

Republika ng Pilipinas  
(Republic of the Philippines)  
MINISTERIO NG EDUKASYON AT KULTURA  
(MINISTRY OF EDUCATION AND CULTURE)  
Manila

March 12, 1980

MEC MEMORANDUM  
No. 56, s. 1980

GUIDELINES IN THE IMPLEMENTATION OF THE CB-MEC  
SUPERVISED EXPERIENCE EDUCATION PROGRAM

To: Bureau Directors  
Regional Directors  
Schools Superintendents  
Presidents, State Colleges and Universities

1. Inclosed is a set of rules and regulations governing the operations of the Central Bank-Ministry of Education and Culture Loan Fund (CB-MEC-LF) under the CB-MEC Supervised Experience Education Program. This program, initially implemented in support of the Supervised Farming Program of students in the 13 experimental agricultural high schools, a component of the second educational loan from the World Bank for agricultural education, was extended to 70 other agricultural schools that made use of credit for supervised farming.

2. The new agreement which took effect on June 6, 1979 provides credit facilities to students enrolled in the 70 agricultural schools and colleges including other secondary/post secondary schools that may qualify to borrow under the present scheme.

3. The specific objectives of the Supervised Experience Education Program are as follows:

- a. provide supervised, experience-based classroom instruction to equip students with the manipulative and managerial skills and knowledge of operating a profitable enterprise;
- b. generate realistic skills in production and marketing;
- c. train students on the proper and wise use of institutional credit facilities in undertaking home projects that are commercially viable;
- d. develop proper attitudes and values to the importance of desirable personal and group work habits; and
- e. produce a new breed of highly trainable young farmers with the experience and capacity to work for a living and who can easily gain the respect of their peers.

4. In order to provide the student-farmers an intensive learning process and better opportunities and to enable them to contribute towards increased food production, the following suggested priority projects will be given funding based on the profitability of the enterprise in the community as determined jointly by the school and rural bank.

- a. Rice production
- b. Corn and feed grains production
- c. Poultry production
- d. Swine production (breeding and fattening)
- e. Field crops production in addition to those mentioned above
- f. Fish production
- g. Vegetable production
- h. Cattle fattening
- i. Duck raising
- j. Goat raising
- k. Rabbit raising
- l. Sugar cane production
- m. Mushroom culture
- n. Dairying
- o. Cotton production
- p. Quail raising, etc.
- q. Production of any agricultural food crops and other non-agricultural-based projects, i.e. handicraft, cottage-industry, etc., preferred by the students and shown to be economically feasible in the area.

5. In accordance with the Memorandum of Agreement, a Management Committee is hereby created at the national level, the membership of which shall be composed of representatives of the Ministry of Education and Culture, the Central Bank of the Philippines, the Land Bank of the Philippines and other members that the Committee may recommend to the MEC. The National Management Committee shall, among other things, provide the over-all direction in the implementation of the program.

6. Similarly, a Regional Management Committee is hereby created to be responsible in the supervision and monitoring of the Supervised Experience Education Program at the regional level. The committee shall be composed of three members, the MEC regional director or his representative as Chairman, a Central Bank representative to be determined by the Director of the Department of Rural Banks and Savings and Loan Associations (DRBSLA), and a representative from the regional confederation of rural bankers to be recommended by the Rural Bankers Association of the Philippines (RBAP) President. The regional management committee shall see to it that policies promulgated by the national management committee are being carried out by the participating institutions.

7. The school administrator shall serve as project coordinator in the implementation of the program within his respective area of coverage. He shall supervise the activities of all school personnel involved in the Supervised Experience Education Program.

8. Schools duly accredited by the Ministry of Education and Culture as listed in Inclosure No. 2 shall be eligible to participate in the program.

9. A summary progress report of the participating institutions in the region shall be accomplished and submitted to the Bureau of Secondary Education which in turn will be summarized and forwarded to the Office of the Minister of Education and Culture.

10. It is desired that this Memorandum be given the widest publicity possible for the information and guidance of all concerned in its implementation.

