



Republic of the Philippines  
**Department of Education**  
 REGIONAL OFFICE IX, ZAMBOANGA PENINSULA

Office of the Regional Director

August 3, 2022

4473  
 05 AUG 2022

**REGIONAL MEMORANDUM**

No. 723, s. 2022

**REITERATION ON THE PROCEDURAL REQUIREMENTS IN THE VERIFICATION OF NET TAKE HOME PAY PURSUANT TO DEPED ORDER NO. 20, S. 2021 DATED MAY 27, 2021 ENTITLED "ENHANCED GUIDELINES ON THE ACCREDITATION/RE-ACCREDITATION OF PRIVATE ENTITIES UNDER THE AUTOMATIC PAYROLL DEDUCTION SYSTEM PROGRAM" AND OTHER RELATED ISSUANCES**

TO : All Schools Division Superintendents  
 Secondary School Principals/Heads of Implementing Units (IU)  
 All Others Concerned  
 This Region

**ATTENTION: Loan Verifiers of Implementing Units (IUs)**

1. Reports have reached this Office that there are designated Verifiers, particularly those assigned in the **Implementing Units** (with downloaded payroll process), who approves loan request for verification thru **direct buy-out**.
2. Please be reminded that DepEd Order No. 20, s. 2021 dated May 27, 2021 (Enhanced Guidelines on the Accreditation/Re-accreditation of Private Entities under the Automatic Payroll Deduction System Program) **does not mention automatic buy-out** in the verification of Net Take Home Pay (NTHP) of borrowers.
3. Item e of Enclosure 1 of the above issuance under Paragraph III states that the role of a DepEd Verifier, among others, is to *verify the **resulting** Net Take Home Pay of the borrower **after** obtaining a loan or any financial obligation being applied for.* Therefore, it is very clear that prior to obtaining a loan, verification of Net Take Home Pay should first take place and that the resulting net take home pay should not be lower than P5,000 as required pursuant to Section 55 under the General Provisions of GAA 2022. Only then that the Verifier can decide whether the loan applied for **can be** or **can not be** accommodated in the deductions.
4. Further, Section 5.1 of Paragraph 5 (Over-the-Counter Payments) under Enclosure 2 of the same DepEd Order No. 20 states that *"The lender shall not refuse to accept tender of payment made in advance by Borrowers, whether partial or in full. In case of full payment, the Lender shall immediately: a.) inform the PSU/IU to delete the loan deductions; and b) submit the deletion file for the said deduction"*. With this provision, it is reiterated that verification of NTHP for purposes of **buy-out** shall only be done **after the existing loan deduction subject for buy out has been fully paid/settled** over the counter and consequently the same is **stopped and deleted** in the payroll as reflected in the pay slip. The Verifier then can already verify the net take home pay that is **sufficient** to accommodate new billings.
5. Notwithstanding thereto, it is emphasized that the **process of Loan Buy-out is not within the purview of the APDS Program**, the reason why it is **not integrated** in the official Verification System that was developed and provided by the Central Office for the exclusive use of the authorized Loan Verifiers in the verification of net take home pay. Loan buy-out is **outside** of APDS program that DepEd Verifiers are **prohibited** to participate in the said process especially doing verification **excluding** the proposed amount to be taken out.
6. Meanwhile, Memorandum OUF NO. 2020-718 dated December 11, 2020 was issued reiterating compliance to Memorandum dated 17 August 2020 with the subject **Verification of Loan Amortizations to be Incorporated in the Payroll for Salaries of DepEd Personnel** in which **Paragraph 2** thereof explicitly provided in toto: *"To ensure compliance with the above Memorandum, please be reminded that the assessment made by the Agency Authorized Officers (AAOs-for GSIS loans), loan endorsers (for Pag-IBIG*







Republic of the Philippines  
**Department of Education**  
**REGIONAL OFFICE IX, ZAMBOANGA PENINSULA**

loans) and DepEd Loan Verifiers shall be **non-discretionary**. This means that they shall not recommend loan approval to GSIS/Pag-IBIG/LBP/PLIs, if upon assessment, the resulting loan amortization will reduce the employee's monthly net take home pay (NTHP) to an amount lower than Five Thousand Pesos (P5,000.00). Otherwise, this will cause **disruption in the payroll deduction system** and those responsible for recommending the approval of the loan shall be **dealt with administratively**."

7. Moreover, to ensure adherence to the guidelines stipulated in DO# 20, s. 2021 and the General Provisions of the General Appropriations Act with regards to the verification process and the required Net Take Home Pay, the Regional APDS Task Force has been tasked to monitor compliance thereof by the designated DepEd Verifiers, AAOs for GSIS loans and the Pag-Ibig Loan Endorsers as provided for under Par. 9 of Enclosure 1 to DO# 20.
8. Finally, Office Memorandum OUF-2022-0132 dated March 2, 2022, with the subject "Temporary Use of Verifier's Ledger in MS EXCEL FORMAT" was issued mandating all designated DepEd Verifiers to use the Excel Format prescribed therein as the temporary verification tool pending completion of the MS ACCESS currently being developed by the ICTS-Central Office. For efficient monitoring process, all designated DepEd Verifiers are hereby **mandated** to submit the **Verifier's Ledger** at the end of each month to this Office through the Regional APDS Task Force (Attn.: Ms. Lucshil Pioquinto, RAPDS Member through email address [lucshil.pioquinto001@deped.gov.ph](mailto:lucshil.pioquinto001@deped.gov.ph)).
9. Hereto attached are copies of the DepEd Memorandum OUF NO. 2020-718 dated December 11, 2020, DepEd Order No. 20, s. 2021 dated May 27, 2021 and Office Memorandum OUF-2022-0132 dated March 2, 2022, for your perusal.
10. For strict compliance.

  
**Dr. RUTH L. FUENTES, CESO IV**  
Regional Director

Encls.: as stated

Reference: DO#20, s. 2021 dtd. May 27, 2021, OUF# 2020-718 dtd. Dec. 11, 2020  
And Office Memorandum OUF-2022-0131 dtd. March 2, 2022

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

LOAN VERIFIERS	BORROWERS	GSIS AAOs
NET TAKE HOME PAY	GAA 2022	PAG-IBIG LOAN INDORSERS
REGIONAL APDS TASK FORCE	PAYROLL DEDUCTION SYSTEM	

Copy furnished:

Regional APDS Task Force Chairman & Members  
Head of Regional Payroll Services Unit  
Chief Administrative Officers - Finance & Admin Division  
Designated RO Agency Authorized Officers  
RO Pag-Ibig Loan Indorsers  
Designated DepEd Verifiers of RPSU  
The Resident Auditor  
The Records Officer  
This Office

SDO GSIS Authorized Agency Officers  
SDO Pag-Ibig Indorsers  
All Private Lending Institutions (PLIs)  
This Region

ORD-FSD-OM-2022-004  
EBT/lgp



**Address:** President Corazon C. Aquino Regional Government Center, Balintawak, Pagadian City 7016  
**Website:** [www.depedro9.net](http://www.depedro9.net); [www.ro9-deped.com](http://www.ro9-deped.com)  
**Email:** [region9@deped.gov.ph](mailto:region9@deped.gov.ph)



CERTIFICATE NO.  
CP000499Q




Republic of the Philippines  
**Department of Education**  
Office of the undersecretary for finance


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**MEMORANDUM**  
**OUF NO. 2020- 718**

**For** : **REGIONAL DIRECTORS**  
**SCHOOLS DIVISION SUPERINTENDENTS**  
**SCHOOL HEADS**  
**ALL OTHERS CONCERNED**

**Attention** : *Regional Chiefs of Finance and Administrative Divisions*  
*Chief, Personnel Division, BHROD*  
*Regional and Schools Division Human Resource Management Officers*  
*Schools Heads of Implementing Units (IU) Secondary School*  
*Heads of Regional Payroll Services Unit*  
*Heads of Finance and Administrative Unit, Schools*  
*Designated Agency Authorized Officers (AAOs)*  
*Designated DepEd Verifiers*

**From** :   
**ANNALYN M. SEVILLA**  
*Undersecretary for Finance*

  
**RAMON FIEL G. ABCEDE**  
*Assistant Secretary for Finance*

**Subject** : **REITERATION OF MEMORANDUM DATED 17 AUGUST 2020**  
**ENTITLED "VERIFICATION OF LOAN AMORTIZATIONS TO**  
**BE INCORPORATED IN THE PAYROLL FOR SALARIES OF**  
**DEPED PERSONNEL"**

**Date** : **DECEMBER 11, 2020**

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1. This is to reiterate this Department's Memorandum dated August 17, 2020, on the above subject, copy attached.
2. To ensure compliance with the above Memorandum, please be reminded that the assessment made by the Agency Authorized Officers (AAOs-for GSIS loans), loan endorsers (for Pag-IBIG loans) and DepEd Loan Verifiers shall be non-discretionary. This means that they shall not recommend loan approval to GSIS/Pag-IBIG/LBP/PLIs, if upon assessment, the resulting loan amortization will reduce the employee's monthly net take home pay (NTHP) to an amount lower than Five Thousand Pesos (P5,000.00). Otherwise, this will cause disruption in the payroll deduction system and those responsible for recommending the approval of the loan shall be dealt with administratively.
3. For strict compliance.





CORRECTED COPY

Republic of the Philippines  
**Department of Education**

27 MAY 2021

DepEd ORDER  
No. 020, s. 2021

**ENHANCED GUIDELINES ON ACCREDITATION/RE-ACCREDITATION  
OF PRIVATE ENTITIES UNDER THE AUTOMATIC PAYROLL  
DEDUCTION SYSTEM PROGRAM**

To: Undersecretaries  
Assistant Secretaries  
Bureau and Service Directors  
Regional Directors  
Schools Division Superintendents  
Public and Private Elementary and Secondary School Heads  
All Others Concerned

1. For information and guidance of all concerned, the Department of Education (DepEd) issues the enclosed **Enhanced Guidelines on Accreditation/Re-Accreditation of Private Entities under the Automatic Payroll Deduction System (APDS) Program**.
2. DepEd shall regulate the use of its APDS to facilitate and ensure orderly implementation of salary deductions authorized by law, adherence to legal limitations on salary deductions, and protection and promotion of the welfare of all teachers and employees, by addressing the issues and concerns both from internal and external stakeholders and limiting the disputes regarding issues related to salary deductions.
3. These revised guidelines shall apply to the following:
  - a. Private entities authorized under existing laws to be paid through salary deductions and applying to participate in the APDS at the national, regional, schools division, and school levels; and
  - b. All DepEd officials and employees who are in actual service at the central, regional and schools division offices, including schools.
4. DepEd Order No. 18, s. 2018 titled *Revised Guidelines on Accreditation/Re-Accreditation of Private Entities under the Automatic Payroll Deduction System (APDS) Program*, and all earlier DepEd issuances on the same subject are repealed. All other rules, regulations, and issuances, which are inconsistent with these guidelines are repealed or modified accordingly.
5. These guidelines shall take effect upon posting on the DepEd website, and in Official Gazette and/or two newspapers of general circulation, and must be registered at the Office of the National Administrative Register (ONAR), College of Law, University of the Philippines, Diliman, Quezon City.



6. For more information, please contact the **Employee Account Management Division**, the APDS Secretariat, 2nd Floor, Teodoro Alonzo Building, Department of Education Central Office, DepEd Complex, Meralco Avenue, Pasig City through email at [fs.eamd@deped.gov.ph](mailto:fs.eamd@deped.gov.ph) or at telephone number (02) 8633-7248.

7. Immediate dissemination of and strict compliance with this Order is directed.

  
**LEONOR MAGTOLIS BRIONES**  
Secretary

Encls.:  
As stated

Reference:  
DepEd Order (No. 18, s. 2018)

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

ACCREDITATION  
CHANGE  
DEDUCTIONS  
EMPLOYEES  
OFFICIALS  
PAYMENTS  
POLICY  
SALARY  
TEACHERS



To authenticate this document,  
please scan the QR code



DEPED-OSEC-442791





**TERMS AND CONDITIONS OF THE APDS ACCREDITATION (TCAA)  
FOR LOANS**

**1. STATEMENT OF PRINCIPLES**

- 1.1 Participation in the DepEd Automatic Payroll Deduction System (APDS) at the national, regional and school levels may be granted to private institutions authorized under specific law to be paid through salary deductions, and accredited by DepEd after fulfillment of requirements as provided in DepEd Order No. \_\_\_\_\_, s. 2021
- 1.2 The accredited private institution shall subscribe to the following principles:
  - 1.2.1 Full transparency in reporting operations and financial status as evidenced by audited financial statements and appropriate disclosure statements; and
  - 1.2.2 Integrity of operations through proper and complete documentation of loans to DepEd personnel.
- 1.3 The DepEd shall ensure that the objectives and purposes of APDS are achieved through proper regulation, periodic review, and accreditation/re-accreditation.
- 1.4 The APDS shall be implemented in accordance with the limitations imposed by existing and new laws, such as on monthly net take-home pay (NTHP) and order of preference of deductions.

**2. ACCREDITATION AND ASSIGNMENT OF APDS CODE**

- 2.1 Accredited entities shall be assigned APDS codes for their exclusive use.
- 2.2 **APDS Code <number>** for lending business shall strictly be used for the collection of loan payments only<sup>1</sup>.
- 2.3 The APDS Code is not transferable, for sale, or for assignment to any other entity, except in cases of acquisition, merger, and consolidation of entities. In the event that the Lender changes its corporate name or effects other corporate changes, the Lender shall furnish DepEd with duly certified copies of the amended Articles of Incorporation/Cooperation [as applicable to the entity] and by-laws approved by the SEC/CDA [as applicable to the entity] to enable the DepEd to update its records accordingly.

**3. GRANTING OF LOANS**

- 3.1 For loans intended to be serviced through the APDS, the Lender shall process loan applications and release loan proceeds in accordance with the terms and conditions herein.
- 3.2 Processing of online/digital applications may be allowed under APDS, provided DepEd is notified by the Lender in writing, duly supported with information on its detailed procedures/mechanics and online process flow in granting loans presented to the DepEd Central Office APDS Task Force, and acknowledged/authorized by DepEd.

<sup>1</sup>The APDS Code issued in this TCAA shall not be used for deductions for insurance premia and/or membership dues/contributions.



