



Republic of the Philippines  
**Department of Education**  
REGION IV-A CALABARZON  
GATE 2, KARANGALAN VILLAGE  
1900 CAINTA, RIZAL



26 November 2020

**Regional Memorandum**

**REITERATING THE LATEST PROVISIONS RELATIVE TO PROVIDENT FUND LOAN**

To **Assistant Regional Director  
Schools Division Superintendents  
School Heads of Public Elementary and Junior High Schools  
All Others Concerned**



1. This Memorandum is issued to reiterate the provisions of DepEd Order No. 037, s. 2018 entitled "Amendments and Additional Provisions to DepEd Order Nos. 12, s. 2004; 36, s. 2007; and 52, s. 2017 (Revised Implementing Guidelines for the DepEd Provident Fund)".
2. Said DepEd Order provides for two types of Provident Fund loans, as follows:
  - a. Multi-purpose loan (MPL) up to a maximum amount of Php100,000.00; and
  - b. Additional Loan for extreme emergency cases only up to a maximum of Php100,000.00.
3. Salient provisions are as follows:
  - a. That the applications for additional loan for extreme emergency cases only shall be approved by the DepEd PF Regional Board of Trustees with attached justifications for the loan for regional and SDO borrowers;
  - b. That renewal of loan may be allowed provided at least 30% of existing loan has been paid;
  - c. That PF loans shall have a contractual interest rate of six percent (6%) per annum, with no grace period on the start of payment of loan, computed using the diminishing/declining balance method;
  - d. That the total amount due, inclusive of principal and interest, will be payable in equal monthly amortizations for a period from 12 up to 60 months;
  - e. That repayment of loans shall be through automatic payroll deductions and over-the-counter payment in case PF deduction is dislodged in the payroll;
  - f. That newly hired teachers are allowed to avail of PF loan under the terms stated in DepEd Order No. 37, s. 2018; and
  - g. That the outstanding principal PF loan balance of a DepEd borrower who transferred from one station to another shall be transferred to the recipient station through proper recording in their books of accounts.



**"EXCELLENCE is a CULTURE and QUALITY is a COMMITMENT"**

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4. In this regard, all SDOs should encourage their teachers and non-teaching personnel to avail of the PF loan.
5. Please be guided accordingly.

  
**WILFREDO E. CABRAL**  
Regional Director  


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