(SGD.) ONOFRE D. CORPUZ  
Minister of Education and Culture

**Incls.:**

As stated

**Reference:**

N o n e

Allotment: 1-2-3--(D.O. 1.76)

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

BUREAUS & OFFICES	REPORT
CAMP&IGN (Food Production)	SCHOOLS
COMMITTEE	STUDENTS
PROGRAM, SCHOOL	VOCATIONAL EDUCATION
PROJECTS	

RULES AND REGULATIONS GOVERNING THE  
OPERATIONS OF THE CENTRAL BANK-MINISTRY OF  
EDUCATION AND CULTURE LOAN FUND (CB-MEC-LF) UNDER  
THE CB-MEC SUPERVISED EXPERIENCE EDUCATION PROGRAM

I. Rationale

When the first CB-MEC Memorandum of Agreement was signed in support to the experimental undertaking of the 13 agricultural High schools in the Philippines, a wealth of experience have been mustered that help decide to renew the agreement with the aim of institutionalizing credit within an educational program. Labelled perhaps as first in Asia, this union between the financial and educational institution is a positive step towards grassroots rural credit education and consciousness through the experiential way.

The early exposure of the students from the classroom instruction to the actual management of their own projects supported by credit would leave an imprint of developing desirable attitudes and values towards credit while they acquire the knowledge, skills and managerial ability of operating a small enterprise. This experienced based education program will not only improve the vocational instruction in the schools but also help in the government's food production campaign and upliftment of the quality of rural life.

To operationalize therefore the general concepts and principles embodied in the new Memorandum of Agreement, it is imperative to formulate the following rules and regulations to govern program implementation.

II. Objectives

The Memorandum of Agreement to implement the Supervised Experience Education Program (SEEP) aims to promote socio-economic development in the rural and other urban areas

served by this program.

Specifically, the program envisions to:

1. Provide a Supervised experienced-based classroom instruction in the school in order to equip the student with the knowledge, manipulative and managerial skills of operating a profitable enterprise;
2. Generate production, profit and savings in a bank within three curricular years through an economic scale project(s);
3. Train and encourage the students on the proper and wise use of institutional credit and its facilities;
4. Develop an appreciation of the importance of honest work, acceptable personal and work habits and the ability to work with others; and finally
5. Produce a student who will not only be highly trainable and can be gainfully employed but also be a knowledgeable and responsible citizen.

### III. Definition of Terms

As used in this supplementary rules and regulations, the following terms/phrases are defined as follows:

1. The Supervised Experience Education Program (SEEP) refers to a series of practical activities in which the student applies the knowledge, manipulative and managerial skills, and effective behavior learned in the organized vocational Instructional Program.
2. Manipulative Skills refers to all skills needed in the operation of the enterprise chosen by the student such as reading skills on labels and instructions; writing skills for advices and keeping records; calculating skills for yield and keeping accounts; and Technical Skills in the specific enterprise.
3. Managerial Skills refers to the skills in planning, organizing, implementary, and evaluating the use of new

and currently available resources to achieve the established goals of the student's enterprise.

4. Special Time Deposits (STDs) refer to special funds deposited in rural banks to finance agricultural production and commodity loans of eligible borrowers.
5. Rediscount Availments refer to short-term obligations of bank with the Central Bank of the Philippines.
6. Supervised Credit refers to a system of lending wherein the farmer-borrower agrees in writing that he will apply proven farm practices necessary to conserve the land, improve its fertility and increase its production, and abide by the approved farm plan and budget prepared by an accredited supervised credit technician.
7. Seed Fund (money) refers to the amount of money deposited by MEC to and administered by the Central Bank.
8. Write-off refers to the process of condoning the past due loans of student-borrowers caused by force majeure after exhausting all possible ways of recovering investment chargeable against the seed fund.
9. Special Savings Deposit (SSD) represent loans granted by a rural bank to a farmer-borrower under the special financing program of the Government for agricultural production released in one lump sum and credited to the farmer-borrowers account, withdrawal from SSDs is allowed on a staggered basis.
10. Certificate of Credibility refers to a certification issued by the participating rural bank concurred in by the school to the student-borrower in recognition of a good credit standing.
11. Accredited Schools refer to those school which are qualified to participate in the Supervised Experience Education Program as approved by the Ministry of Education

and Culture.

12. Management Committees

- a. National Management Committee refers to a body created to provide an overall direction, recommend policies and guidelines in the execution and implementation of the Program.
- b. Regional Management Committee refers to a body created at the regional level to oversee, supervise and monitor the activities carried-out by the participating institutions in line with the policies promulgated by the National Management Committee.

13. Subsistence Allowance refers to the amount of money specifically allocated for the daily expenses of the borrower while in the process of undertaking the project.

