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REPUBLIKA NG PILIPINAS  
REPUBLIC OF THE PHILIPPINES  
**KAGAWARAN NG EDUKASYON**  
DEPARTMENT OF EDUCATION  
DepEd Complex, Meralco Avenue, Pasig City, Philippines

*Tanggapan ng Kalihim*  
*Office of the Secretary*

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**MAY 2 2 2003**

DepEd ORDER  
No. 42, s. 2003

**GRANT OF DEPED PROVIDENT FUND LOANS TO CASUAL EMPLOYEES**

To: Undersecretaries  
Assistant Secretaries  
Bureau Directors  
Regional Directors  
Directors of Services/Centers and Heads of Units  
All Others Concerned

1. Pursuant to Resolution No. 06, s. 2003 of the National Board of Trustees of the DepEd Provident Fund, entitled Resolution Approving the Grant of Provident Fund Loans to Casual Employees, casual employees in the central, regional and division offices may avail of Provident Fund loans subject to the following guidelines and limitations in addition to the revised implementing guidelines prescribed in DECS Order No. 50, s. 2001 as amended by DepEd Order No. 6, s. 2002 and DepEd Order No. 27, s. 2003:

- a. A casual employee who has been in continuous service with the Department for two (2) years or more may avail of the regular or calamity loans of Five Thousand Pesos (PhP5,000.00) and Eight Thousand Pesos (PhP8,000.00), respectively, while a casual employee who has accumulated at least one hundred (100) sick/vacation leave credits may avail of the special Provident Fund loan of Twenty Thousand Pesos (PhP20,000.00) in addition to the regular or calamity loan;
- b. In addition to the documents required in applying for Provident Fund loans set forth in the revised implementing guidelines, a casual-employee applicant must submit a copy of his/her latest appointment;
- c. All types of loans shall have an interest rate of six percent (6%) per annum, add-on and straight computation. The regular and calamity loans shall be paid in twenty-four (24) equal monthly installments (two (2) years), while the special loan shall be paid in thirty-six (36) equal monthly installments (three (3) years). ↗

d. Remittance of Loan Repayments

- In all cases, repayment of loans shall be through automatic deduction from the borrower's salary, to be reflected every 15<sup>th</sup> of the month either by payroll or disbursement voucher;
- The Secretariat shall prepare the monthly abstract of deductions based on the processed payroll or disbursement voucher collected from the Cash Division not later than 22<sup>nd</sup> of each month;
- Thereafter, the remittance of loan repayments shall follow the usual processing of voucher of remittances for the Provident Fund.

e. In case of separation from the service, a casual employee-borrower shall seek clearance from the Secretariat of any outstanding obligation with the Provident Fund; and

f. The Personnel Division/Unit shall inform the Secretariat, in writing, the names of casual employees whose appointment shall no longer be renewed and shall be separated from the service.

2. Enclosed is the pro-format of the loan application form that will be used by the casual employees in availing Provident Fund loans.

3. Immediate dissemination of and compliance with this Order is directed.



EDILBERTO C. DE JESUS  
Secretary

Madel:c:grant of deped provident fund  
5-15-03

Encl.:

As stated

References:

DepEd Orders: (Nos. 27, s. 2003, 6, s. 2002, and 50, s. 2001)

Allotment: 1—(D.O. 50-97)

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

EMPLOYEES  
FUNDS  
LOANS

Republic of the Philippines  
**DEPARTMENT OF EDUCATION**  
**DepEd PROVIDENT FUND**  
Meralco Avenue, Pasig City

Excerpts from the Minutes of the Meeting of the  
National Board of Trustees on April 25, 2003

**RESOLUTION NO. 06, S. 2003**  
**RESOLUTION APPROVING THE GRANT OF PROVIDENT FUND**  
**LOANS TO CASUAL EMPLOYEES**

WHEREAS, the DepEd Provident Fund, established by virtue of Administrative Order No. 279 dated May 5, 1992 and implemented through DECS Order No. 50, s. 2001, aims to provide loans and benefits to officials and employees of the Department of Education for their emergency, educational and medical needs and that of their immediate dependents; for minor but immediately needed repair of their houses; and for other similar purposes to be determined by the National Board of Trustees;

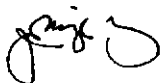
WHEREAS, the beneficiaries of the Fund are teachers and administrative support staff who incur official payroll deductions and are on permanent/regular employment status;

WHEREAS, casual employees in the Central, regional and division offices are not entitled to avail of the Provident Fund loans despite their being in the service for more than ten (10) years;

NOW THEREFORE BE IT RESOLVED AS IT IS HEREBY RESOLVED, that casual employees who have been in continuous service with the Department for two (2) years may avail of the regular or calamity loans of P5,000.00 and P8,000.00, respectively; Further casual employees who have accumulated at least one hundred (100) days vacation/sick leave credits may avail of the special Provident Fund loan of P20,000.00;

BE IT RESOLVED FURTHER That the limitations set forth in the revised implementing guidelines contained in DECS Order No. 50, s. 2001 and its amendments shall also apply to casual employees;

BE IT RESOLVED FINALLY, That guidelines for the grant of Provident Fund loans to casual employees, which shall form part of this resolution, shall be issued to the field through a DepEd Order; the Secretariat is hereby tasked to undertake the necessary documentation to implement this Resolution.