- 4.3 The Lender shall not bill new loans if the Borrower has existing Undeducted Obligations as reflected in his/her pay slip.
- 4.4 For loan amortizations to be incorporated in the next payroll month, the Lender shall submit billings for all loans granted within the current month on or before the **5th working** day of the same month. Under no circumstance shall the Lender bill a Borrower for loans not yet granted.
- 4.5 The Lender shall submit billing statement to DepEd in an electronic format as agreed with the PSU and IU. The billing must be duly supported with soft copies of the required ATD, PN, DS, proof of loan release (i.e. checks, loan vouchers, credit memos, remittance lists, and others) duly acknowledged by Borrowers and Sworn Statement mentioned in item 3.16 above.
  - 4.5.1 Only billings certified by DepEd Verifier that such loan amortization could be accommodated in the payroll and with complete supporting documents shall be processed by the PSU. The Lender may opt to submit billing statement via email or direct to the PSU/IU secondary school's office.
  - 4.5.2 Notarization of the PN is optional. Unless it is notarized, notarial fee shall not be included under Other Charges.
  - 4.5.3 The Lender shall be solely responsible in case of misrepresentation in the submission of the said supporting documents.
- 4.6 The Lender shall provide copies of the billings to the concerned Schools Division Offices within ten (10) days after the submission of its billing to the DepEd.
- 4.7 The Lender shall not charge penalties/fines/surcharges due to delays of payments as a result of any of the following:
  - 4.7.1 Failure on the part of the Lender to pick up remittance checks;
  - 4.7.2 Non-remittance due to suspension or revocation of Accreditation;
  - 4.7.3 Failure of the DepEd to remit on time due to errors, inadvertence, force majeure, or any extreme circumstance;
  - 4.7.4 Non-existence of office or affiliate company in a particular province; and
  - 4.7.5 Other reasons/causes similar or analogous to the above.
- 4.8 In case of Borrower's transfer of work station to other region, for purposes of collection only, the Lender may submit the corresponding billing to the concerned PSU/IU. Such billing shall be supported with new ATD signed by the Borrower and other requirements specified in item 4.5 above. The Lender shall not renew the Borrower's loan unless the former has established office or affiliate/partner duly acknowledged by DepEd in the region where the Borrower has transferred.
- 4.9 In case the Borrower was temporarily removed from the regular payroll due to prolonged leave of absence, (or any other similar or analogous reasons), the loan deductions on his/her pay slip shall be retained and shall appear once he/she has reported back to office, and is integrated back to the regular payroll.
- 4.10 The Lender shall be responsible or collecting the outstanding loans of its Borrowers outside APDS, in case of their retirement, resignation or termination of appointment.

## **5. OVER-THE-COUNTER PAYMENTS**

- 5.1 The Lender shall not refuse to accept tender of payment made in advance by Borrowers, whether partial or in full. In case of full payment, the Lender shall



immediately: a) inform the PSU/IU to delete the loan deductions; and b) submit the deletion file for the said deduction.

- 5.2 In case of advance payment, the Lender shall collect only the outstanding principal balance and shall charge interest only up to the date when the advance payment was made.
- 5.3 In case of full payment of loan by the Borrower, the Lender shall automatically include the Borrower's name in the list of loan amortizations for stoppage in the payroll and in the Deletion File to be effected immediately in the next payroll month.
- 5.4 The Lender shall request the PSU and IU the monthly list of payroll deductions that were stopped, and the corresponding supporting documents such as the Borrower's request for stoppage.

## **6 OVER-DEDUCTION**

- 6.1 In case of over-deductions, the Lender shall refund the corresponding amount to the Borrower concerned within thirty (30) days from knowledge or notice thereof.
- 6.2 The Lender shall request DepEd for the adjustment of Service Fee in the next payroll month, corresponding to the amount refunded on over-deductions. The said request must be duly supported with proof of refund, duly acknowledged by the Borrower.

## **7. REMITTANCE**

- 7.1 The Lender shall pay DepEd a service fee of \_\_\_\_ percent (\_\_\_\_%) of the total monthly collection, which shall be automatically deducted from their collection before remittance. [The rate shall be based on Title V General Principles, Item 29, of the Revised Guidelines on Accreditation/Re-Accreditation of Private Entities under the APDS.]
- 7.2 The Lender shall issue an OR to DepEd within fifteen (15) days after remittance of payments. Failure to do so will cause the suspension of the release of succeeding remittances until the issuance of the OR. The Lender may request DepEd to remit the payments through either of the following modes:
  - a. Through intra- or interbank fund transfer: The Lender shall coordinate with the remitting DepEd office for the procedure in setting up the fund transfer. The Lender shall shoulder the service charge, if any.
  - b. Through check: The Lender shall pick up the remittance check from DepEd within the succeeding month after the deductions were effected in the payroll. Otherwise, the preparation of succeeding checks will be suspended until the prepared check is picked up. Any request for replacement of stale checks shall be supported by written justification from the Lender.
- 7.3 Loan amortizations shall be refunded to the Borrowers in case the corresponding remittance check became stale and not requested by the Lender for replacement after notification by the DepEd for three (3) times.

## **8. DOCUMENTARY REQUIREMENTS**

- 8.1 The Lender shall ensure the issuance of a Statement of Account (SOA) for every loan granted to a Borrower, free of charge, annually and anytime upon request, preferably within the day that the request was made by DepEd or by the Borrower, but in no



- 9.5 The Lender shall make available to DepEd for inspection at any reasonable time all ATDs, PNs, DS and other related documents in the course of periodic review of the loan portfolio.
- 9.6 In case of a merger or consolidation involving the Lender, the Lender shall make sure that the surviving entity shall submit the following within three (3) months upon their availability, in addition to the documents required for accreditation:
- Formal letter signifying their intention to maintain their APDS accreditation for lending under the same deduction code together with a board resolution or secretary's certificate;
  - Certified true copy of the Articles of Merger or Consolidation; and
  - Deed of Assignment, if any.
- 9.7 In case the Lender is put under Receivership/Liquidation, the DepEd shall continue the payroll deduction from the monthly salary of the Borrower until full payment and the corresponding remittance to the appropriate government regulatory agency (PDIC for banks, CDA for cooperatives, Insurance Commission for insurance companies, etc.). However, the DepEd shall automatically stop the deductions of loan amortization in case of written request from the Borrower.
- 9.8 The Lender shall not use the name of DepEd or the term "public school teacher" in its promotions or in any form of advertisement.

## 10. NECESSARY ATTACHMENTS

- 10.1 This TCAA shall include as integral parts the following attachments:
- 10.1.1 **Annex "A"** – Notarized Secretary's Certificate supported by a Board Resolution authorizing the Lender's representative to execute this TCAA.
- 10.1.2 **Annexes "B-1 and B-2"** - Procedures for the Processing of Loan Applications of DepEd Borrowers Under the Department's APDS (on-site/manual and on-line process, respectively).
- 10.1.3 **Annexes "C-1" and "C-2"** – APDS Templates/Standard Format of Authority to Deduct, Promissory Note, and Disclosure Statement
- 10.1.4 **Annexes "D-1" to "D-3"** – Effective Interest Rate Calculation Models for 1-, 2-, and 3-year loans using the DepEd ceilings for interest rates and other charges.
- 10.1.5 **Annex "E"** – Sample Sworn Statement regarding the loan documents submitted and full explanation of the terms and conditions of the loans to the Borrowers.
- 10.1.6 **Annex "F"** – Procedures for the Online Process on the Submission of Monthly Billing Statements by the Lender Under the Department's Program on APDS.
- 10.1.7 **Annex "G"** — Provinces/Regions where the Lender has office/s as validated by DepEd, with the main office per province/region identified, indicating therein the address/es, official contact numbers, and the name/s of manager/s and contact person/s.
- 10.1.8 **Annex "H"** – Grounds for Suspension or Revocation of Accreditation.

## 11. GROUNDS FOR SUSPENSION OR REVOCATION

- 11.1 The Lender agrees that its Accreditation may be suspended or revoked by DepEd based on grounds enumerated in Annex "H".
- 11.2 Suspension, which involves the withholding of remittance for not less than one (1) month but not more than six (6) months, and the corresponding non-acceptance of new business or deduction billing for not less than one (1) month, shall be imposed upon repeated commission of grounds classified as "Simple".
- 11.3 The Accreditation shall be revoked upon commission of grounds classified as "Serious". When the Accreditation is revoked, the Lender shall no longer be allowed to grant new business in the affected provinces/regions under the APDS. However, collection of deductions already incorporated in the APDS as of the date of revocation shall continue up to the termination dates reflected in the pay slip. Thereafter, the APDS Code is automatically cancelled.
- 11.4 Any suspension or revocation imposed upon a particular office shall likewise be considered as sanction against all its other offices within the same province/region. If imposed on the Head Office, the same shall be imposed upon all its other offices in the national level; and
- 11.5 Any complaint for the commission of any of the grounds for suspension or revocation should be made in writing and sufficient in form and substance. For the purposes of a formal investigation, the complaint must:
- Contain the names and addresses of the complainant/s;
  - Contain the entity or person subject of the complaint;
  - Contain the acts or omissions complained of constituting the infraction, based on the personal knowledge of the complainant;
  - Be accompanied with supporting documents, as needed; and
  - Be notarized.

However, DepEd shall not be precluded from conducting an investigation/fact-finding on the basis of other information received or discovered.

- 11.6 Commission of grounds for suspension or revocation shall be validated by the appropriate committee or task force designated by the Secretary. The APDS Task Forces in the CO and ROs may impose the suspension or revocation as a result of its investigation. The suspension or revocation may be appealed to the Office of the Secretary, through the Office of the Undersecretary for Finance, within a period of fifteen (15) days from notice. Pending the resolution by the Office of the Secretary, the suspension or revocation shall be held in abeyance. The suspension or revocation imposed by the APDS Task Force shall be reported to the Secretary, through the Undersecretary for Finance, for monitoring and records purposes.

## 12. EFFECTIVITY OF THE TCAA

- 12.1 This TCAA shall be valid upon signing and notarization, and shall be effective until **December 31, 2025**.
- 12.2 For purposes of renewal of this TCAA, the Lender shall submit its **Letter of Intent** for the APDS re-accreditation at least **one (1) month** prior to the date of expiration



**13. FINAL PROVISIONS**

- 13.1 This TCAA, its annexes, and pertinent DepEd issuances shall be the governing documents with reference to the inclusion of the Lender in the APDS.
- 13.2 The Lender shall conform to any APDS policy subsequently issued by DepEd in the form of DepEd Order, Memorandum, or other issuance. Any provision in this TCAA affected by such subsequent APDS policy is deemed automatically modified or repealed as applicable.

**CONFORME:**

ACKNOWLEDGEMENT

- a. If the monthly loan amortization can be accommodated in the APDS:

Please be informed that as validated in our records, the loan you evaluated **can be accommodated in the APDS:**

<b>Borrower's Name</b>	
<b>Employee No.</b>	
<b>Station Code</b>	
<b>Principal Amount of Approved Loan</b>	
<b>Amount of Monthly Amortization</b>	

Any misrepresentation in the Borrower's application verified by the Lender shall not be the liability of the Verifier.

<Name of Verifier>  
<Office>

- b. If the monthly loan amortization cannot be accommodated in the APDS:

Please be informed that as validated in our records, the loan you evaluated **cannot be accommodated in the APDS** for reasons stated below:

<b>Borrower's Name</b>	
<b>Employee No.</b>	
<b>Station Code</b>	
<b>Principal Amount of Approved Loan</b>	
<b>Amount of Monthly Amortization</b>	
<b>Reason/s</b>	<i>e.g. Insufficient NTHP; With approved obligations that are not yet reflected in the stamped pay slip</i>

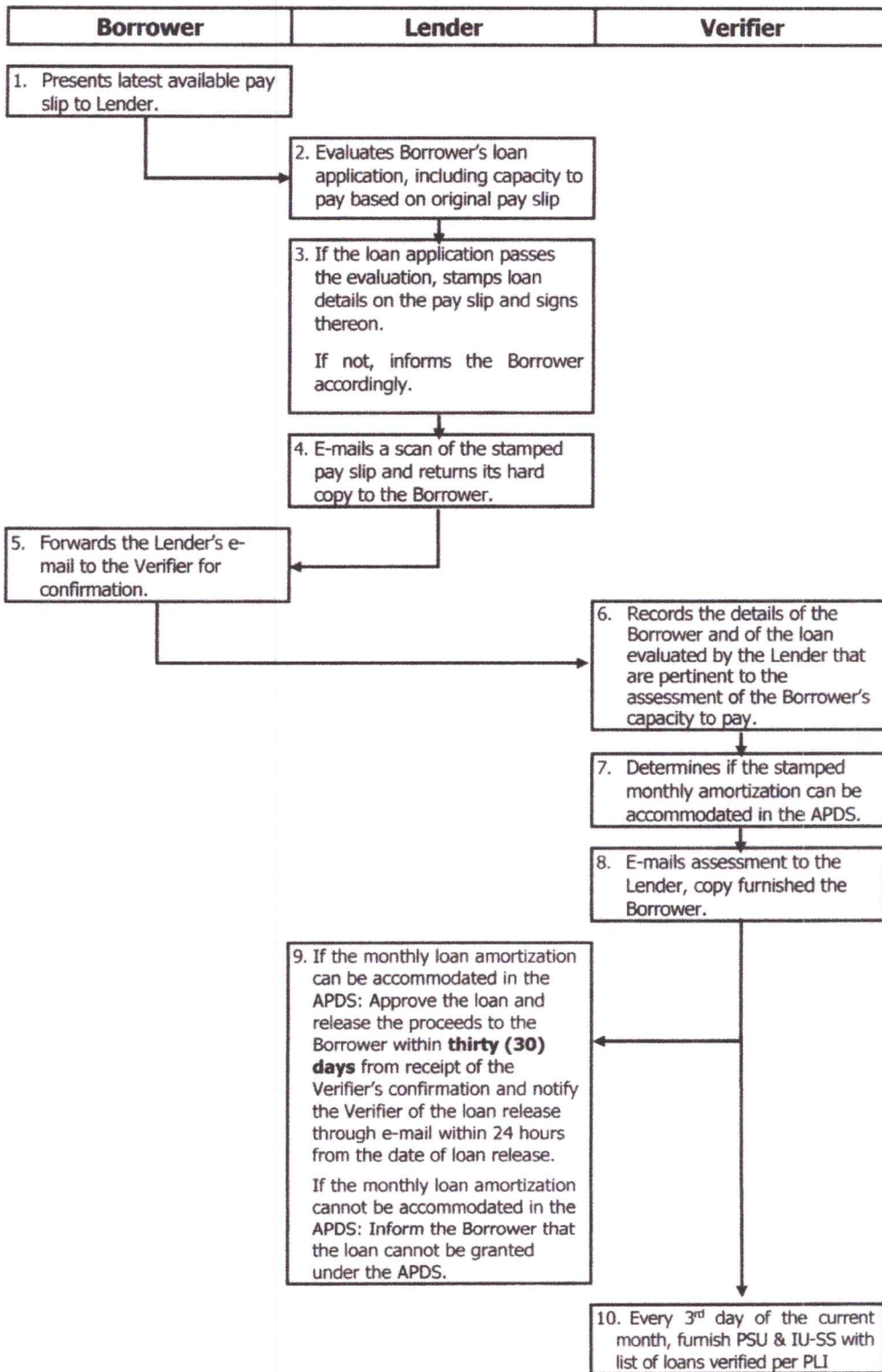
<Name of Verifier>  
<Office>

9. Depending on the Verifier's assessment, the **Lender** shall do either of the following upon receipt of the former's e-mail:
- If the monthly loan amortization can be accommodated in the APDS: Approve the loan and release the loan proceeds to the Borrower within **thirty (30) days** from receipt of the Verifier's confirmation and notify the Verifier of the release of the loan proceeds through e-mail within 24 hours from the date of loan release.
  - If the monthly loan amortization cannot be accommodated in the APDS: Inform the Borrower that the loan cannot be granted under the APDS.