14. Specific Implementing Plan of the Schools refer to the summarized budgetary loan requirements accomplished by each school to be submitted to the rural bank before each school semester.

15. Marketing Agreement refers to an arrangement entered into by the trader and the student to buy and sell the products with the assistance of the schools and the rural banks.

16. Technical Assistance refers to the provision of software such as training, workshops, conferences, seminars, publication of teaching materials, travels and others that may contribute to the effective implementation of the Program.

17. Administration of the Fund refers to the usual expenditures incurred in managing the funds such as honoraria, travel documents, papers, communications and other operational expenses.

#### IV. Priority Projects Under CB-MEC Supervised Experience

##### Education Program

1. In order to provide the student farmers an intensive learning process and better opportunities and to enable them to contribute towards the attainment of the objectives of the government on food production, the following

projects will be given funding.

- 1) Rice production
- 2) Corn and feed grains production
- 3) Poultry production
- 4) Swine production (breeding and fattening)
- 5) Field crops production in addition to Items (1) and (2) above
- 6) Fish production
- 7) Vegetable production
- 8) Cattle fattening
- 9) Duck raising
- 10) Goat fattening
- 11) Rabbit production
- 12) Sugarcane production
- 13) Mushroom culture
- 14) Dairying (solely for milk production)
- 15) Cotton production
- 16) Quail raising
- 17) Production of any agricultural food crops and other non-agricultural-based projects, i.e., handicraft, cottage industry, etc. preferred to by the students and shown to be economically feasible in the area

2. The funding of any of the above-mentioned projects shall be based on the profitability of the enterprise in the community as jointly determined by the rural bank and the school.

#### V. General Policies

1. The Ministry of Education and Culture (MEC) provides the Central Bank of the Philippines, Department of Rural Banks and Savings and Loan Associations (CB-DRBSLA) with seed fund which will be released to and used for re-lending by



rural banks to qualified participants under the Supervised Experience Education Program.

2. CB-DRBSLA shall release seed fund to participating rural banks in the form of Special Time Deposits (STDs). This will be granted for a maximum period of 60 - 90 days subject to recall anytime if the RB does not utilize the amount in accordance with the terms and conditions stipulated herein.
3. Central Bank of the Philippines, Department of Loans and Credit (CB-DLC) shall rediscount at 100 percent the outstanding balance of all eligible papers under the program at a preferential rate given to loans granted under Supervised Credit.
4. All STD granted under the program shall be kept in a separate account by the rural banks and shall not be utilized other than for the purposes stated herein.
5. All loans except those guaranteed by the Land Bank extended by the rural banks from the STDs shall be automatically guaranteed by the fund up to the extent of 85 percent of the losses due to force majeure or fortuitous events such as typhoons, floods, rat infestations, drought, epidemics, etc. and other causes beyond the control of the borrowers.
6. In case of force majeure or fortuitous event, certification of the Teacher Credit Technician (TCT) and the School Administrator on the extent of damage incurred shall be made to the rural bank subject to the verification of the Agricultural Credit Supervisor assigned in the area.
7. The rural banks shall be allowed to restructure their loans

granted under the program in case of force majeure or fortuitous events subject to the provision of item no. V-6.

8. Student borrowers, together with the whole student population of the School, shall be encouraged by the teachers to save and deposit with rural banks in line with the "Savings Mobilization Program" of the government.
9. Participants under the Supervised Experience Education Program shall be limited to rural banks selected by the CE-DRBSLA and the schools chosen by the Ministry of Education and Culture (MEC). Any participating rural bank selected to participate in the program may be substituted in case of non-cooperation and lack of interest, through the recommendation of the participating school subject to the approval of the CE-DRBSLA.
10. MEC, through their Regional Offices, shall require each participating school to designate teachers who have been trained on the Supervised Credit Program to act as teachers credit technicians under the program.
11. CE-DRBSLA shall assign a CB-Credit Supervisor to coordinate with the rural banks and the schools for an effective program implementation.
12. Teacher credit technicians involved under the CB-MEC Supervised Experience Education Program shall be automatically entitled to an incentive allowance and a bonus of:
  - a. For loans P750 and above per student farmer-borrower and/or farming unit,
    - 1) Incentive allowance of P0.50 per borrower per month during the production season.
    - 2) Bonus of P6.00 for every loan paid in full on or before the date of maturity.

