



Republic of the Philippines
Department of Education



JUN 01 2007

DepED O R D E R
No. 36, s. 2007

AMENDMENTS AND ADDENDUM TO DEPED ORDER NO. 12, S. 2004
(Revised Implementing Guidelines for the DepED Provident Fund)

To: Undersecretaries
Assistant Secretaries
Bureau Directors
Directors of Services/Centers and Heads of Units
Regional Directors
Schools Division/City Superintendents

1. Pursuant to Resolution Nos. 02 and 03, s. 2007 of the National Board of Trustees of the DepED Provident Fund, the pertinent provisions of DepED Order No. 12, s. 2004, entitled Revised Implementing Guidelines for the DepED Provident Fund are hereby amended as follows:

a. Section X.4

• 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:

- i. Hospitalization and/or medical expenses resulting from an accident/illness;
- ii. Death of immediate and/or other members of his/her family up to the fourth degree of consanguinity or affinity;
- iii. Educational loans;
- iv. Minor but immediately needed repair of the house of the teacher/employee; and
- v. Other emergency expenses to be specified by the teacher/employee-applicant.

b. Section X.5

• The maximum total amount of loans shall be One Hundred Thousand Pesos (P100,000.00), subject to the availability of funds, the actual need of the teacher/employee-applicant, and to other pertinent limitations set fourth, without prejudice to other pending loan applications for new loans.

c. Section X.7

- The loan requirements are as follows:
 - i. Accomplished application form stating, among others, the specific purpose for which the loan will be used, including the appropriate supporting documents;
 - ii. Latest pay slip/payroll indicating monthly salary deductions; and
 - iii. Casual employee-borrowers shall also submit a copy of his/her latest appointment in addition to the above requirements.

d. Section X.10

- The Provident Fund loan shall have an interest rate of six percent (6%) per annum, add-on and straight computation. Repayment period shall be at the option of the borrower, subject to his/her capacity to pay and computation of his/her net take home pay which shall not be reduced to less than Three Thousand Pesos (P3,000.00) 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 PSD-IBM deduction.

e. Section X. 11

- 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.

2. The following is an additional provision in the implementing guidelines pursuant to Board Resolution No. 03, s. 2007:

- The Chairpersons of the National/Regional Boards shall set aside an amount of One Million Pesos (P1,000,000.00) per annum to be used in granting additional loans to teachers and non-teaching employees subject to the following conditions:
 - i. Availability of funds;
 - ii. The additional loan shall be granted in case the borrower is not qualified for renewal of loan when he/she has paid less than 50% of his/her previous loan;

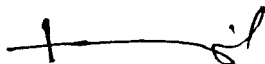
- iii. The loan shall be used for extreme emergency cases only, as may be determined by the Chairpersons of the National/Regional Boards of Trustees. Examples of extreme emergency cases are: (1) payment for hospital bills of the teacher/employee or member of his/her family within the third civil degree of consanguinity/affinity; (2) death of a member of the borrower's family within the third degree of consanguinity/affinity; or (3) borrower is a direct victim of a natural or man-made calamity, such as typhoons, fire, robbery, armed conflict, etc.;
- iv. The total loan account of the borrower shall not exceed the amount of One Hundred Thousand Pesos (P100,000.00);
- v. The net take home pay of the borrower shall not be reduced to less than Three Thousand Pesos (P3,000.00) after the deduction of the amortization for the additional loan; and
- vi. Other conditions as may be imposed by the National/Regional Boards of Trustees.

- Applications for the additional loan shall be submitted to the concerned Secretariat which shall initially screen and evaluate the same as to the amount of additional loan that may be availed of by the loan applicant taking into consideration his/her net take home pay, existing loan account and other conditions set forth. Thereafter, the loan application shall be forwarded to the Board Chairperson who shall determine and decide the specific amount of additional loan that may be granted to the loan applicant based on the information provided by the Secretariat.

3. Qualified casual employees, including contractual employees with appointment and co-terminus employees, who have been in the service with the Department for at least two (2) years of continuous service, may avail of the Provident Fund loan up to a maximum amount of Twenty Thousand Pesos (P20,000.00) only, and shall be payable up to a maximum of two (2) years (24 months).

4. Provisions in the implementing guidelines in DepED Order No. 12, s. 2004 which are inconsistent with the above amendments and addendum are hereby rescinded while those that are not affected shall continue to be observed.

5. Immediate and wide dissemination of this Order to all concerned is directed.


TEODOSIO C. SANGIL, JR.
Undersecretary
Officer-in-Charge

Reference:

DepED Order: (No. 12, s. 2004)

Allotment: 1 - -(D.O. 50-97)

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

CHANGE
FUNDS
EMPLOYEES
TEACHERS

Made by: Provident Fund

6-4-07

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