-- End --



**PROCESS FLOW ON LOAN APPLICATIONS OF DEPED BORROWERS UNDER THE DEPARTMENT'S PROGRAM ON AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS) – VIA APPLICATION TO THE LENDER'S PHYSICAL OFFICE**



## ANNEX "B-2"

### PROCEDURES FOR THE ONLINE PROCESS OF LOAN APPLICATIONS OF DEPED BORROWERS UNDER THE DEPARTMENT'S PROGRAM ON AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS)

1. The **DepEd Borrower** (hereinafter referred to as the "**Borrower**"), using the deped.gov.ph email address shall:
  - a. Secure ONLINE Loan Application Form (LAF) from the APDS accredited lending entity (hereinafter referred to as the "**Lender**");
  - b. Accomplish LAF and submit the same to the Lender together with the latest available pay slip;
  - c. Wait for the response of the Lender through email, if he/she is eligible to be granted loan or not. In case eligible, forward the Lender's response to the official e-mail address of designated DepEd Verifier (hereinafter referred to as "**Verifier**").
2. The **Lender** shall:
  - a. Perform background check on the legitimacy of the loan being applied for by the Borrower to prevent occurrence of loans applied by fictitious borrowers;
  - b. Evaluate the Borrower's loan application using the Lender's own criteria, including the Borrower's capacity to pay based on the presented pay slip. The presence of "Undeducted Obligations" in the Borrower's pay slip indicates his/her lack of capacity to pay the loan through the APDS, hence, such borrower is ineligible to borrow under the APDS.
  - c. If the loan application passes the Lender's evaluation, stamp the following on the face of the pay slip without obscuring the pertinent details therein:
    - i. Corporate name of the Lender and APDS Code for lending;
    - ii. Principal amount of the loan;
    - iii. Term of the loan (first and final months of deduction);
    - iv. Amount of monthly amortization;
    - v. Date of loan evaluation; and
    - vi. Name and signature of Lender's Loan Officer.
  - d. E-mail a scan of the stamped pay slip to the Borrower using the e-mail subject, "Request for Confirmation of Evaluated APDS Loan- <Lender's APDS Code> - <Borrower's complete name>"<sup>3</sup>.
  - e. Depending on the Verifier's assessment, shall do either of the following upon receipt of the former's e-mail:
    - i. If the monthly loan amortization can be accommodated in the APDS: 1) Approve the loan and release the loan proceeds to the Borrower **within thirty (30) days** from receipt of the Verifier's confirmation; and 2) notify the Verifier of the release of the loan proceeds through e-mail within 24 hours from the date of loan release.
    - ii. If the monthly loan amortization cannot be accommodated in the APDS: Inform the Borrower that the loan cannot be granted under the APDS.

<sup>3</sup>The DepEd Office concerned may prescribe its own e-mail subject through official communications with the Lenders, copy furnished the Office of the Undersecretary for Finance.



3. The **Verifier** shall:

- a. Record the details of the Borrower and of the loan evaluated by the Lender that are pertinent to the assessment of the Borrower's capacity to pay;
- b. Determine if the stamped monthly amortization can be accommodated in the APDS, cognizant of the Borrower's eligibility to avail of loans under the APDS, the NTHP rule, and the Borrower's capacity to pay based on the presented pay slip and the Verifier's records. The Verifier, based on his/her records, shall also check if the Borrower has approved obligations that are not yet reflected in the latter's stamped pay slip.

First-in first-served rule shall be strictly observed in the verification of loan applications.

- c. Using the official/designated DepEd e-mail, shall e-mail the Lender, copy furnished ("cc") the Borrower, either of the following messages depending on the Verifier's assessment:
- d. If the monthly loan amortization can be accommodated in the APDS:

Please be informed that as validated in our records, the loan application you evaluated can be accommodated in the APDS:

<b>Borrower's Name</b>	
<b>Employee No.</b>	
<b>Station Code</b>	
<b>Principal Amount of Approved Loan</b>	
<b>Amount of Monthly Amortization</b>	

Any misrepresentation in the Borrower's application verified by the Lender shall not be the liability of the Verifier.

**<Name of Verifier>**  
**<Office>**

- e. If the monthly loan amortization cannot be accommodated in the APDS:

Please be informed that as validated in our records, the loan application you evaluated cannot be accommodated in the APDS for reasons stated below:

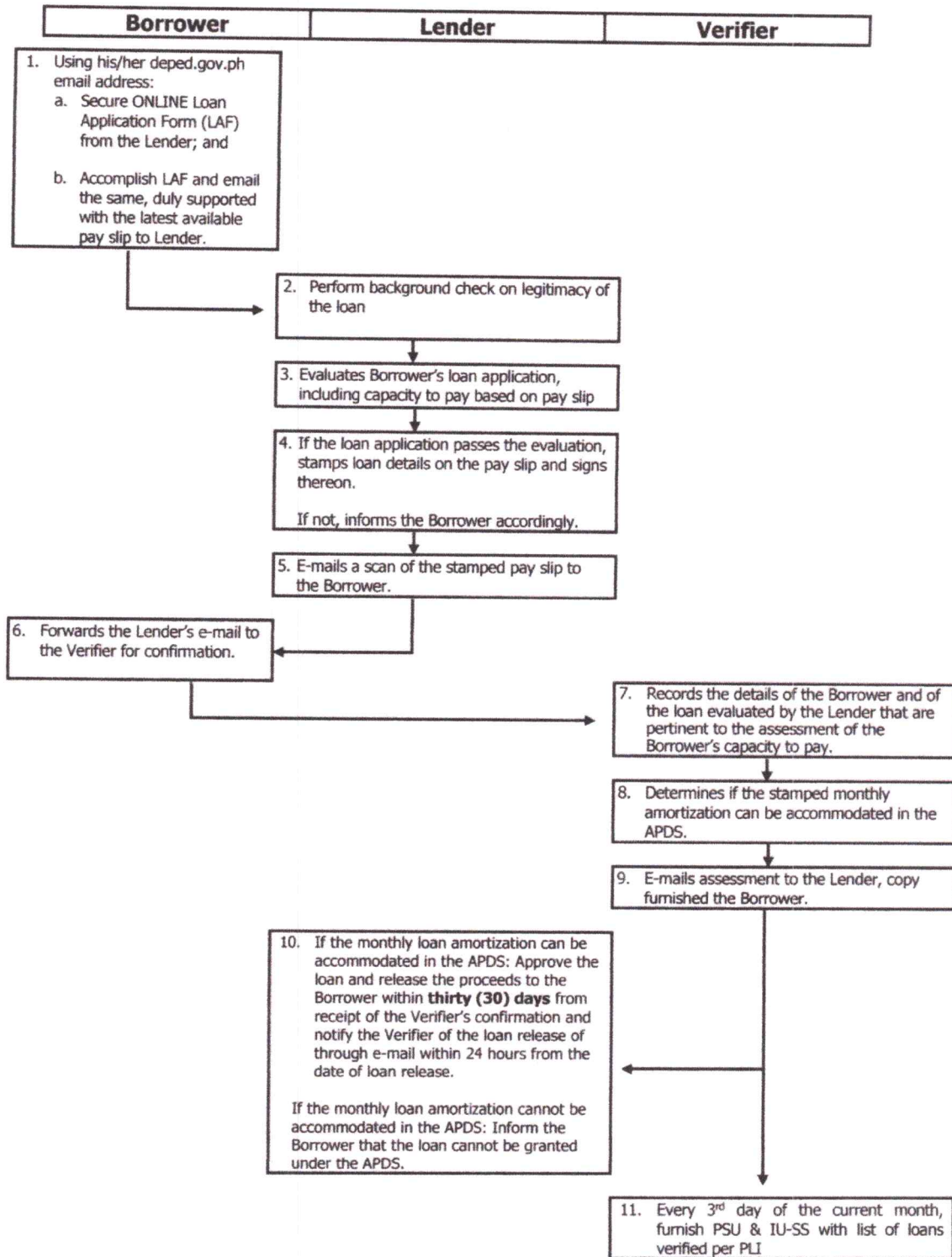
<b>Borrower's Name</b>	
<b>Employee No.</b>	
<b>Station Code</b>	
<b>Principal Amount of Applied Loan</b>	
<b>Amount of Monthly Amortization</b>	
<b>Reason/s</b>	<i>e.g. Insufficient NTHP; With approved obligations that are not yet reflected in the stamped pay slip</i>

**<Name of Verifier>**  
**<Office>**

- f. Every 3<sup>rd</sup> day of the current month, furnish the Payroll Services Unit (PSU) and/or Implementing Unit-Secondary Schools (IU-SS) with list of verified loan amortizations per PLI that can be accommodated in the payroll.

-- End --

**PROCESS FLOW ON LOAN APPLICATIONS OF DEPED BORROWERS UNDER THE DEPARTMENT'S PROGRAM ON AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS) – VIA ONLINE PROCESS**





**ANNEX "C-1"**

**PRESCRIBED TEMPLATES FOR AUTHORITY TO DEDUCT AND PROMISSORY NOTE**

**AUTHORITY TO DEDUCT  
THROUGH THE DEPED AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS)**

I hereby authorize DepEd to deduct monthly from my salary, through the DepEd APDS, the sum of **PESOS:** \_\_\_\_\_ (P\_\_\_\_\_), inclusive of principal and interest, beginning on \_\_\_\_\_ and ending on \_\_\_\_\_, and to remit the same to **NAME OF LENDER** in consideration of the loan which was granted to me on \_\_\_\_\_. **In case my loan amortization is not deducted in the payroll, regardless of the reason, I also authorize DepEd to automatically adjust the termination period in my pay slip by one (1) month for every month of delay of its deduction.**

The authorization is VALID AND BINDING within the aforementioned loan period, unless the loan is pre-terminated, or the authorization is otherwise revoked. Moreover, I agree that deductions that will reduce my monthly net take-home pay to lower than what is allowed under the law shall not be accommodated in the APDS.

**Signature over Printed Name of DepEd Borrower**

Employee Number: \_\_\_\_\_  
Station Code: \_\_\_\_\_  
Division Code: \_\_\_\_\_  
Region: \_\_\_\_\_

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

**PROMISSORY NOTE**

For value received, the undersigned promises to pay through APDS to the **NAME OF LENDER** the sum of **PESOS:** \_\_\_\_\_ (P\_\_\_\_\_ ) with interest rate of \_\_\_\_\_ percent (\_\_\_\_%) per annum, **TO BE PAID IN EQUAL MONTHLY INSTALLMENTS, INCLUSIVE OF PRINCIPAL AND INTEREST, IN THE AMOUNT OF P \_\_\_\_\_, BEGINNING ON \_\_\_\_\_ AND ENDING ON \_\_\_\_\_, or until full payment.**

Default in the payment for six (6) consecutive installments shall render the entire unpaid balance due and demandable.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
(Signature over Printed Name of Borrower)

ID No. \_\_\_\_\_  
Employee No. \_\_\_\_\_ Division No. \_\_\_\_\_ Station No. \_\_\_\_\_ Date Issued \_\_\_\_\_

School or Station Address: \_\_\_\_\_ Place Issued \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Home Address: \_\_\_\_\_

Subscribed and sworn to before me, this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, the affiant identified as such person after presenting the following:

<b>NAME</b>	<b>ID NO.</b>	<b>DATE AND PLACE ISSUED</b>
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**NOTARY PUBLIC**

Doc. No \_\_\_\_\_  
Page No \_\_\_\_\_  
Book No \_\_\_\_\_  
Series of \_\_\_\_\_





**ANNEX "D-1"**

**EFFECTIVE INTEREST CALCULATION MODEL FOR A ONE (1)-YEAR LOAN  
DECLINING/DIMINISHING BALANCE METHOD**

	A	B	C	D	E	F	G
1	Principal Amount (in PhP)		100,000.00		<b>Contractual Interest Rate</b>		
2	Loan Term (in years)		1		<b>Per Annum</b>		= 7.500%
3	No. of installments (in months)		12		<b>Per Month</b>		= 0.625%
4	Grace period (in months)		-		<b>Nominal Interest Rate</b>		= 4.109%
5	No. of periods (in months)		12		<b>Effective Interest Rate (EIR)</b>		
6	Other Charges		6.000%		<b>Per Annum</b>		= 21.091%
7	Monthly Installment		PhP 8,675.75		<b>Per Month</b>		= 1.608%
8							
9	<u>Installment</u> <u>Period</u>	<u>Gross Loan</u>	<u>Principal</u>	<u>Interest</u>	<u>Other</u> <u>Charges</u>	<u>NET PROCEEDS</u> <u>Cash Flows</u>	<u>Outstanding</u> <u>Balance</u>
10	0	100,000.00			6,000.00	94,000.00	100,000.00
11	1		8,050.75	625.00		(8,675.75)	91,949.25
12	2		8,101.07	574.68		(8,675.75)	83,848.18
13	3		8,151.70	524.05		(8,675.75)	75,696.48
14	4		8,202.65	473.10		(8,675.75)	67,493.83
15	5		8,253.91	421.84		(8,675.75)	59,239.92
16	6		8,305.50	370.25		(8,675.75)	50,934.42
17	7		8,357.41	318.34		(8,675.75)	42,577.01
18	8		8,409.64	266.11		(8,675.75)	34,167.37
19	9		8,462.20	213.55		(8,675.75)	25,705.17
20	10		8,515.09	160.66		(8,675.75)	17,190.08
21	11		8,568.31	107.44		(8,675.75)	8,621.77
22	12		8,621.77	53.89		(8,675.66)	-
23	<b>Total</b>		<b>100,000.00</b>	<b>4,108.91</b>	<b>6,000.00</b>		