- b. For loans below ₱750 per student-farmer-borrower and/or farming unit,
    - 1) Incentive allowance of twenty five centavos (₱0.25) per borrower per month during the production season.
    - 2) Bonus of three pesos (₱3.00) for every loan paid in full on or before the date of maturity.
  - c. The foregoing incentive allowances and bonus arrangements should at all times be made aligned with the incentive allowances and bonus arrangements of the NFAC Program. However, the following provisions shall also be applied:
    - 1) For loans ₱750 and above per student borrower/farming unit, there shall be a ₱1.00 deduction from the ₱6.00 bonus for every month the loan is past due. In no case, however, shall the production technician receive less than ₱3.00 on the fourth month that the loan is past due or thereafter when the loan is fully repaid.
    - 2) For loans below ₱750 per student borrower/farming unit, there shall be a fifty centavos (₱0.50) deduction from the three pesos (₱3.00) bonus for every month the loan is past due. In no case, however, shall the production technician receive less than one peso and fifty centavos (₱1.50) on the fourth month that the loan is past due or thereafter when the loan is fully repaid.
    - 3) The above provisions, c(1) and c(2) shall also cover restructured loans.
13. Management Committees at the National and Regional level shall be organized in accordance with the Memorandum of Agreement with the following duties and responsibilities

a. National Management Committee

- 1) The membership shall compose of representatives from MEC, CBP, LBP and other members that the Committee may recommend to the MEC.
- 2) Provide an over-all direction in the implementation of the Program.
- 3) Determining the composition of the membership of the Regional Management Committee and recommend to the Regional Directors.
- 4) Plan the actions to facilitate achievement of the objectives of the program.
- 5) Recommend policies and guidelines in the execution of the Program.
- 6) Make sure that the policies and guidelines so promulgated are observed and followed by all concerned.
- 7) Attend to problems and constraints presented by those in the field for solution/actions.
- 8) Conduct a regular review of the over-all project implementation to effect improved project implementation.
- 9) The Management Committee shall be authorized to hire the services of a consultant within existing rules and regulations.

b. Regional Management Committee

- 1) This Committee shall be headed by the Regional Director who shall be responsible in the supervision and monitoring of the Supervised Experience Education Program at the regional level.
- 2) The Committee shall see to it that policies promulgated by the Management Committee are being carried-out by the participating institutions.

- 3) Perform other functions deemed necessary for an effective implementation of the Program in the region.
  - 4) The Committee shall be composed of three members; the Regional Director as Chairman; a Central Bank representative to be determined by the Director of the DRBSLA; and a representative from the regional confederation of Rural Bankers to be recommended by the RBAP President.
14. In addition to the amount of loan to be released to the student-borrowers, a certain percentage based on the loan applied for to be determined by the National Management Committee may be allocated as subsistence allowance of the borrower, provided, however, that availment of such allowance shall be granted only once either at the time of his first loan application or in time when he is in dire need subject to the recommendation of his Teacher credit technician.
15. Only duly accredited schools by the MEC as listed in Annex A shall be eligible to participate in the program.
16. A certificate of credibility shall be issued to student-borrower by the participating rural bank concurred in by the school in recognition of a good credit standing on or before graduation time.

## VI. Lending Operations

### A. Loan Priorities

1. Student-borrowers, in-or off-campus, duly recommended by the teacher-credit technician must be extended loans according to their capability to undertake the project and in line with the following priorities:
  - a) First year and/or second year students, as the case may be, shall undertake only one enterprise

(Mono-project) as they are still starting to learn the process;

- b) Third year students may be allowed to undertake two enterprises if he so desires; and
- c) Fourth year and the second year post-secondary students may be allowed to undertake an integrated agricultural enterprises (Multi-project) if he so desires.

3. Security of the Loan

1. Loans extended under the program shall be secured by chattel mortgage of standing crops, livestock, poultry, fish and/or other projects financed by their parents and/or any person acceptable to the rural bank as co-borrowers and the members of the farming unit, selda and/or damayan as co-makers.
2. All loans granted by the rural banks from the STD shall be automatically guaranteed by the funds except those covered by the Land Bank Guarantee in accordance with Sec. VI-B (3) of this Guidelines up to the extent of 85 per cent of the losses due to force majeure or fortuitous events such as typhoons, floods, rat infestations, epidemics, drought, etc. and others caused beyond the control of the borrowers upon certification of the Teacher credit technicians and the School Administrator subject to the verification of the CB-credit supervisor assigned in the area.
3. Loans Eligible for Guarantee: Guarantee Coverage  
All loans granted by the rural banks not covered by Land Bank Guarantee Fund to student borrowers shall be eligible for guarantee coverage and chargeable against the fund; provided, however, that only 50 per cent of the fund from the source (LF-MEC) shall be allotted to

support the guarantee coverage in accordance with Sec. VI-B-2 and Sec. V-5 hereof; provided further that application to avail of the guarantee shall follow the Central Bank's ruling and policy on the matter.

