Regional Memorandum
No.185 s.2023

ADOPTION OF DEPED EMPLOYEES’ PROVIDENT FUND
LOAN ACCOUNT TRANSFER FORM

To All Schools Division Superintendents
Regional PF Chapter Secretariat
School Heads of Implementing Unit-Secondary Schools
SDO Administrative Officers/Human Resource Management Officers
SDO Accountants
All Others Concerned

1. Enclosed is a copy of Memorandum OUF-2023-0112 dated February 21, 2023,
   Subject: Adoption of DepEd Employees’ Provident Fund Loan Accountant
   Transfer Form, which is self-explanatory, and for information.

2. Immediate dissemination of and strict compliance with this memorandum is
   desired.

ATTY. ALBERTO T. ESCOBARTE, CESO II
Regional Director

Incl.: As stated

ROA/P1
MEMORANDUM
OUF-2023-0112

TO : REGIONAL DIRECTORS
SCHOOLS DIVISION SUPERINTENDENTS
CENTRAL OFFICE PROVIDENT FUND (PF) CHAPTER SECRETARIAT
REGIONAL PF CHAPTER SECRETARIAT
SCHOOLS DIVISION PF SECRETARIAT
SCHOOL HEADS OF IMPLEMENTING UNIT-SECONDARY SCHOOLS
CHIEF ACCOUNTANT, DEPED CENTRAL OFFICE
CHIEF OF PERSONNEL DIVISION, DEPED CENTRAL OFFICE
HEADS OF ADMINISTRATIVE DIVISION/SECTION/UNIT
HEADS OF ACCOUNTING DIVISION/SECTION/UNIT
HEADS OF PERSONNEL DIVISION/SECTION/UNIT
ALL OTHERS CONCERNED

FROM : ANNALYN M. SEVILLA
Undersecretary for Finance
Chairperson, Provident Fund National Board of Trustees (PFNBT)

SUBJECT : ADOPTION OF DEPED EMPLOYEES’ PROVIDENT FUND LOAN ACCOUNT TRANSFER FORM

DATE : FEBRUARY 21, 2023

1. It has been reported that there are salary deductions for PF loans that stopped due to the transfer of PF borrowers from one implementing office/unit to another, resulting in delinquent accounts that remain uncollected for a period of time.

2. To address the above issue, the adoption of the DepEd Employees’ Provident Fund Loan Account Transfer Form (PF Transfer Form, for brevity) by the PF Chapters at the central, regional, and schools divisions offices, is directed for the following purposes:

   a. Ensure and facilitate the continuity of the monthly deduction of loan amortizations from the salaries of PF borrowers who transferred from one implementing office/unit to another;
   b. Standardize the process of recording the transferred loan balances of the PF borrowers;
   c. Help the PF borrowers avoid incurring compounding of interest due to the stoppage of the loan deduction;

2/F Rizal Building, DepEd Complex, Meralco Avenue, Pasig City
Telephone No.: (02) 8633-9342, Fax No.: (02) 8638-3703; Email Address: usec.financebpm@deped.gov.ph
d. Relieve the PF borrowers from the burden of traveling to their former place of assignment just to make a direct payment on the loan amortizations; and
e. Monitor and track the PF loan records efficiently.

3. For the proper use of the PF Transfer Form, all concerned must be guided by the following:

3.1 **Originating Place of Assignment of the PF Borrower**

3.1.1 The PF borrower shall inform the PF Secretariat of his/her transfer to another implementing office/unit, and subsequently request for issuance of Clearance as to PF accountability.

3.1.2 Before signing the Clearance of the PF borrower, the PF Secretariat shall ensure that the former’s PF loan account is already transferred and recorded in the PF book of accounts of the receiving office/unit, and the transfer of payroll deduction is already effected.

3.1.3 The PF Secretariat shall also request the Personnel Division/Section/Unit (Human Resource Office) for the status of employment of the borrower/s with at least three (3) months past due account/s, to check if has/have transferred to another implementing office/unit.

3.1.4 The PF Secretariat, upon confirmation of the transfer of the PF borrower, shall perform the following:

a. Accomplish Part I of the PF Transfer Form, and sign the portion "Prepared and Certified By" in the form.
b. Transmit the Transfer Form, duly supported with the latest processed Loan Application Form, Authority to Deduct and updated Statement of Account to Accounting Division/Section/Unit, for Journal Entry Voucher (JEV) preparation.