**ANNEX "D-2"**

**EFFECTIVE INTEREST CALCULATION MODEL FOR A TWO (2)-YEAR LOAN  
DECLINING/DIMINISHING BALANCE METHOD**

	A	B	C	D	E	F	G
1	Principal Amount (in PhP)		100,000.00		Contractual Interest Rate		
2	Loan Term (in years)		2		Per Annum		= 9.000%
3	No. of installments (in months)		24		Per Month		= 0.750%
4	Grace period (in months)		-		Nominal Interest Rate		= 4.822%
5	No. of periods (in months)		24		Effective Interest Rate (EIR)		
6	Other Charges		6.000%		Per Annum		= 16.351%
7	Monthly Installment		PhP 4,568.48		Per Month		= 1.270%
8							
9	<u>Installment</u> <u>Period</u>	<u>Gross Loan</u>	<u>Principal</u>	<u>Interest</u>	<u>Other</u> <u>Charges</u>	<u>NET PROCEEDS</u> <u>Cash Flows</u>	<u>Outstanding</u> <u>Balance</u>
10	0	100,000.00			6,000.00	94,000.00	100,000.00
11	1		3,818.48	750.00		(4,568.48)	96,181.52
12	2		3,847.12	721.36		(4,568.48)	92,334.40
13	3		3,875.97	692.51		(4,568.48)	88,458.43
14	4		3,905.04	663.44		(4,568.48)	84,553.39
15	5		3,934.33	634.15		(4,568.48)	80,619.06
16	6		3,963.84	604.64		(4,568.48)	76,655.22
17	7		3,993.57	574.91		(4,568.48)	72,661.65
18	8		4,023.52	544.96		(4,568.48)	68,638.13
19	9		4,053.69	514.79		(4,568.48)	64,584.44
20	10		4,084.10	484.38		(4,568.48)	60,500.34
21	11		4,114.73	453.75		(4,568.48)	56,385.61
22	12		4,145.59	422.89		(4,568.48)	52,240.02
23	13		4,176.68	391.80		(4,568.48)	48,063.34
24	14		4,208.00	360.48		(4,568.48)	43,855.34
25	15		4,239.56	328.92		(4,568.48)	39,615.78
26	16		4,271.36	297.12		(4,568.48)	35,344.42
27	17		4,303.40	265.08		(4,568.48)	31,041.02
28	18		4,335.67	232.81		(4,568.48)	26,705.35
29	19		4,368.19	200.29		(4,568.48)	22,337.16
30	20		4,400.95	167.53		(4,568.48)	17,936.21
31	21		4,433.96	134.52		(4,568.48)	13,502.25
32	22		4,467.21	101.27		(4,568.48)	9,035.04
33	23		4,500.72	67.76		(4,568.48)	4,534.32
34	24		4,534.32	34.01		(4,568.33)	-
35	<b>Total</b>		<b>100,000.00</b>	<b>9,643.37</b>	<b>6,000.00</b>		



**ANNEX "D-3"**

**EFFECTIVE INTEREST CALCULATION MODEL FOR A THREE (3)-YEAR LOAN  
DECLINING/DIMINISHING BALANCE METHOD**

	A	B	C	D	E	F	G
1	Principal Amount (in PHP)		100,000.00		Contractual Interest Rate		
2	Loan Term (in years)		3		Per Annum	= 9.660%	
3	No. of installments (in months)		36		Per Month	= 0.805%	
4	Grace period (in months)		-		Nominal Interest Rate	= 5.196%	
5	No. of periods (in months)		36		Effective Interest Rate (EIR)		
6	Other Charges		6.000%		Per Annum	= 14.886%	
7	Monthly Installment		<b>PHP 3,210.78</b>		Per Month	= 1.163%	
8							
9	<u>Installment</u>	<u>Gross Loan</u>	<u>Principal</u>	<u>Interest</u>	<u>Other</u>	<u>NET PROCEEDS</u>	<u>Outstanding</u>
	<u>Period</u>				<u>Charges</u>	<u>Cash Flows</u>	<u>Balance</u>
10	0	100,000.00			6,000.00	94,000.00	100,000.00
11	1		2,405.78	805.00		(3,210.78)	97,594.22
12	2		2,425.15	785.63		(3,210.78)	95,169.07
13	3		2,444.67	766.11		(3,210.78)	92,724.40
14	4		2,464.35	746.43		(3,210.78)	90,260.05
15	5		2,484.19	726.59		(3,210.78)	87,775.86
16	6		2,504.18	706.60		(3,210.78)	85,271.68
17	7		2,524.34	686.44		(3,210.78)	82,747.34
18	8		2,544.66	666.12		(3,210.78)	80,202.68
19	9		2,565.15	645.63		(3,210.78)	77,637.53
20	10		2,585.80	624.98		(3,210.78)	75,051.73
21	11		2,606.61	604.17		(3,210.78)	72,445.12
22	12		2,627.60	583.18		(3,210.78)	69,817.52
23	13		2,648.75	562.03		(3,210.78)	67,168.77
24	14		2,670.07	540.71		(3,210.78)	64,498.70
25	15		2,691.57	519.21		(3,210.78)	61,807.13
26	16		2,713.23	497.55		(3,210.78)	59,093.90
27	17		2,735.07	475.71		(3,210.78)	56,358.83
28	18		2,757.09	453.69		(3,210.78)	53,601.74
29	19		2,779.29	431.49		(3,210.78)	50,822.45
30	20		2,801.66	409.12		(3,210.78)	48,020.79
31	21		2,824.21	386.57		(3,210.78)	45,196.58
32	22		2,846.95	363.83		(3,210.78)	42,349.63
33	23		2,869.87	340.91		(3,210.78)	39,479.76
34	24		2,892.97	317.81		(3,210.78)	36,586.79
35	25		2,916.26	294.52		(3,210.78)	33,670.53
36	26		2,939.73	271.05		(3,210.78)	30,730.80
37	27		2,963.40	247.38		(3,210.78)	27,767.40
38	28		2,987.25	223.53		(3,210.78)	24,780.15
39	29		3,011.30	199.48		(3,210.78)	21,768.85
40	30		3,035.54	175.24		(3,210.78)	18,733.31
41	31		3,059.98	150.80		(3,210.78)	15,673.33
42	32		3,084.61	126.17		(3,210.78)	12,588.72
43	33		3,109.44	101.34		(3,210.78)	9,479.28
44	34		3,134.47	76.31		(3,210.78)	6,344.81
45	35		3,159.70	51.08		(3,210.78)	3,185.11
46	36		3,185.11	25.64		(3,210.75)	-
47	<b>Total</b>		<b>100,000.00</b>	<b>15,588.05</b>	<b>6,000.00</b>		

**Annex "E"**

**SAMPLE SWORN STATEMENT REGARDING THE LOAN DOCUMENTS SUBMITTED AND FULL EXPLANATION OF THE TERMS AND CONDITIONS OF THE LOANS TO THE BORROWERS.**

[Date]

**DR.** \_\_\_\_\_  
Regional Director  
DepEd -Region \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SWORN CERTIFICATION**

**Sir/Madam:**

As a/an <type of private entity> accredited under the Automatic Payroll Deduction System (APDS) Program of the Department of Education, may we request for automatic payroll deduction of the obligations obtained by the following DepEd personnel for the month of \_\_\_\_\_, 2021.

	<b>Name of Employee</b>	<b>Work Station</b>	<b>Date of Loan Release</b>
1.	_____	_____	_____
2.	_____	_____	_____

In this regard, the Company hereby certifies the following:

1. Name of Entity and the DepEd borrowers have executed Authorities to Deduct, Promissory Notes, and Disclosure Statements, and copies of the said documents were furnished to the concerned DepEd borrowers;
2. The terms and conditions of the loan were properly discussed with the DepEd borrowers and they have understood the same;
3. The loans granted herein were duly verified by the designated DepEd Verifier; and
4. That the proceeds of the loan, as appearing in the documents signed by the DepEd borrowers, were actually released to and received by them in full as of the date of loan release.

The company agrees that any falsity of the certification herein is a ground for the revocation of the company's accreditation in the DepEd APDS.

Very truly yours,

\_\_\_\_\_  
**NAME**  
[Position/Official Designation]

SUBSCRIBED AND SWORN to this \_\_\_\_ day of \_\_\_\_\_ by the affiant who is personally known to me/identified by me as such persons after presenting his or her <government issued ID>.

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**ANNEX "F"**

**PROCEDURES FOR THE ONLINE PROCESS ON THE SUBMISSION OF MONTHLY BILLING STATEMENTS BY THE LENDER UNDER THE DEPARTMENT'S PROGRAM ON APDS**

A. The **Lender** shall:

1. Consolidate all loan accounts granted to DepEd borrowers within a month, and prepare monthly billing statement in accordance with the prescribed template provided by the Payroll Services Units (PSU) and/or Implementing Unit-Secondary Schools (IU-SS). The billing statement must be duly supported with pertinent documents, as shown below.
  - a. For each loan applied by concerned DepEd borrowers:
    - i. Processed Loan Application Form;
    - ii. Authorization to Deduct (ATD);
    - iii. Promissory Note (PN);
    - iv. Disclosure Statement;
    - v. Amortization Schedule; and
    - vi. Proof of loan release such as checks, loan vouchers (duly acknowledged by the DepEd borrowers), credit memos, remittance lists and other proof of fund transfer issued by the Lender.
  - b. Subscribed Sworn Certification stating that:
    - i. The Lender and the DepEd borrowers have executed ATDs, PNs, and DS, and copies of the said documents were furnished to the concerned DepEd borrowers;
    - ii. The Lender properly discussed the terms and conditions of the loans with the DepEd borrowers and they have understood the same;
    - iii. The loans granted herein were duly verified by the designated DepEd Verifier;
    - iv. The proceeds of the loan, as appearing in the documents signed by the DepEd borrowers, were actually released to and received by them in full as of the date of loan release; and
    - v. The Lender agrees that any falsity of the certification herein is a ground for the revocation of the company's accreditation in the DepEd APDS.
2. Every 5<sup>th</sup> day of the month, submit through email the monthly billing statement/s for all loans of DepEd borrowers granted within the previous month, together with the scanned copies of the pertinent documents listed in Items 1 (a to b) above, to the official email addresses of PSUs and/or IU-SSs (\_\_\_\_@deped.gov.ph). Under no circumstance shall the Lender bill a Borrower for loans not yet granted.
3. Check and retrieve any returned billings through email from PSUs and/or IU-SSs, and re-submit the same as rectified, on or before the 10<sup>th</sup> day of the current month. **Any billing for new loans granted by the Lender that will reduce the minimum monthly NTHP to an amount lower than what is allowed under the law shall not be accommodated and shall be returned to the Lender.**
4. Provide copies of the billing statement to the concerned Schools Division Offices, Attention: DepEd Verifiers, within ten (10) days after the submission of its final billing statement to the PSUs and/or IU-SSs.
5. Submit hard copies of signed billing statement (original copy) and the supporting documents to the PSU and/or IU-SS.

**ANNEX "G"**

**PROVINCES/REGIONS WHERE THE LENDER HAS OFFICE/S AS VALIDATED BY DEPED**  
*(Including affiliate offices, if any)*

**NAME OF ENTITY:**

**APDS CODE:**

<b>REGION</b>	<b>PROVINCIAL LOCATION</b>	<b>CITY/ MUNICIPALITY</b>	<b>NAME OF AUTHORIZED PERSONNEL</b>	<b>OFFICIAL CONTACT NUMBER</b>	<b>EMAIL ADDRESS</b>

I hereby certify that the said offices/branches can sufficiently render services such as, but not limited to: maintaining complete records, accepting payments, issuance of statements of accounts, official receipts, certificates of full payment, and contracts and membership documents, all within specified timeframes, and attending to other transactions, queries, and complaints of DepEd personnel.

**(Signature)**  
**Name of Authorized Representative**  
**Designation**



## **ANNEX "H"**

### **GROUNDINGS FOR SUSPENSION OR REVOCATION OF ACCREDITATION**

(For Lending, Insurance Premia, or Membership Dues/Contributions, as Applicable)

#### **Simple Grounds**

Suspension, which involves the withholding of remittance for not less than one (1) month but not more than six (6) months, and the corresponding non-acceptance of new business or deduction billing for not less than one (1) month, shall be imposed upon repeated commission of grounds classified as "Simple".

"Simple grounds" are acts or omissions of an accredited entity in violation of the guidelines on accreditation/re-accreditation or TCAA that can cause minor damage to DepEd employees who are borrowers, policy holders or members of accredited entities.

Simple grounds include, but are not limited to, the following:

- a. Billing more than one (1) loan per DepEd borrower.
- b. Not furnishing the DepEd employee, or charging the borrower/DepEd fees for, copies of the ATD, PN, DS, and/or amortization schedule in accordance with Annexes D-1 to D-3, or copies of the Certificate of Membership, Policy Contract, and/or other documents evidencing membership for insurance/mutual benefits/association duly acknowledged by Employees.
- c. Billing the co-maker, through APDS, for the loan balance of the principal borrower.
- d. Computation of interest and non-interest charges on Loan not in accordance with the guidelines, but with the Effective Interest Rate is still within the specified ceiling.
- e. Not reflecting the conditions on penalties and/or past due interest on loans, if any, in the DS signed by DepEd borrowers.
- f. Refusal to accept tender payment of loan in advance, whether partially or in full, during or after the term of the loan, from DepEd borrower/s or from other lending institutions, in case of loan take-out/buy-out by the latter.
- g. Non- or delayed issuance of the Official Receipt in case of partial or full payment.
- h. Failure or delay in the issuance of a dated Certificate of Full Payment of Loan to the DepEd borrower and/or failure to send a written request to the concerned payroll servicing unit concerned for the immediate stoppage of deduction, in case of advance payment of loan in full.
- i. Unrefunded over-deductions for the first time/payroll month.
- j. Failure to provide duly certified Statement of Account/Status of Premium Payments for every loan/transaction granted to a DepEd borrower/member, free of charge, annually and anytime upon request, within the day that the request was made by DepEd or the DepEd borrower/member, duly supported by an up-to-date payment history.
- k. Extending the termination date of loan amortization beyond what is stipulated in the Authority to Deduct signed by DepEd borrowers, or beyond the period allowed by the guidelines.
- l. Charging fee for and/or delay or non-issuance of a Certificate of Full Payment of Loan (CFPL).