- C. The basic Central Bank policy regarding guarantee shall be adhered to i.e., the lender (RB) is the one guaranteed against losses.
- D. In case of force majeure or fortuitous event, the participating rural bank shall first reschedule (restructure) payment of the loans of adversely affected student borrowers under the Supervised Experience Education Program. A new loan shall be granted immediately thereafter to enable the student borrowers to produce so they can pay both the new and restructured loans. Writing off the loan shall be resorted to only as a last resort and after the rural bank concerned shall have exhausted all means to collect.

E. Implementing Plan and Budget

1. The student-borrower, with the assistance of the Teacher credit technician, will prepare the farm plan and budget of the projects to be financed.
2. The teacher credit technician will submit the specific implementing plan of the school indicating the list of borrowers to the rural bank the projects to be financed, area in hectares or number of heads, loan amount and date needed and other project information;
3. The teacher credit technician will submit the accomplished implementing plans and budget, together with the Marketing Plan of the product financed, of prospective student farmer borrowers to the rural bank for approval.

F. Loan Application

1. Student borrowers should apply for a loan.

2. The Student Borrowers, with the assistance of the TCT shall prepare the loan forms for submission to the rural bank for appropriate action.
3. To facilitate loan approval and to promote group action the TCT may organize the student borrowers into units/Selda/or Damayan, cooperatives or student corporations. The members will co-sign for one another in the promissory note and loan application.

C. Loan Budget and Releases

1. The loan budget will depend on the credit requirements of the projects to be financed under the CB-MEC-Supervised Experience Education Program.
2. Loan releases will be **synchronized** with the credit needs of the projects based on the farm plan and budget.
3. Loan proceeds shall be released in lump sum and to be automatically credited to the Special Savings Deposit Account (SSD) in the name of the student borrower. The SSD shall earn an interest in accordance with Central Bank policies.

H. SSD and Savings Deposit Withdrawals

1. All withdrawals from the SSD will have to be countersigned by the TCT to authenticate the legitimate need of the money in financing the project according to the farm plan and budget.
2. Savings deposit withdrawals of student borrowers will also be countersigned by the TCT to ascertain the need and to confirm that the name is justified and in line with the objectives of the program while they are in school.

I. Interest, Maturity and Repayment

1. Loans granted under the program shall be charged an interest rate of 10 per cent per annum and shall not be deducted in advance but to be paid on maturity date.



However, when the loan is granted, rural banks are allowed to charge service fee of two per cent or P150 per annum, whichever is lower, on the total amount granted. A penalty of two per cent per annum shall be charged against the past due balance. No other costs and charges shall be passed on to the student borrowers.

2. Maturity of the loans will depend on the projects to be financed but in no case shall it exceed a period of one year or 12 months.
3. Loans shall be repaid on or before the project's maturity date out of the income realized from the projects financed and/or other sources.

VII. Implementing Agencies and their Responsibilities

A. Ministry of Education and Culture (MEC) - the MEC shall:

1. Deposit the seed money with the CB-DRBSLA to be utilized for STDs with RBs,
2. Coordinate and supervise all schools participating under the program through the regional offices,
3. Submit feedback reports to the National Management Committee,
4. Assist in the information drive in the implementation of the program,
5. Accredite schools qualified to participate in the program,
6. Responsible in monitoring the implementation of the program.

B. Central Bank of the Philippines (CBP)

1. Department of Rural Banks and Savings and Loan Associations (DRBSLA) - The DRBSLA shall:
  - a. Administer the Seed Fund intended for qualified rural banks to participate under the program,

- b. Provide supervisory personnel to coordinate in program implementation,
- c. Facilitate the process of loaning operations for smooth and accelerated implementation of the program,
- d. Encourage rural banks to participate actively in the implementation of the SEEP,
- e. Assist in the information drive in the implementation of the program,

2. Department of Loans and Credit (DLC) - The DLC shall:

- a. Rediscount all eligible papers under the Supervised Experience Education Program at a preferential rate of rediscounting given to loans granted under the program.