3.1.5 Once the PF Transfer Form and its attachments are transmitted, the Accounting Division/Section/Unit shall:

a. Prepare JEV to drop the PF Outstanding Loan Balance of the borrower in the books of accounts.
b. Indicate the JEV No. in the column of Part I in the PF Transfer Form, and sign the portion "JEV Prepared By" of Part I in the form.
c. Email in advance to the Accounting Division/Section/Unit of the borrower’s receiving place of assignment (cc: PF Secretariat), the copy of the signed JEV and the supporting documents stated in Item 3.1.4 (b) stated above, for the accomplishment of Part II of the PF Transfer Form, subject to the compliance of the procedures under item 3.2 below.
d. Return the original and signed PF Transfer Form and JEV to the PF Secretariat.
3.1.6 The PF Secretariat shall prepare and mail, through the Records Division/Section/Unit, the endorsement letter signed by its PF Head Secretariat transmitting the original PF Transfer Form, signed JEV, and the supporting documents specified in Item 3.1.4(b) to the Head PF Secretariat of the borrower’s receiving place of assignment.

3.1 Receiving Place of Assignment

3.2.1 The PF Secretariat of this implementing office/unit, upon receipt of the endorsement letter, PF Transfer Form, and its attachments, shall:

a. Accomplish Part II of the PF Transfer Form, and sign the portion "Prepared and Certified by" in the form.

b. Transmit the PF Transfer Form to Accounting Division/Section/Unit for JEV preparation.

3.2.2 The Accounting Division/Section/Unit shall:

a. Prepare JEV to set up the PF Outstanding Loan Balance of the PF borrower in the books of accounts.

b. Indicate the JEV No. in the column of Part II in the PF Transfer Form, and sign the portion "JEV Prepared By" in the form.

c. Return the original and signed PF Transfer Form with JEV and other attachments to the PF Secretariat, retaining one (1) copy for records purposes.

3.2.3 The PF Secretariat shall:

a. Retain the original copy of the PF Transfer Form with attachments for records purposes.

b. Reproduce the PF Transfer Form with attachments and prepare an endorsement letter signed by its Head PF Secretariat addressed to the Head PF Secretariat of the borrower’s originating place of assignment for records/audit purposes, copy furnished the following:

   b.1 Originating place of assignment- Accounting Division/Section/Unit for confirmation of the transferred account; and

   b.2 Principal borrower for his/her file

c. Release the copy of the endorsement letter with attachments to the Records Division/Section/Unit for mailing.

d. Furnish the Payroll Services Unit with a copy of the new Authority to Deduct signed by the principal borrower for integration into the payroll.
3.2.4 The Payroll Services Unit/payroll processor shall take effect the deduction of PF loan amortizations from the monthly salary of the borrower.

4. All concerned must ensure the proper implementation of this PF Transfer Form. For its uniform and standard implementation, the Employee Account Management Division, the PF National Board of Trustees Secretariat, shall conduct orientation to all PF Chapters. You may communicate with said office at e-mail address fs.camd@deped.gov.ph or landline number (02) 633-7248, for any inquiries/clarifications on the matter.

5. For immediate dissemination and strict compliance.
## TO BE ACCOMPLISHED BY THE ORIGINATING PLACE OF ASSIGNMENT (PF CHAPTER)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>From</th>
<th>To</th>
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<tbody>
<tr>
<td>Region</td>
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<tr>
<td>Schools Division</td>
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<tr>
<td>School/Office Assignment</td>
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</table>

### Name of Co-Maker

*Present Place of Assignment of Co-maker*

### Address of Co-Maker

Contact No./Email Add. of Co-Maker:

NOTE: The co-maker from the Originating Place of Assignment of the principal borrower shall still be liable in case of default of payment. However, the principal borrower may replace his/her co-maker with a new one assigned at his/her current office/school assignment, subject to the submission of a letter duly acknowledged/signed by the new co-maker. The letter must include the same information as the above.

This is to certify that the above-stated DepEd Employee has outstanding PF Loans to be closed in the books of accounts of this office/school and transferred to the , details as follows.

<table>
<thead>
<tr>
<th>Type of PF Loan</th>
<th>Amount of Principal Loan</th>
<th>Date Granted</th>
<th>Duration of Payroll Deductions (Start and End)</th>
<th>Outstanding Loan Balance*</th>
<th>Monthly Amortization</th>
<th>Journal Entry Voucher No.**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-Purpose Loan</td>
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<td>Additional Loan</td>
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<td>TOTAL</td>
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**Accomplished Loan Application Form and Statement/s of Account as of attached; includes interest in arrears, if any

** Copies of JEV and Loan Ledger are attached

**PREPARED AND CERTIFIED BY:**

Head of PF Secretariat

Signature above Printed Name and Designation

## TO BE ACCOMPLISHED BY THE RECEIVING PLACE OF ASSIGNMENT (PF CHAPTER)

This is to certify that this office has accepted the transfer of the PF loan accounts of the above-stated DepEd employee, as specified under Part I of this PF Transfer Form, and recorded the corresponding Journal Entry Voucher/s in the books of accounts for the purpose, as shown below.