- m. Failure to inform DepEd Regional/Central Office of any transfer of office location for purposes of updating Annex G of the TCAA.
- n. Using the terms "DepEd" or "public school teacher" in promotions or in any form of advertisement.
- o. Submission of billing not in accordance with the prescribed timelines.
- p. Charging and collecting interest for the remainder of the term of the loan in case of advance payment in full of the loan.
- q. Operating lending/insurance premia/mutual benefits business in a province without prior authority from DepEd.
- r. Maintaining an office that is not compliant with the requirements of the guidelines/TCAA.
- s. Non- or delayed submission of annual and semi-annual documentary requirements.
- t. Accepting Automated Teller Machine (ATM) card as collateral from DepEd employees for their loans under APDS.
- u. Inclusion in the billing statement for lending business of mutual aid system/ insurance premia deductions, or compelling any DepEd borrower to take out any type of insurance contract other than credit life insurance, as a condition to the loan agreement.
- v. Failure to submit the required documents within the period specified by the guidelines
- w. Deduction of advance payments from the loan proceeds of DepEd borrowers.
- x. Other acts or omissions similar or analogous to the above.

#### **Serious Grounds**

The Accreditation shall be revoked upon commission of grounds classified as "Serious". When the Accreditation is revoked, the Accredited Entity shall no longer be allowed to grant new business in the affected province/s under the APDS. However, collection of deductions already incorporated in the APDS as of the date of revocation shall continue up to the termination dates reflected in the pay slip. Thereafter, the APDS Code is automatically cancelled.

"Serious grounds" are acts or omissions of an accredited entity in violation of the guidelines on accreditation/re-accreditation or TCAA, which manifest fraud, bad faith, or willful misrepresentation intended to obtain undue financial gain at the expense of a DepEd employee who is a borrower, policy holder or member of accredited entities, or to undermine the effectiveness of the APDS.

Serious grounds include, but are not limited to, the following:

- a. Approval/release/billing of loans/insurance premium/membership dues or contributions without requisite approval by DepEd Verifier.
- b. Making false representation to the DepEd employee regarding the terms and conditions of the loan/insurance premium/membership dues or contributions.
- c. Acceptance of blank Authority to Deduct (ATD), Promissory Note (PN), Disclosure Statement, signed by the concerned DepEd borrowers.



- d. Submission of false/fraudulent documents.
- e. Inclusion of deductions not indicated in Annexes D1 – D3 (sample loan computation)
- f. Computation of interest and non-interest rates on Loan not in accordance with the guidelines and the Effective interest Rate exceeds the specified ceiling.
- g. Billing of loans not yet granted, renewed or released to DepEd borrowers.
- h. Entering into automatic payroll deduction agreements with fiscally autonomous DepEd schools.
- i. Transfer, reassignment, and sale of deduction code.
- j. "Piggy-backing" (Accredited entities allowing the use of the APDS Code by non-accredited entities).
- k. Making malicious or defamatory imputation, threat and physical injury against DepEd officials and/or personnel in relation to the implementation of the APDS.
- l. The Certificate of Registration/Authority of the entity is cancelled or terminated by the IC, SEC, BSP or CDA,
- m. Non-disclosure of the revocation or suspension of the Certificate of Registration/Authority by the concerned government regulatory bodies.
- n. Repeated suspensions based on simple grounds, indicating refusal to comply with, or wanton disregard for, APDS guidelines.
- o. Other acts or omissions constituting fraud, bad faith, or willful misrepresentation intended to obtain undue financial gain at the expense of a DepEd employee who is a borrower, policy holder or member of accredited entities, or to undermine the effectiveness of the APDS.

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**TERMS AND CONDITIONS OF THE APDS ACCREDITATION (TCAA)  
FOR INSURANCE PREMIA AND MEMBERSHIP DUES/CONTRIBUTIONS**

**1. STATEMENT OF PRINCIPLES**

- 1.1 Participation in the DepEd Automatic Payroll Deduction System (APDS) at the national, regional and school levels may be granted to private institutions authorized under specific law to be paid through salary deductions, and accredited by DepEd after fulfillment of requirements as provided in DepEd Order No. \_\_\_\_, s. 2021.
- 1.2 The accredited private institution shall subscribe to the following principles:
  - 1.2.1 Full transparency in reporting operations and financial status as evidenced by audited financial statements and appropriate disclosure statements; and
  - 1.2.2 Integrity of operations through proper and complete documentation of insurance policies and/or memberships of DepEd personnel.
- 1.3 The DepEd shall ensure that the objectives and purposes of APDS are achieved through proper regulation, periodic review, and accreditation/re-accreditation.
- 1.4 The APDS shall be implemented in accordance with the limitations imposed by existing and new laws, such as on monthly net take-home pay (NTHP) and order of preference of deductions.

**2. ACCREDITATION AND ASSIGNMENT OF APDS CODE**

- 2.1 Accredited entities shall be assigned APDS codes for their exclusive use.
- 2.2 **APDS Code <number>, and the Sub-Codes<sup>1</sup> listed in Annex "B", if any,** for insurance premia and/or membership dues/contributions shall strictly be used for the collection of such payments only<sup>2</sup>.
- 2.3 In case of issuance of a sub-code for policy loan, the rates of interest and other charges shall not be higher than the prescribed ceiling set under paragraph 26, Enclosure 1 of DepEd Order No. \_\_\_\_, s. 2021.
- 2.4 The APDS Code is not transferable, for sale, or for assignment to any other entity, except in cases of acquisition, merger, and consolidation of entities. In the event that the Accredited Entity changes its corporate name or effects other corporate changes, the Accredited Entity shall furnish DepEd with duly certified copies of the amended Articles of Incorporation/Cooperation [as applicable to the entity] and by-laws approved by the SEC/CDA [as applicable to the entity] to enable the DepEd to update its records accordingly.

**3. PROCESSING OF APPLICATIONS FOR INSURANCE POLICY/MEMBERSHIP/  
OTHER ALLOWED OBLIGATION**

- 3.1 For payment of insurance premia and/or membership dues/contributions intended to be serviced through the APDS, the Accredited Entity shall process applications for

<sup>1</sup>In case of multiple products and services, the Accredited Entity shall be issued a maximum of three (3) APDS Sub-Codes and shall cease using the APDS Code (main code). Annex C contains the list of Sub-Codes issued.

<sup>2</sup>The APDS Code and Sub-Codes (if any) issued in this TCAA shall not be used for deductions for any type of loan.



insurance policy/membership/other allowed obligation (hereinafter referred to as "Application") in accordance with the terms and conditions herein.

- 3.2 Processing of **online digital applications** may be allowed under APDS, provided that DepEd is notified by the Accredited Entity in writing, duly supported with information on its detailed procedures/mechanics and online process flow presented to the DepEd Central Office APDS Task Force, and acknowledged/authorized by DepEd prior to its implementation.
- 3.3 The Accredited Entity **shall exert all efforts to examine the authenticity of documents submitted online by the applicant**. In case of fraud, and/ or misrepresentation thereof, it shall be solely responsible for the process of approving the membership application of DepEd personnel.
- 3.4 The Accredited Entity may approve an Application only upon issuance of a certification by the DepEd Verifier, secured by the Accredited Entity through the DepEd Employee (hereinafter referred to as "Employee"), stating that the monthly payments can be accommodated within the threshold of the monthly NTHP as required by the General Appropriations Act (GAA) at the time of approval of the Application. Succeeding deductions shall conform to the monthly NTHP as provided for by the GAA or other applicable laws at the time of the deduction.
- 3.5 The Accredited Entity shall follow the procedure on the approval of Applications as contained in Annex "C-1 and C-2".
- 3.6 The Accredited Entity shall accept applications only from DepEd officials and personnel who have **served at least six (6) months in DepEd** and are incorporated in the regular payroll with issued employee number, whether assigned at the national, regional, schools division, or school level [implementing unit (IU) or non-IU].
- 3.7 The Accredited Entity shall ensure that every Application and/or transaction is fully documented with a completely filled out Authority to Deduct (ATD), Certificate of Membership, Policy Contract, and/or other documents evidencing insurance coverage/membership. The ATD must be accomplished following the standard form/template as contained in Annex "D", and with consistent information. The Accredited Entity shall furnish the Employee copies of these documents free of charge, upon approval of the Application.
- 3.8 The Accredited Entity shall immediately notify the Employee upon approval of his/her Application.
- 3.9 The Accredited Entity shall fully explain the terms and conditions of the insurance policy/membership/other allowed obligation to the Employee. The Accredited Entity shall submit a Sworn Statement to this effect together with its billing. (See Annex "E")
- 3.10 The Accredited Entity shall ensure that the venue of litigation in the event of legal suit against the Employee or the Accredited Entity shall be within the location of the Employee's work station only.

#### **4. BILLING OF INSURANCE PREMIA AND/OR MEMBERSHIP DUES/ CONTRIBUTIONS**

- 4.1 The Accredited Entity shall consolidate all the insurance policies and/or memberships approved within a month into one billing.

- 4.2 The Accredited Entity shall be responsible for submitting monthly billings to the PSU and IU, and checking and retrieving any returned billings (refer to Annex F for the procedure). Any billing for new insurance premia and/or membership dues/contributions approved by the Accredited Entity that will reduce the monthly minimum NTHP shall not be accommodated and shall be returned to the Accredited Entity.
- 4.3 The Accredited Entity shall not bill new insurance premia and/or membership dues/contributions if the Employee has existing Undeducted Obligations as reflected in his/her pay slip.
- 4.4 For payments to be incorporated in the next payroll month, the Accredited Entity shall submit billings for all Applications approved within the current month on or before the **5<sup>th</sup> working day** of the same month. Under no circumstance shall the Accredited Entity bill an Employee for Applications and/or transactions not yet approved.
- 4.5 The Accredited Entity shall submit billing statement to DepEd in an electronic format as agreed with the PSU and IU. The billing must be duly supported with soft copies of the required ATD, Certificate of Membership, Policy Contract, and/or other documents evidencing membership duly acknowledged by Employees, and Sworn Statement mentioned in item 3.9 above. Only billings certified by DepEd Verifier that such insurance premia or membership dues/contributions could be accommodated in the payroll and with complete supporting documents shall be processed by the PSU. The Accredited Entity may opt to submit billing statement via email (refer to Annex F for the procedure) or direct to the PSU/IU secondary school's office.

The APDS Accredited entity shall be solely responsible in case of misrepresentation in the submission of the said supporting documents.

- 4.6 The Accredited Entity shall provide copies of the billings to the concerned Schools Division Offices within ten (10) days after the submission of its billing to the DepEd.
- 4.7 The Accredited Entity shall not charge penalties/fines/surcharges due to delays of payments as a result of any of the following:
  - 4.7.1 Failure on the part of the Accredited Entity to pick up remittance checks;
  - 4.7.2 Non-remittance due to suspension or revocation of Accreditation;
  - 4.7.3 Failure of the DepEd to remit on time due to errors, inadvertence, force majeure, or any extreme circumstance;
  - 4.7.4 Non-existence of office or affiliate company in a particular province; and
  - 4.7.5 Other reasons/causes similar or analogous to the above.
- 4.8 The Accredited Entity shall be responsible for collecting the outstanding balances of its members outside APDS, in case of their retirement, resignation, or termination of appointment.
- 4.9 In case of Employee's transfer of work station to other region but the Accredited Entity has no office/branch within the said region, **for purposes of collection only**, the Accredited Entity may submit the corresponding billing to the concerned PSU/IU. Such billing shall be supported with ATD signed by the Employee and other requirements specified in item 4.5 above.

## 5. OVER-THE-COUNTER PAYMENTS

- 5.1 The Accredited Entity shall not refuse to accept tender of payment made in advance by Employees, whether partial or in full. Official receipt (OR) shall be issued on the date of payment.



- 5.2 In case of full payment of dues by the Employee, the Accredited Entity shall automatically include the Employee's name in the list of insurance premia/membership deductions for stoppage in the payroll and in the Deletion File to be effected immediately in the next payroll month.
- 5.2 The Accredited Entity shall request the PSU and IU the monthly list of payroll deductions that were stopped, and the corresponding supporting documents such as the Employee's request for stoppage.

## **6. OVER-DEDUCTION**

- 6.1 In case of over-deductions, the Accredited Entity shall refund the corresponding amount to the Employee concerned within thirty (30) days from knowledge or notice thereof.
- 6.2 The Accredited Entity shall request DepEd for the adjustment of Service Fee in the next payroll month, corresponding to the amount refunded on over-deductions. The said request must be duly supported with proof of refund, duly acknowledged by the Employee.

## **7. REMITTANCE**

- 7.1 The Accredited Entity shall pay DepEd a service fee of \_\_\_\_ percent (\_\_\_\_%) of the total monthly collection, which shall be automatically deducted from their collection before remittance. *[The rate shall be based on Title V General Principles, Item 29, of the Revised Guidelines on Accreditation/Re-Accreditation of Private Entities under the APDS.]*
- 7.2 The Accredited Entity shall issue an OR to DepEd within fifteen (15) days after remittance of payments. Failure to do so will cause the suspension of the release of succeeding remittances until the issuance of the OR. The Accredited Entity may request DepEd to remit the payments through either of the following modes:
  - a. Through intra- or interbank fund transfer: The Accredited Entity shall coordinate with the remitting DepEd office for the procedure in setting up the fund transfer. The Accredited Entity shall shoulder the service charge, if any.
  - b. Through check: The Accredited Entity shall pick up the remittance check from DepEd within the succeeding month after the deductions were effected in the payroll. Otherwise, the preparation of succeeding checks will be suspended until the prepared check is picked up. Any request for replacement of stale checks shall be supported by written justification from the Accredited Entity.
- 7.3 Payments for insurance premia and/or membership dues/contributions shall be refunded to the concerned Employees in case the corresponding remittance checks become stale and not requested by the Accredited Entity for replacement after notification by DepEd for three (3) times.

## **8. DOCUMENTARY REQUIREMENTS**

- 8.1 The Accredited Entity shall ensure the issuance of a Statement of Account (SOA) to an Employee, free of charge, annually and anytime upon request, preferably within the day that the request was made by DepEd or by the Employee, but in no case after more than three (3) days from such request. The SOA shall include an up-to-date payment history.