C. Rural Banks - The rural banks shall:

- 1. Grant production loans to student borrowers to be financed under the program,
- 2. Abide with the rules and regulations in the implementation of the program,
- 3. Undertake the principal responsibilities in the collection of loans with the assistance of the TCT.
- 4. Give incentive allowance and bonus to TCT-SCT as provided for under General Policy, Section V of this Rules and Regulations.
- 5. Issue Certificate of Credibility upon graduation to deserving student borrower.
- 6. Assist in establishing marketing tie-ups with student borrower.
- 7. Expedite the processing of loan application.
- 8. Submit quarterly reports to the Central Bank.

VIII. Personnel of Implementing Agencies and their Responsibilities

- A. CB-DRBSLA Agricultural Credit Supervisors - They shall:

1. Encourage the rural banks to participate actively in the implementation of the Supervised Experience Education Program,
  2. Coordinate and facilitate the activities of rural banks and participating schools for effective program implementation,
  3. Verify, evaluate and recommend the applications for STDs of participating rural banks,
  4. Expedite the release of STDs and supervise the utilization of the same,
  5. Supervise the preparation of quarterly and summary reports of the RBs and review the same before submission to the CB-DRBSLA,
  6. Test check pricing, delivery and application inputs including the utilization of the cash portion of the loan by student farmers,
  7. Verify expenses incurred by RBs under the program prior to reimbursement by CB-DLC of the rebates from rediscounting,
  8. Submit recommendations and proposals to improve and accelerate program implementation.
- B. School Administrators - They shall:
1. Serve as project coordinator in the implementation of the program within their respective areas of coverage,
  2. Supervise the activities of all school personnel involved in the SEEP and institute disciplinary action,
  3. Assume the responsibilities in the implementation of the program,
  4. Make sure that the supervised farming projects of student borrowers are conducted in a business-like manner,

5. Make proposals on the educational and administrative management of the program,
6. Assist the rural banks in the collection of loans granted under the program,
7. Submit annual consolidated reports of the SEEP every end of the school year to the Regional Management Committee.

C. Teacher Credit Technicians (TCT) - They shall:

1. Assist the student farmers in the preparation of the farm plan and budget and other loan documents,
2. Render technical supervision to student farmers financed under the program from production stage until marketing time,
3. Make sure that the supervised farming projects of student borrowers are conducted in a business-like manner,
4. Assist the rural banks in the collection of loans extended under the program,
5. Teach the student borrowers simple record keeping and conduct a periodic check-up of the same,
6. Keep accurate records of the SEEP projects under their respective supervision,
7. Submit quarterly and summary reports to the school administrator,
8. Consult the school administrator, CB-Credit Supervisor and the rural bank manager on problems concerning the program,
- ~~9. Must have frequent dialogues with the rural bank managers and student borrowers together with their parents to gain their full support and cooperation in the implementation of the program.~~
10. Countersign withdrawal slips of students in withdrawing their Savings Account.

D. Parents or Guardian of Student Borrowers - They shall:

1. Attend meeting called by the school authorities concerning the Supervised Experience Education Program,
2. Provide all the necessary support and cooperation to the school, the bank and the student in the implementation of the program,
3. Make consultations with the school authorities from time-to-time for the benefit of the students and the program,
4. Make certain that their children work on their SEEP projects even during off-school hours,
5. Act as co-borrowers of their children.

E. Student Borrowers - They shall:

1. Prepare the farm plan and budget for their respective projects with the assistance of the TCT,
2. Apply the package of technology on improved farm practices and follow the technical recommendations of the TCT from production until marketing,
3. Spend the loan proceeds granted under the program according to the needs of their respective projects and in accordance with the farm plan and budget,
4. Prepare, keep and submit regularly records of their individual projects financed under the program,
5. Work religiously and diligently on their projects even during off-school hours,
6. Consult the TCT on problems or any deviation from the approved farm plan and budget,
7. Prepare progress, summary and evaluation reports every end of the production season and submit them to the TCT,

8. Pay their loans with the rural bank on or before the maturity date.
9. Immediately deposit their income from the projects with the rural banks and not withdraw the same without the approval of the TCT.

