subject to his/her capacity to pay and computation of his/her monthly net take home pay which shall not be reduced to less than Five





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Thousand Pesos (P5,000.00) after all deductions including the Provident Fund loan amortization. The borrower may opt for a repayment schedule of twelve (12, one (1) year) up to a maximum period of sixty (60, five (5) years) equal monthly installments. In all cases, repayment of loans shall be through automatic deduction from the borrower's salary, either by agency payroll or RPSU payroll deduction.

6. The Division Secretariat may allow renewal of loan provided that fifty percent (50%) of the previous loan has been paid, **there are no pending application for new loans**, and the balance of the principal amount shall be deducted from the new loan.

7. The following process shall be followed in the application for loan:

- a. The accomplished application form (which can be downloaded in this link: [bit.ly/SDOCAPIZPFL](http://bit.ly/SDOCAPIZPFL)) together with the necessary supporting documents shall be submitted to the In-charge of Provident Fund in the Accounting Section of the Schools Division Office who shall stamp received the application indicating the date of receipt and shall initially screen the application;
- b. The In-charge of the Division Provident Fund shall check the accuracy and completeness of the application and after which forward the said application to the Division Secretariat for final screening based on the conditions herein provided;
- c. Those applications which passed the final screening shall be forwarded back to the In-charge of the Division Provident Fund for the preparation of Disbursement Voucher (DV) while those applications which did not pass the final screening shall be returned to the employee concerned informing them of the reason for the disapproval;
- d. After the approval of the DV, the check shall be drawn by the Cash Section; and
- e. When the check has already been signed by the appropriate signatories, the Cashier shall immediately inform the borrower as soon as possible.

8. The granting of loans shall be on a **first come, first served basis**.

9. Immediate dissemination of this Memorandum is desired.

  
**MIGUEL MAC D. APOSIN EdD, CESO V**  
Schools Division Superintendent