8.2 The Accredited Entity shall submit through email or electronic medium (USB) and other digital means the following documents, duly certified as true copies by the concerned government regulatory agencies (i.e. SEC/CDA/IC) to the DepEd Central Office (CO) annually, through the APDS Secretariat, on or before September 30, except for business permit/s, the deadline for which is March 31 of the current year:

- Audited Financial Statements for the previous year, duly filed and stamped received by the BIR
- Corporate income tax return for the previous year, duly filed and stamped received by the BIR
- Business Permit/s for the current year in the provinces where the Accredited Entity has its office/s

*[Additional documents as applicable to the entity:]*

- SEC Certification that (i) the Accredited Entity has not been dissolved and (ii) that the Commission has not received any derogatory information that would prevent the entity from exercising its purpose/s as stated in its Articles of Incorporation. The Certification shall cover a period of one year immediately preceding its issuance.
- General Information Sheet for the current year stamped received by the SEC
- Certificate of Compliance issued by the CDA for the current year
- Cooperative Annual Progress Report (CAPR) for the current year
- PDIC Certificate of Good Standing covering the current year
- IC Certificate of Authority covering the current year

## **9. OTHER CONDITIONS**

- 9.1 The Accredited Entity shall not enter into any contract or agreement with DepEd offices other than the CO/Regional Office (RO) regarding insurance premia and/or membership dues/contributions under APDS.
- 9.2 The Accredited Entity shall limit its operation to provinces/regions where it has office/s or affiliates companies. The office shall employ a full-time manager or authorized personnel, and staff who shall maintain the complete records/documents, accept payments, issue SOA, OR, and CFP, and attend to other transactions and any queries/complaints of DepEd personnel. Annex "G", which forms an integral part of this TCAA, contains the provinces/region/s, including the location of including the location of its offices (main and branches) and affiliate companies, if any, where the Accredited Entity is authorized to operate.
- 9.3 In case of transfer of the Accredited Entity's office/s to another location or site, the Accredited Entity shall notify DepEd in writing regarding such transfer before the closure of the existing office/s, and submit corresponding necessary documents, for proper validation.
- 9.4 In case of change in contact number/s regardless if post-paid or registered mobile number or landline telephone, the Accredited Entity shall notify/update DepEd Central Office by submitting a Certification stating therein the changes on contact number/s that will be officially used in transacting with DepEd employees.
- 9.5 The Accredited Entity shall make available to DepEd for inspection at any reasonable time all ATDs, Certificates of Membership, Policy Contracts, and other related documents in the course of periodic review.
- 9.6 In case of a merger or consolidation involving the Accredited Entity, the Accredited Entity shall make sure that the surviving entity shall submit the following within three

(3) months upon their availability, in addition to the documents required for accreditation:

- Formal letter signifying their intention to maintain their APDS accreditation for insurance premia and/or membership dues/contributions under the same deduction code/s together with a board resolution or secretary's certificate;
  - Certified true copy of the Articles of Merger or Consolidation; and
  - Deed of Assignment, if any.
- 9.7 In case the Accredited Entity is put under Liquidation by the Insurance Commission (IC), the DepEd shall coordinate with the IC as to how the deductions for insurance premia and/or membership dues/contributions will be stopped in the payroll.
- 9.8 The Accredited Entity shall not use the name of DepEd or the term "public school teacher" in its promotions or in any form of advertisement.

## **10. NECESSARY ATTACHMENTS**

10.1 This TCAA shall include as integral parts the following attachments:

- 10.1.1 **Annex "A"** – Notarized Secretary's Certificate supported by a Board Resolution authorizing the Accredited Entity's representative to execute this TCAA.
- 10.1.2 **Annex "B"** – List of Sub-Codes, if any, and the corresponding products and/or services under each Sub-Code, with proof of approval from their respective government regulatory agencies to offer such products and/or services as required in Item 32.1.5.e of the Revised Guidelines on Accreditation/Re-Accreditation of Private Entities under the APDS.
- 10.1.3 **Annex "C-1 and C-2"** - Procedures for the Processing of DepEd Employees' Applications for Insurance Premia and/or Membership Dues/Contributions with the Accredited Entities Under the Department's APDS (on-site/manual and on-line process, respectively).
- 10.1.4 **Annex "D"** – APDS Template/Standard Format of Authority to Deduct.
- 10.1.5 **Annex "E"** – Sworn Statement regarding the documents submitted and full explanation of the terms and conditions to the Employees.
- 10.1.6 **Annex "F"** – Procedures for the Online Process on the Submission of Monthly Billing Statements by the Accredited Entity Under the Department's Program on APDS
- 10.1.7 **Annex "G"** – Provinces/Regions where the Accredited has office/s as validated by DepEd, with the main office per region identified, indicating therein the address/es, official contact numbers, and the name/s of manager/s and contact person/s
- 10.1.8 **Annex "H"** – Grounds for Suspension or Revocation of Accreditation

## **11. GROUNDS FOR SUSPENSION OR REVOCATION**

- 11.1 The Accredited Entity agrees that its Accreditation may be suspended or revoked by DepEd based on grounds enumerated in Annex "H".



- 11.2 Suspension, which involves the withholding of remittance for not less than one (1) month but not more than six (6) months, and the corresponding non-acceptance of new business or deduction billing for not less than one (1) month, shall be imposed upon repeated commission of grounds classified as "Simple".
- 11.3 The Accreditation shall be revoked upon commission of grounds classified as "Serious". When the Accreditation is revoked, the Accredited Entity shall no longer be allowed to grant new business in the affected provinces/regions under the APDS. However, collection of deductions already incorporated in the APDS as of the date of revocation shall continue for the next three (3) months or until requested for stoppage by the concerned Employees, whichever comes earlier. Within sixty (60) calendar days from the said revocation, DepEd shall notify the concerned Employees of the stoppage of deductions, and the latter may transact and/or pay directly to the formerly accredited entity, or terminate their memberships therewith. Thereafter, the APDS Code and Sub-Codes, if any, are automatically cancelled.
- 11.4 Any suspension or revocation imposed upon a particular office shall likewise be considered as sanction against all its other offices within the same region. If imposed on the Head Office, the same shall be imposed upon all its other offices in the national level; and
- 11.5 Any complaint for the commission of any of the grounds for suspension or revocation should be made in writing. For the purposes of a formal investigation, the complaint must:
- Contain the names and addresses of the complainant/s;
  - Contain the entity or person subject of the complaint;
  - Contain the acts or omissions complained of constituting the infraction, based on the personal knowledge of the complainant;
  - Be accompanied with supporting documents, as needed; and
  - Be notarized.
- However, DepEd shall not be precluded from conducting an investigation/fact-finding on the basis of other information received or discovered.
- 11.6 Any complaint for the commission of any of the grounds for suspension or revocation should be made in writing and sufficient in form and substance. For the purposes of a formal investigation, the complaint must:
- Contain the names and addresses of the complainant/s;
  - Contain the entity or person subject of the complaint;
  - Contain the acts or omissions complained of constituting the infraction, based on the personal knowledge of the complainant;
  - Be accompanied with supporting documents, as needed; and
  - Be notarized.
- However, DepEd shall not be precluded from conducting an investigation/fact-finding on the basis of other information received or discovered.
- 11.7 Commission of grounds for suspension or revocation shall be validated by the appropriate committee or task force designated by the Secretary. The APDS Task Forces in the CO and ROs may impose the suspension or revocation as a result of its investigation. The suspension or revocation may be appealed to the Office of the Secretary, through the Office of the Undersecretary for Finance, within a period of fifteen (15) days from notice. Pending the resolution by the Office of the Secretary, the suspension or revocation shall be held in abeyance. The suspension or revocation imposed by the APDS Task Force shall be reported to the Secretary, through the Undersecretary for Finance, for monitoring and records purposes.



**12. EFFECTIVITY OF THE TCAA**

12.1 This TCAA shall be valid upon signing and notarization, and shall be effective until **December 31, 2025**.

12.2 For purposes of renewal of this TCAA, the Accredited Entity shall submit its **Letter of Intent** for the APDS re-accreditation at least **one (1) month** prior to the date of expiration.

**13. FINAL PROVISIONS**

13.1 This TCAA, its annexes, and pertinent DepEd issuances shall be the governing documents with reference to the inclusion of the Accredited Entity in the APDS.

13.2 The Accredited Entity shall conform to any APDS policy subsequently issued by DepEd in the form of DepEd Order, Memorandum, or other issuance. Any provision in this TCAA affected by such subsequent APDS policy is deemed automatically modified or repealed as applicable.

**CONFORME:**

ACKNOWLEDGEMENT

**ANNEX "B"**

**LIST OF SUB-CODES WITH CORRESPONDING PRODUCTS AND/OR SERVICES UNDER EACH SUB-CODE**

NAME OF ENTITY: \_\_\_\_\_

APDS CODE : \_\_\_\_\_

<b>APDS SUB-CODE</b>	<b>PRODUCTS AND/OR SERVICES</b>	<b>DATE APPROVED BY IC/CDA/SEC</b>
_____ - A		
_____ - B		
_____ - C		

**CERTIFIED CORRECT:**

\_\_\_\_\_  
*Authorized Representative*

## ANNEX "C-1"

### PROCEDURES FOR THE MANUAL PROCESSING OF DEPED EMPLOYEES' APPLICATIONS FOR INSURANCE PREMIA AND/OR MEMBERSHIP DUES/CONTRIBUTIONS WITH THE ACCREDITED ENTITIES UNDER THE DEPARTMENT'S PROGRAM ON AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS)

1. The **DepEd Employee** (hereinafter referred to as the "**Employee**") accomplishes application for insurance policy/membership/ other allowed obligation (hereinafter referred to as "**Application**") provided by the APDS accredited entity (hereinafter referred to as the "**Accredited Entity**");
2. The **Employee** submits the Application together with his/her latest available pay slip to the **Accredited Entity** as part of his/her Application;
3. The **Accredited Entity** shall evaluate the Employee's Application using its own criteria, including the Employee's capacity to pay based on the presented pay slip. The presence of "Undeducted Obligations" in the Employee's pay slip indicates his/her lack of capacity to pay through the APDS, hence, the Application of such employee shall not be approved by the Accredited Entity under the APDS.
4. If the Application passes the **Accredited Entity's** evaluation, the **Accredited Entity** shall stamp the following on the face of the pay slip without obscuring the pertinent details therein:
  - a. Corporate name of the Accredited Entity and APDS Code/Sub-Code for insurance premia and/or membership dues/contributions;
  - b. Amount of monthly salary deduction;
  - c. Date of evaluation; and
  - d. Name of Accredited Entity's Officer, who shall sign on the stamp to signify evaluation.
5. The **Accredited Entity** shall e-mail a scan of the stamped pay slip to the Employee using the e-mail subject, "Request for Confirmation of Evaluated APDS Application- <Accredited Entity's APDS Code> - <Employee's complete name>"<sup>3</sup> and return the stamped pay slip to the Employee.
6. The **Employee** shall *forward* the e-mail received from the Accredited Entity to the official/designated DepEd e-mail address of the concerned DepEd Verifier (hereinafter referred to as "Verifier") using the Employee's official DepEd e-mail.
7. The **Verifier** shall record the details of the Employee and of the Application evaluated by the Accredited Entity that are pertinent to the assessment of the Employee's capacity to pay.
8. The **Verifier** shall determine if the stamped monthly deduction can be accommodated in the APDS, cognizant of the Employee's eligibility to avail of insurance policy/membership/other allowed obligation under the APDS, the NTHP rule, and the Employee's capacity to pay based on the presented pay slip and the Verifier's records. The Verifier, based on his/her records, shall also check if the Employee has approved obligations that are not yet reflected in the latter's stamped pay slip.

First-in first-served rule shall be strictly observed in the verification of Applications.

<sup>3</sup>The DepEd Office concerned may prescribe its own e-mail subject through official communications with the Accredited Entities, copy furnished the Office of the Undersecretary for Finance.



9. The **Verifier**, using the official/designated DepEd e-mail, shall e-mail the Accredited Entity, copy furnished ("cc") the Employee, either of the following messages depending on the Verifier's assessment:

a. If the monthly deduction can be accommodated in the APDS:

Please be informed that as validated in our records, the application of DepEd employee you evaluated can be accommodated in the APDS, as follows:

<b>Employee's Name</b>	
<b>Employee No.</b>	
<b>Station Code</b>	
<b>Amount of Monthly Membership Dues/Contribution</b>	

Any misrepresentation in the Employee's Application verified by the Accredited Entity shall not be the liability of the Verifier.

<Name of Verifier>  
<Office>

b. If the monthly deduction cannot be accommodated in the APDS:

Please be informed that as validated in our records, the application of DepEd employee you evaluated cannot be accommodated in the APDS for reasons stated below.