IX. Monitoring System

1. Student-borrowers shall submit regularly a report to the TCT using the prescribed forms.
2. The TCT shall collect reports from student-borrowers, summarize them and prepare other reports and submit the same to the school administrator.
3. The school administrator shall review all reports and indorse them to the regional director. He shall also furnish the RB with a status report. At the same time the RB shall also submit quarterly status reports to the administrator and the CB.
4. The regional director shall review all reports of the participating institutions at the region. A summary progress report of the institutions shall be accomplished and the same shall be submitted to the Bureau of Secondary Education (MEC).
5. The BSE shall, in turn, summarize reports of the regional directors and furnish the Office of the Minister of Education and Culture, DRBSLA and the National Management Committee. At the same time the CB-DRBSLA shall furnish every quarter the National Management Committee with the consolidated Rural Bank report and other financial report.

X. Program Review and Evaluation

1. An annual program review shall be conducted among the participating agencies to thresh-out constraints of the

implementation of the Program. An incentive system shall be developed to recognize the performance of the participants in the Program.

2. The Program shall be evaluated at least every three (3) years upon recommendation of the National Management Committee.

This Rules and Regulations shall take effect immediately.

PREPARED JOINTLY BY:

CENTRAL BANK-DEPARTMENT OF RURAL BANKS AND  
SAVINGS AND LOAN ASSOCIATIONS  
(SUPERVISED CREDIT GROUP I)

and

MINISTRY OF EDUCATION AND CULTURE

(Inclosure No. 2 to MFC Memorandum No. 56, s. 1980)  
LIST OF PARTICIPATING SCHOOLS/COLLEGES

Region I -

Mariano Marcos State University  
Ilocos Norte Agricultural College  
Ilocos Sur Agricultural College  
Lagangilang Agricultural College  
Don Mariano Marcos Memorial State College  
Speaker Eugenio Perez National Agricultural School  
Eastern Pangasinan Agricultural College

Region II -

Sanchez Mira National Agricultural and Technical School  
Bukig National Agricultural and Technical School  
Gonzaga National Agricultural and Technical School  
Cagayan Valley Agricultural College  
Bibak National Agricultural School  
Ifugao National Agricultural and Technical College  
Jones Rural School  
Roxas Memorial Agro-Industrial School  
Quirino National Agricultural School

Region III -

Sabani Estate Agricultural College  
Bulacan National Agricultural School  
Philippine National Agricultural School  
Bataan National Agricultural School  
Western Luzon Agricultural College

Region IV -

Baybay National College of Agriculture and Technology  
Mindoro National College of Agriculture and Technology  
Rizal National Agricultural School  
Quezon National Agricultural School  
Romblon Agricultural College

Region V -

Camarines Norte National Agricultural School  
Camarines Sur Agricultural College  
Ragay Agricultural and Fishery School  
Catanduanes Agro-Industrial College  
Don Emilio E. Espinosa Sr. Memorial Agricultural College

Region VI -

Aklan Agricultural College  
Mambusao Agricultural and Technical College  
Capiz Agricultural and Fishery School  
Leon National Agricultural School  
Dingle Agricultural and Technical College  
Calinog Agricultural and Technical College  
Iloilo National Agricultural College  
Barotac Viejo National Agricultural College  
Negros Occidental Agricultural College  
Antique Agricultural and Technical College



Region VII -

Sudlon Agricultural School  
Southern Cebu Agro-Industrial School  
Negros Oriental National Agricultural School  
Bohol Agricultural College

Region VIII -

Arteche National Agricultural School  
Can-Avid Junior Agricultural College  
Eastern Samar National Agricultural College  
Maydolong National Agricultural School  
Southern Samar Agricultural College  
Balangiga National Agricultural School  
Pedro Rebadulla National Agricultural School  
Samar National Agricultural School  
Biliran National Agricultural College  
Alang-Alang Agro-Industrial School  
Bontoc Agricultural and Fishery School  
Leyte National Agricultural College

Region IX -

Katipunan National Agricultural School  
Sindangan National Agricultural School  
Zamboanga del Norte Agricultural College  
Zamboanga del Sur Agricultural School

Region X -

Northern Mindanao National Agricultural College  
Southern Agusan National Agricultural College  
Oroquieta Agro-Industrial School  
Tangub Agro-Industrial School  
Claveria National Rural School  
Mainit National Agricultural School

Region XI -

Southern Mindanao State University (DNRAS)  
Davao National Agricultural School  
Surigao National Agricultural School

Region XII -

Upi Agricultural School