<table>
<thead>
<tr>
<th>Type of PF Loan</th>
<th>Outstanding Loan Balance*</th>
<th>Monthly Amortization</th>
<th>Duration of Payroll Deductions (Start and End)**</th>
<th>Journal Entry Voucher No.***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-Purpose Loan</td>
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<tr>
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<tr>
<td>TOTAL</td>
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</tbody>
</table>

*** Based on the Accomplished Loan Application Form and Statement/s of Account as of

*** Start and end term of collection based on Authority to Deduct signed by the borrower

*** Copies of JEV and Loan Ledger are attached

**PREPARED AND CERTIFIED BY:**

Head of PF Secretariat

Signature above Printed Name and Designation

**REMINDERS:**

a. The copies of the processed PF Transfer Form must be provided to the following:
   1. Releasing Place of Assignment-PF Secretariat, for records/audit purposes;
   2. Releasing Place of Assignment-Accounting Division/Section/Unit, for JEV preparation;
   3. Originating Place of Assignment-PF Secretariat, for records/audit purposes;
   4. Originating Place of Assignment-Accounting Division/Section/Unit, for confirmation of the transferred account; and
   5. Principal borrower for his/her file.

The PF Transfer Form must be duly submitted with the necessary documents such as a copy of JEV taking up the setting up of the loans receivables, etc.

b. The borrower’s Releasing Place of Assignment shall furnish its Payroll Services Unit/payroll processor with the copy of the accomplished PF Transfer Form, for integration into the payroll. The PF Transfer Form must be supported with the latest processed Loan Application Form, Authority to Deduct and updated Statement of Account provided by the PF borrower’s Originating Place of Assignment.

c. Before signing the Clearance as to PF accountability, the PF Secretariat of the PF borrower’s Originating Place of Assignment must ensure that his/her PF loan account is already transferred and recorded in the PF books of accounts of the Receiving Place of Assignment, and the deduction of his/her PF loan amortization is already effected in the latter’s payroll.

JEV PREPARED BY:

Accounting Division/Unit

Signature above Printed Name and Designation
<table>
<thead>
<tr>
<th>Originating Place of Assignment</th>
<th>Receiving Place of Assignment</th>
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<tbody>
<tr>
<td><strong>PF Borrower</strong></td>
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<tr>
<td>Personal Division/Section/Unit</td>
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<tr>
<td>(Human Resource Office)</td>
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<tr>
<td><strong>PF Secretary</strong></td>
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<tr>
<td>Accounting Division/Section/Unit</td>
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<tr>
<td><strong>PF Secretary</strong></td>
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<td><strong>PF Secretary</strong></td>
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<tr>
<td>Accounting Division/Section/Unit</td>
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</tbody>
</table>

**Process Flow on the Transfer of Provident Fund Accounts of Defted Employee-Borrowers to Another Place of Assignment**

**Annex B**

1. Accomplish Part I of the Defted Employee Provident Fund Loan Account Transfer Form (PF Transfer Form), for issuance.
2. Sign the portion "Prepared and Certified By" in the form.
3. Transact the Transfer Form in Accounting Division/Section/Unit for the new placement.
4. Prepare the copy of the signed JEV as well as the supporting documents for the accomplishment of Part II of the PF Transfer Form, subject to the compliance with the provisions stated herein.
5. Return the original signed PF Transfer form and JEV to the PF Secretary.

1. Prepare an endorsement letter, signed by the PF Secretary, addressed to the new place of assignment.
2. Mail the letter through Records Division/Section/Unit with the original PF Transfer form, signed JEV and supporting documents to the PF Secretary of the Receiving Place of Assignment.

1. Accomplish Part II of the PF Transfer Form.
2. Sign the portion "Prepared and Certified By" in Part II of the form.
3. Transact the PF Transfer Form with the attachments in Accounting Division/Section/Unit for JEV preparation.

1. Return the original copy of the PF Transfer form with attachments for records purposes.
2. Reproduce the PF Transfer Form with attachments and prepare endorsement letter signed by the Head of PF Secretary addressed to the Originating Place of Assignment - PF Secretary, for record/audit purposes, copy furnished the following:
   a. Originating Place of Assignment
   b. Records Division/Section/Unit
   c. Principal borrower for his/her file.
3. Release the copy of the endorsement letter with attachments to the Records Division/Section/Unit for mailing.
4. Format the Payroll Services Unit payee in possession with a copy of the accomplished PF Transfer Form, for integration in the payroll. The PF Transfer Form must be supported with the latest paid-up Loan Application Form, Authority to Deduct and updated Statement of Account provided by the PF Secretary/Originating Place of Assignment.

**Effect the deduction of the PF loan amortization from the monthly salary of the borrower.**

**Sign Clearance as to PF accountability of the borrower.**