<b>Employee's Name</b>	
<b>Employee No.</b>	
<b>Station Code</b>	
<b>Amount of Monthly Membership Dues/Contribution</b>	
<b>Reason/s</b>	<i>e.g. Insufficient NTHP; With approved obligations that are not yet reflected in the stamped pay slip</i>

<Name of Verifier>  
<Office>

10. Depending on the Verifier's assessment, the **Accredited Entity** shall do either of the following upon receipt of the former's e-mail:

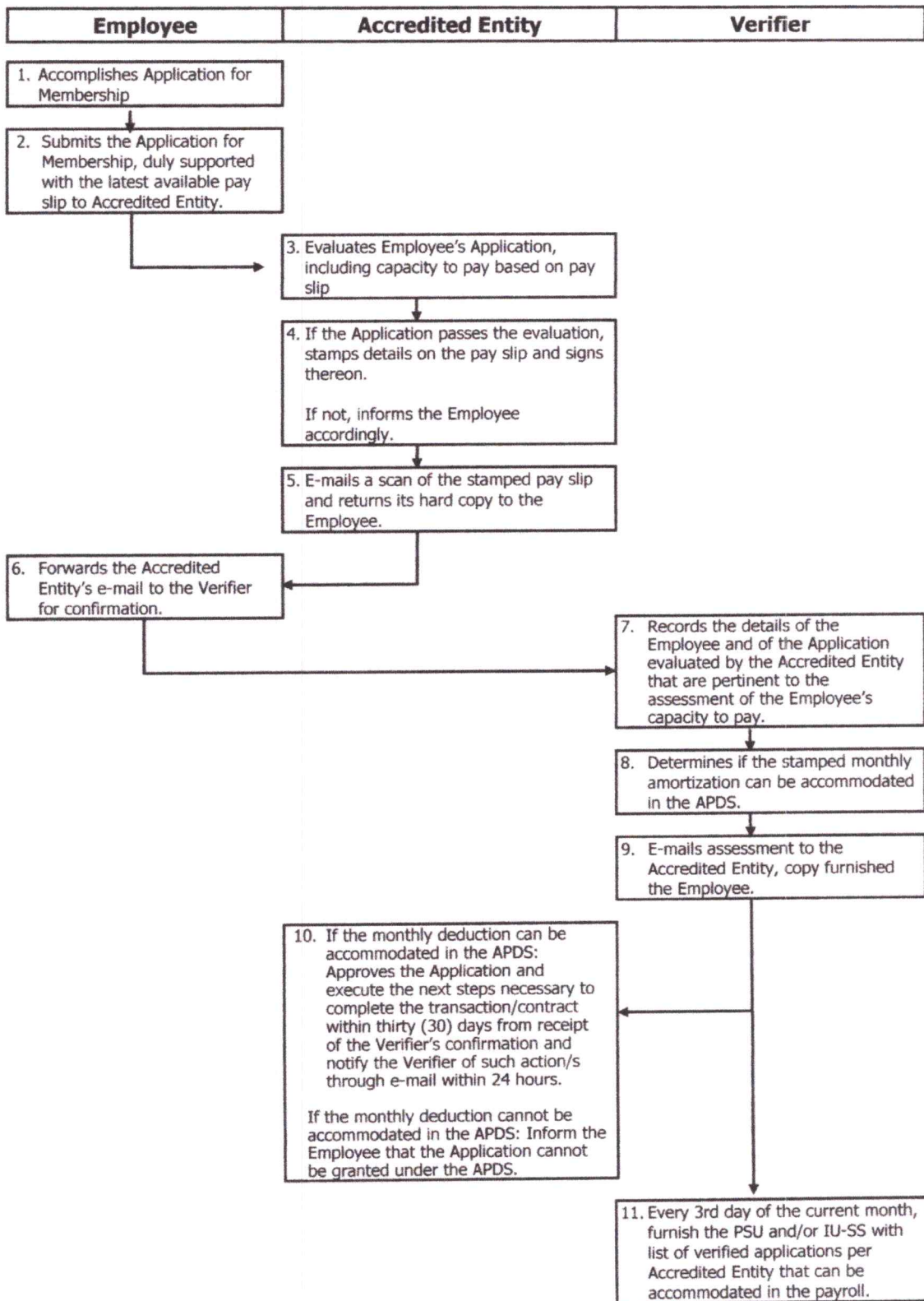
a. If the monthly deduction can be accommodated in the APDS: Approve the Application and execute the next steps necessary to complete the transaction/contract within thirty (30) days from receipt of the Verifier's confirmation and notify the Verifier of such action/s through e-mail within 24 hours.

b. If the monthly deduction cannot be accommodated in the APDS: Inform the Employee that the Application cannot be granted under the APDS.

11. Every 3<sup>rd</sup> day of the current month, furnish the Payroll Services Unit (PSU) and/or Implementing Unit-Secondary Schools (IU-SS) with list of verified insurance premia/membership dues/contributions per Accredited Entity that can be accommodated in the payroll.

-- End --

**PROCESS FLOW FOR THE PROCEDURES ON MANUAL PROCESSING OF DEPED EMPLOYEES' APPLICATIONS FOR INSURANCE PREMIA AND/OR MEMBERSHIP DUES/CONTRIBUTIONS WITH THE ACCREDITED ENTITIES UNDER THE DEPARTMENT'S PROGRAM ON APDS**





## ANNEX "C-2"

### PROCEDURES FOR THE ONLINE PROCESS OF DEPED EMPLOYEES' APPLICATIONS FOR INSURANCE PREMIA AND/OR MEMBERSHIP DUES/CONTRIBUTIONS WITH THE ACCREDITED ENTITIES UNDER THE DEPARTMENT'S PROGRAM ON AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS)

1. The **DepEd Employee** (hereinafter referred to as the "**Employee**"), using the deped.gov.ph email address shall:
  - a. Secure an ONLINE Application Form from the APDS accredited entity (hereinafter referred to as the "Accredited Entity");
  - b. Accomplish the Application Form and submit the same to the Accredited Entity together with the latest available pay slip;
  - c. Wait for the response of the Accredited Entity through email, if he/she is eligible or not. In case eligible, forward the Accredited Entity's response to the official e-mail address of designated DepEd Verifier (hereinafter referred to as "Verifier").
2. The **Accredited Entity** shall:
  - a. Perform background checks on the legitimacy of the membership being applied for by the Employee to prevent occurrence of application for membership by fictitious Employees;
  - b. Evaluate the Employee's application for membership using the Accredited Entity's own criteria, including the Employee's capacity to pay based on the presented pay slip. The presence of "Undeducted Obligations" in the Employee's pay slip indicates his/her lack of capacity to pay the insurance premia and/or membership dues/contributions through the APDS, hence, such employee is ineligible to become the Accredited Entity's member under the APDS.
  - c. If the membership application passes the Accredited Entity's evaluation, stamp the following on the face of the pay slip without obscuring the pertinent details therein:
    - i. Corporate name of the Accredited Entity and APDS Code Code/Sub-Code for insurance premia and/or membership dues/contributions;
    - ii. Amount of monthly salary deduction;
    - iii. Date of application for membership; and
    - iv. Name of Accredited Entity's Officer who shall sign on the stamp to signify evaluation.
  - d. E-mail a scan of the stamped pay slip to the Employee using the e-mail subject, "Request for Confirmation of Evaluated APDS Application- <Accredited Entity's APDS Code> - <Employee's complete name>."
  - e. Depending on the Verifier's assessment, do either of the following upon receipt of the former's e-mail:
    - i. If the monthly deduction can be accommodated in the APDS: 1) Approve the Application and execute the next steps necessary to complete the transaction/contract within thirty (30) days from receipt of the Verifier's confirmation and notify the Verifier of such action/s through e-mail within 24 hours.
    - ii. If the monthly deduction cannot be accommodated in the APDS: Inform the Employee that the application cannot be granted under the APDS.



3. The **Verifier** shall:

- a. Record the details of the Employee and of the application evaluated by the Accredited Entity that are pertinent to the assessment of the Employee's capacity to pay;
- b. Determine if the stamped monthly amortization can be accommodated in the APDS, cognizant of the Employee's eligibility to avail of insurance policy/membership/other allowed obligation under the APDS, the NTHP rule, and the Employee's capacity to pay based on the presented pay slip and the Verifier's records. The Verifier, based on his/her records, shall also check if the Employee has approved obligations that are not yet reflected in the latter's stamped pay slip.
- c. First-in first-served rule shall be strictly observed in the verification of applications.
- d. E-mail the Accredited Entity using the official/designated DepEd e-mail,, copy furnished ("cc") the Employee, either of the following messages depending on the Verifier's assessment:
  - i. If the monthly deduction can be accommodated in the APDS:

Please be informed that as validated in our records, the application of DepEd Employee you evaluated can be accommodated in the APDS, as follows:

<b>Employee's Name</b>	
<b>Employee No.</b>	
<b>Station Code</b>	
<b>Amount of Monthly Membership Dues/Contribution</b>	

Any misrepresentation in the Employee's application verified by the Accredited Entity shall not be the liability of the Verifier.

**<Name of Verifier>**  
**<Office>**

- ii. If the monthly deduction cannot be accommodated in the APDS:

Please be informed that as validated in our records, the application of DepEd Employee you evaluated cannot be accommodated in the APDS for reasons stated below:

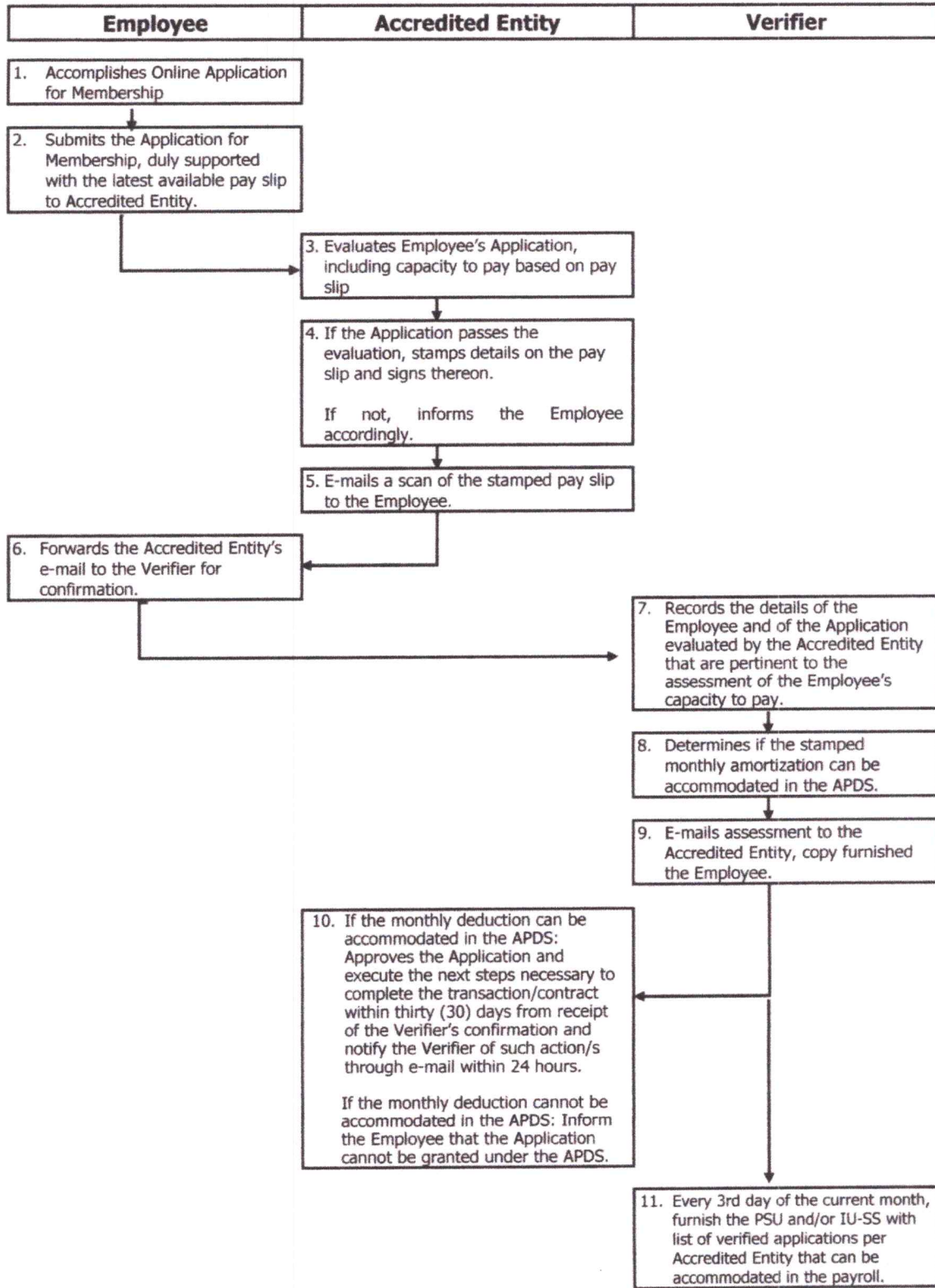
<b>Employee's Name</b>	
<b>Employee No.</b>	
<b>Station Code</b>	
<b>Amount of Monthly Membership Dues/Contribution</b>	
<b>Reason/s</b>	<i>e.g. Insufficient NTHP; With approved obligations that are not yet reflected in the stamped pay slip</i>

**<Name of Verifier>**  
**<Office>**

- 12. Every 3<sup>rd</sup> day of the current month, furnish the Payroll Services Unit (PSU) and/or Implementing Unit-Secondary Schools (IU-SS) with list of verified insurance premia/membership contributions per Accredited Entity that can be accommodated in the payroll every 3<sup>rd</sup> day of the current month

- End --

**PROCESS FLOW FOR THE ONLINE PROCEDURES ON DEPED EMPLOYEES' APPLICATIONS FOR INSURANCE PREMIA AND/OR MEMBERSHIP DUES/CONTRIBUTIONS WITH THE ACCREDITED ENTITIES UNDER THE DEPARTMENT'S PROGRAM ON AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS)**





**ANNEX "D"**

**APDS Template/Standard Format of Authority to Deduct**

**AUTHORITY TO DEDUCT  
THROUGH THE DEPED AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS)**

I hereby authorize DepEd to deduct monthly from my salary, through the DepEd APDS, the sum of **PESOS:** \_\_\_\_\_ (P\_\_\_\_\_) beginning on \_\_\_\_\_ and ending on \_\_\_\_\_, as premium/contribution/due, and to remit the same to NAME OF ACCREDITED ENTITY in consideration of the insurance policy/membership/other allowed obligation, more specifically described as \_\_\_\_\_. In case my premium contribution is not deducted from the payroll, regardless of the reason, I also authorize DepEd to automatically adjust the termination period in my pay slip by one (1) month for every month of delay of its deduction. I fully understand that no lapses of payment shall be made by the Accredited Entity for this purpose, thus, the corresponding benefit as contracted shall be available in case of need.

The authorization is **VALID AND BINDING** within the aforementioned period, unless the authorization is otherwise revoked. Moreover, I agree that deductions that will reduce my monthly net take-home pay to lower than what is allowed under the law shall not be accommodated in the APDS.

\_\_\_\_\_  
**Signature over Printed Name of DepEd Employee**

**Employee Number:**

**Station Code:**

**Division Code:**

**Region:**

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

**ANNEX "E"**

**Sworn Statement regarding the documents submitted and full explanation of the terms and conditions to the Employees.**

[Date]

**DR.** \_\_\_\_\_  
Regional Director  
DepEd -Region \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SWORN CERTIFICATION**

**Sir/Madam:**

As a/an <type of private entity> accredited under the Automatic Payroll Deduction System (APDS) Program of the Department of Education, may we request for automatic payroll deduction of the obligations obtained by the following DepEd personnel for the month of \_\_\_\_\_, 2021.

<b>Name of Employee</b>	<b>Work Station</b>	<b>Date of Application</b>
_____	_____	_____

In this regard, the Company hereby certifies the following:

1. Name of Entity and the DepEd personnel have executed Authorities to Deduct and Policy Contracts and/or Certificates of Membership, and copies of the said documents were furnished to the concerned DepEd personnel;
2. The insurance premia and/or membership dues/contributions of new DepEd members were duly verified by the designated DepEd Verifier; and
3. The terms and conditions were properly discussed with the DepEd personnel and they have understood the same.