Done this 25<sup>th</sup> day of March 2003 at Pasig City.

Prepared by:

*Ofelia N. Ramos*  
**OFELIA N. RAMOS**  
Clerk II, Employees Welfare  
and Benefits Division

Certified Correct:

*Sonia R. De Leon*  
**SONIA R. DE LEON**  
Chief, Employees Welfare and  
Benefits Division

**ATTESTED:**

**NATIONAL BOARD OF TRUSTEES**

By:

*Juan Miguel M. Luz*  
**JUAN MIGUEL M. LUZ**  
Undersecretary  
Chairman

Republic of the Philippines  
DepEd PROVIDENT FUND - REGION \_\_\_\_\_  
(Office Address)

**FOR CASUAL EMPLOYEES**

**BORROWER**

\_\_\_\_\_  
(Last Name) (First Name) (M.I.)  
Present Address : \_\_\_\_\_  
Home Address: \_\_\_\_\_  
Date of Birth: \_\_\_\_\_  
Office: \_\_\_\_\_  
No. of years in service: \_\_\_\_\_  
Employee No. \_\_\_\_\_ TIN: \_\_\_\_\_

**SPECIMEN SIGNATURES (2) BELOW:**

\_\_\_\_\_

**CO-MAKER**

\_\_\_\_\_  
(Last Name) (First Name) (M.I.)  
Present Address : \_\_\_\_\_  
Home Address: \_\_\_\_\_  
Date of Birth: \_\_\_\_\_  
Position: \_\_\_\_\_  
Monthly Salary: \_\_\_\_\_ Status: \_\_\_\_\_  
Office: \_\_\_\_\_  
Employee No. \_\_\_\_\_ TIN: \_\_\_\_\_

**SPECIMEN SIGNATURES (2) BELOW:**

\_\_\_\_\_

**LOAN APPLICATION / AGREEMENT**

I hereby apply for a Provident Fund loan in the amount and at the amortization schedule stated below. In consideration of the grant thereof, I promise to pay all the installments due and bind myself to the terms and conditions of the loan. Accordingly, I hereby authorize the deductions of the monthly amortization from my salary when due. Should I be separated from the service, I also hereby authorize the deduction in full of any unpaid balance from my retirement, separation or terminal leave benefits.

Should the principal borrower be separated from the service and there are no retirement nor separation benefits due him, I hereby agree to assume all his outstanding obligation for the grant of this loan upon proper notification by the Provident Fund Secretariat. Accordingly, I hereby authorize the monthly deduction from my salary the amortizations for the outstanding obligation of the borrower until his loan has fully been paid.

Amount of Loan	Amortization Schedule	
	( 24 months)	( 36 months)
( ) P 5,000.00	P 233.33	
( ) P 8,000.00	P 373.33	
( ) P20,000.00		P 655.55

\_\_\_\_\_  
(Co-Maker's Signature  
Over Printed Name)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Borrower

\_\_\_\_\_  
Date

**CERTIFICATION FOR PROVIDENT FUND LOAN**

I hereby certify that the proceeds of the above loan shall be used as follows:

- ( ) Emergency Loan
- ( ) Educational Loan
- ( ) Loan due to Sudden Loss of Income of Spouse
- ( ) Loan due to Calamity
- ( ) Others, please specify: \_\_\_\_\_

\_\_\_\_\_  
(Signature of Borrower)

**AUTHORIZATION FOR SALARY DEDUCTION**

The HRMO V, Personnel Division / The Administrative Officer  
DepEd Meralco Avenue, Pasig City / Region \_\_\_\_\_

Sir/Madam:

I hereby authorize the deduction from my salary the amount of \_\_\_\_\_ PESOS (P\_\_\_\_\_) for \_\_\_\_\_ months starting in \_\_\_\_\_, 20\_\_\_\_\_, or until my total amount of \_\_\_\_\_ PESOS (P\_\_\_\_\_) has been paid. Amounts deducted shall be credited to the account of the DepEd Provident Fund.

\_\_\_\_\_  
Signature over printed name

\_\_\_\_\_  
Office

\_\_\_\_\_  
Date

**CERTIFICATE OF EMPLOYMENT AND CREDIBILITY**

Name of Borrower: \_\_\_\_\_

Office: \_\_\_\_\_

Date: \_\_\_\_\_

This Office certifies that: (1) the above applicant is a casual employee who has been in continuous service in this Department for \_\_\_\_\_ number of years with \_\_\_\_\_ number of vacation/sick leave credits; (2) there is no pending administrative and/or criminal charge against him; (3) the borrower's average monthly net pay for the last three months amounting to P\_\_\_\_\_ is sufficient to cover the monthly installments for this loan; and (4) the information reported by said applicant is true and correct.

**INDORSING OFFICIAL/S:**

Personnel Officer:

Legal Officer:

\_\_\_\_\_  
Name in Print

\_\_\_\_\_  
Name in Print

\_\_\_\_\_  
Designation

\_\_\_\_\_  
Designation

**ACTION TAKEN:**

- ( ) Approved
- ( ) Disapproved
- ( ) Others

Net Amount of Loan Granted: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Head of Secretariat