The company agrees that any falsity of the certification herein is a ground for the revocation of the company's accreditation in the DepEd APDS.

Very truly yours,

**NAME** \_\_\_\_\_  
[Position/Official Designation]

SUBSCRIBED AND SWORN to this \_\_\_\_ day of \_\_\_\_\_ by the affiant who is personally known to me/identified by me as such persons after presenting his or her <government issued ID>.

Doc No.  
Page No.  
Book No.  
Series of 2021

## ANNEX "F"

### Procedures for the Online Process on the Submission of Monthly Billing Statements by the Accredited Entity Under the Department's Program on APDS

A. The **Accredited Entity** shall:

1. Consolidate all Applications for Membership of DepEd Employees within a month, and prepare monthly billing statement in accordance with the prescribed template provided by the Payroll Services Units (PSU) and/or Implementing Unit-Secondary Schools (IU-SS). The billing statement must be duly supported with pertinent documents of DepEd Employees, as shown below.
  - a. As provided by DepEd Employees:
    - i. Accomplished Application for Membership Form
    - ii. Authorization to Deduct (ATD);
    - iii. Government Issued ID; and
    - iv. Latest available pay slip.
  - b. Subscribed Sworn Certification stating that:
    - i. Name of Entity and the DepEd personnel have executed Authorities to Deduct and Policy Contracts and/or Certificates of Membership, and copies of the said documents were furnished to the concerned DepEd personnel;
    - ii. The insurance premia and/or membership dues/contributions of new DepEd members were duly verified by the designated DepEd Verifier; and
    - iii. The terms and conditions were properly discussed with the DepEd personnel and they have understood the same.
2. Every **5<sup>th</sup> day of the month**, submit through email the monthly billing statement/s for all applications for membership of DepEd Employees granted within the previous month, together with the scanned copies of the pertinent documents listed in Items 1 (a to b) above, to the official email addresses of PSUs and/or IU-SSs (\_\_\_\_@deped.gov.ph). Under no circumstance shall the Accredited Entity bill a DepEd Employee for applications not verified by the DepEd Verifier.
3. Check and retrieve any returned billings through email from PSUs and/or IU-SSs, and re-submit the same as rectified, on or before the **10<sup>th</sup> day of the current month**. **Any billing for new Applications for Membership approved by the Accredited Entity, but has not been approved by the Verifier shall not be accommodated, and shall be returned to the Accredited Entity.**
4. Provide copies of the billing statement to the concerned Schools Division Offices, Attention: DepEd Verifiers, within ten (10) days after the submission of its final billing statement to the PSUs and/or IU-SSs.
5. Submit hard copies of signed billing statement (original copy) and the supporting documents to the PSU and/or IU-SS.



**ANNEX "G"**

**PROVINCES/REGIONS WHERE THE ACCREDITED ENTITY HAS OFFICE/S AS VALIDATED BY DEPED *(Including affiliate offices, if any)***

**NAME OF ENTITY:**  
**APDS CODE:**

REGION	PROVINCIAL LOCATION	CITY/MUNICIPALITY	COMPLETE ADDRESS	NAME OF AUTHORIZED PERSONNEL	CONTACT NUMBER	EMAIL ADDRESS

I hereby certify that the said offices/branches can sufficiently render services such as, but not limited to: maintaining complete records, accepting payments, issuance of statements of accounts, official receipts, certificates of full payment, and contracts and membership documents, all within specified timeframes, and attending to other transactions, queries, and complaints of DepEd personnel

**(Signature)**  
**Name of Authorized Representative**  
**Designation**

## **ANNEX "H"**

### **GROUNDINGS FOR SUSPENSION OR REVOCATION OF ACCREDITATION** (For Lending, Insurance Premiums, or Membership Dues/Contributions, as Applicable)

#### **Simple Grounds**

Suspension, which involves the withholding of remittance for not less than one (1) month but not more than six (6) months, and the corresponding non-acceptance of new business or deduction billing for not less than one (1) month, shall be imposed upon repeated commission of grounds classified as "Simple".

"Simple grounds" are acts or omissions of an accredited entity in violation of the guidelines on accreditation/re-accreditation or TCAA that can cause minor damage to DepEd employees who are borrowers, policy holders or members of accredited entities.

Simple grounds include, but are not limited to, the following:

- a. Billing more than one (1) loan per DepEd borrower.
- b. Not furnishing the DepEd employee, or charging the borrower/DepEd fees for, copies of the ATD, PN, DS, and/or amortization schedule in accordance with Annexes D-1 to D-3, or copies of the Certificate of Membership, Policy Contract, and/or other documents evidencing membership for insurance/mutual benefits/association duly acknowledged by Employees.
- c. Billing the co-maker, through APDS, for the loan balance of the principal borrower.
- d. Computation of interest and non-interest charges on Loan not in accordance with the guidelines, but with the Effective Interest Rate is still within the specified ceiling.
- e. Not reflecting the conditions on penalties and/or past due interest on loans, if any, in the DS signed by DepEd borrowers.
- f. Refusal to accept tender payment of loan in advance, whether partially or in full, during or after the term of the loan, from DepEd borrower/s or from other lending institutions, in case of loan take-out/buy-out by the latter.
- g. Non- or delayed issuance of the Official Receipt in case of partial or full payment.
- h. Failure or delay in the issuance of a dated Certificate of Full Payment of Loan to the DepEd borrower and/or failure to send a written request to the concerned payroll servicing unit concerned for the immediate stoppage of deduction, in case of advance payment of loan in full.
- i. Unrefunded over-deductions for the first time/payroll month.
- j. Failure to provide duly certified Statement of Account/Status of Premium Payments for every loan/transaction granted to a DepEd borrower/member, free of charge, annually and anytime upon request, within the day that the request was made by DepEd or the DepEd borrower/member, duly supported by an up-to-date payment history.
- k. Extending the termination date of loan amortization beyond what is stipulated in the Authority to Deduct signed by DepEd borrowers, or beyond the period allowed by the guidelines.
- l. Charging fee for and/or delay or non-issuance of a Certificate of Full Payment of Loan (CFPL).

- m. Failure to inform DepEd Regional/Central Office of any transfer of office location for purposes of updating Annex G of the TCAA.
- n. Using the terms "DepEd" or "public school teacher" in promotions or in any form of advertisement.
- o. Submission of billing not in accordance with the prescribed timelines.
- p. Charging and collecting interest for the remainder of the term of the loan in case of advance payment in full of the loan.
- q. Operating lending/insurance premia/mutual benefits business in a province without prior authority from DepEd.
- r. Maintaining an office that is not compliant with the requirements of the guidelines/TCAA.
- s. Non- or delayed submission of annual and semi-annual documentary requirements.
- t. Accepting Automated Teller Machine (ATM) card as collateral from DepEd employees for their loans under APDS.
- u. Inclusion in the billing statement for lending business of mutual aid system/ insurance premia deductions, or compelling any DepEd borrower to take out any type of insurance contract other than credit life insurance, as a condition to the loan agreement.
- v. Failure to submit the required documents within the period specified by the guidelines
- w. Deduction of advance payments from the loan proceeds of DepEd borrowers.
- x. Other acts or omissions similar or analogous to the above.

#### **Serious Grounds**

The Accreditation shall be revoked upon commission of grounds classified as "Serious". When the Accreditation is revoked, the Accredited Entity shall no longer be allowed to grant new business in the affected province/s under the APDS. However, collection of deductions already incorporated in the APDS as of the date of revocation shall continue up to the termination dates reflected in the pay slip. Thereafter, the APDS Code is automatically cancelled.

"Serious grounds" are acts or omissions of an accredited entity in violation of the guidelines on accreditation/re-accreditation or TCAA, which manifest fraud, bad faith, or willful misrepresentation intended to obtain undue financial gain at the expense of a DepEd employee who is a borrower, policy holder or member of accredited entities, or to undermine the effectiveness of the APDS.

Serious grounds include, but are not limited to, the following:

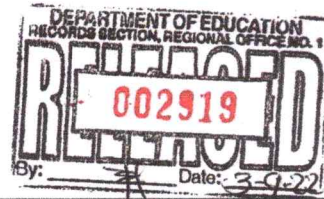
- a. Approval/release/billing of loans/insurance premium/membership dues or contributions without requisite approval by DepEd Verifier.
- b. Making false representation to the DepEd employee regarding the terms and conditions of the loan/insurance premium/membership dues or contributions.
- c. Acceptance of blank Authority to Deduct (ATD), Promissory Note (PN), Disclosure Statement, signed by the concerned DepEd borrowers.
- d. Submission of false/fraudulent documents.
- e. Inclusion of deductions not indicated in Annexes D1 – D3 (sample loan computation)



- f. Computation of interest and non-interest rates on Loan not in accordance with the guidelines and the Effective interest Rate exceeds the specified ceiling.
- g. Billing of loans not yet granted, renewed or released to DepEd borrowers.
- h. Entering into automatic payroll deduction agreements with fiscally autonomous DepEd schools.
- i. Transfer, reassignment, and sale of deduction code.
- j. "Piggy-backing" (Accredited entities allowing the use of the APDS Code by non-accredited entities).
- k. Making malicious or defamatory imputation, threat and physical injury against DepEd officials and/or personnel in relation to the implementation of the APDS.
- l. The Certificate of Registration/Authority of the entity is cancelled or terminated by the IC, SEC, BSP or CDA,
- m. Non-disclosure of the revocation or suspension of the Certificate of Registration/Authority by the concerned government regulatory bodies.
- n. Repeated suspensions based on simple grounds, indicating refusal to comply with, or wanton disregard for, APDS guidelines.
- o. Other acts or omissions constituting fraud, bad faith, or willful misrepresentation intended to obtain undue financial gain at the expense of a DepEd employee who is a borrower, policy holder or member of accredited entities, or to undermine the effectiveness of the APDS.



Republic of the Philippines  
**Department of Education**  
 REGION I



Office of the Regional Director

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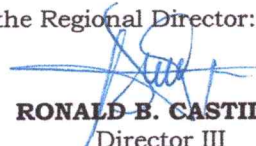
REGIONAL MEMORANDUM  
 No. 245, s. 2022

**TEMPORARY USE OF VERIFIERS' LEDGER IN MS EXCEL FORMAT**

To: **All Schools Division Superintendents**

1. This is in reference to the attached Memorandum OUF-2022-0132 dated March 2, 2022 from Annalyn M. Sevilla, Undersecretary for Finance, Department of Education, re: Temporary Use of Verifiers' Ledger in MS Excel Format.
2. This pertains to the MS Access Verifiers' Ledger (VL) being used by the designated Verifiers nationwide, which is subject to adjustment with the implementation of DepEd Order No. 004, s. 2022, entitled "*Extension of Loan Terms of Payment under the Department's Automatic Payroll Deduction System Program.*" Verifiers may download the Excel file of VL through this link: [bit.ly/3MjYw06](https://bit.ly/3MjYw06).
3. Please be reminded of the instructions specified in an unnumbered memorandum dated August 17, 2020, entitled "*Verification of Loan Amortizations to be Incorporated in the Payroll for Salaries of DepEd Personnel*" and Memorandum OUF-2020-178, dated December 11, 2020, with regard to the verification process flow to be followed by the AAOs and Verifiers including the non-discretionary assessment of resulting NTHP of the borrower.
4. For information, guidance and strict compliance.

For the Regional Director:



**RONALD B. CASTILLO**  
 Director III

Office of the Assistant Regional Director

Encl.: Memorandum OUF-2022-0132  
 Reference: Memorandum OUF-2022-0132  
 To be indicated in the Perpetual Index  
 Under the following subjects:

INFORMATION

EMPLOYEES

AD/ann/RM\_Temporary Use of Verifiers' Ledger in MS Excel Format

March 7, 2022

**DepEd Region 1: Built on character; empowered by competence.**

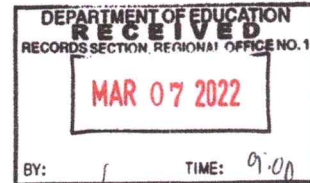


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 region1@deped.gov.ph | www.depedro1.com





Republic of the Philippines  
**Department of Education**  
OFFICE OF THE UNDERSECRETARY FOR FINANCE



MEMORANDUM  
OUF-2022-0132

FOR : REGIONAL DIRECTORS  
SCHOOLS DIVISION SUPERINTENDENTS

ATTENTION : REGIONAL CHIEFS OF ADMINISTRATIVE DIVISION  
DESIGNATED DEPED VERIFIERS  
DESIGNATED AUTHORIZED AGENCY OFFICERS (AAOs)

FROM :   
ANNALYN M. SEVILLA  
Undersecretary for Finance

SUBJECT : TEMPORARY USE OF VERIFIERS' LEDGER IN MS EXCEL FORMAT

DATE : 02 March 2022

This pertains to the MS Access Verifiers' Ledger (VL) being used by the designated Verifiers nationwide, which is subject to adjustment with the implementation of DepEd Order No. 004, s. 2022, entitled "Extension of Loan Terms of Payment under the Department's Automatic Payroll Deduction System Program."

While the adjustment of application of VL in MS Access is still in the process, all designated Verifiers may download the Excel file of VL through this Google Drive link: [bit.ly/3MjYw06](https://bit.ly/3MjYw06) to be used in the verification process of the resulting net take-home pay (NTHP) of the DepEd borrowers.

Please be reminded of the instructions specified in an unnumbered memorandum dated 17 August 2020, entitled "Verification of Loan Amortizations to be Incorporated in the Payroll for Salaries of DepEd Personnel" and Memorandum OUF-2020-718, dated 11 December 2020, "Reiteration of Memorandum dated 17 August 2020 Entitled 'Verification of Loan Amortizations to be Incorporated in the Payroll for Salaries of DepEd Personnel,'" with regard to the verification process flow to be followed by the AAOs and Verifiers including the non-discretionary assessment of resulting NTHP of the borrower. Thus, no loan application shall be recommended for approval if the borrower has no capacity to pay based on the evaluation.

For inquiries and/or suggestions, you may contact EAMD at telefax number (02) 8633-7248 or via email at [fs.eamd@deped.gov.ph](mailto:fs.eamd@deped.gov.ph) and Ms. Roma Marienda via email at [roma.marienda@deped.gov.ph](mailto:roma.marienda@deped.gov.ph) or Mr. Jayson Monis at [jayson.monis@deped.gov.ph](mailto:jayson.monis@deped.gov.ph). Attention: Ms. Marienda and Mr. Monis.

Thank you.

/s/eamd

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](mailto:usec.financebpm@deped.gov.ph)



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