



Republic of the Philippines
Department of Education
REGION V - BICOL



Office of the Regional Director

July 06, 2023

REGIONAL MEMORANDUM
No. 240, s. 2023

**REITERATION OF SALIENT PROVISION OF DEPED ORDER NO. 20, S. 2021,
PROVIDING STREAMLINED PROCESSES THEREFOR AND FOR OTHER
PURPOSES**

To : Schools Division Superintendents
School Heads, IUs/FAS
All Other Concerned

1. This refers to inputs that were consolidated after the 1st Regional Meeting with Accredited Private Lending Institutions (PLI) held June 15, 2023 at SDO Sorsogon Province including from what transpired during the virtual meeting with Pag-IBIG Fund last June 08, 2023.

2. It must be noted that there were various issues concerning the implementation of DepEd Order No. 20, S. 2021 otherwise known as **“Enhanced Guidelines on the Accreditation/Re-Accreditation of Private Entities under the Automatic Payroll Deduction System Program.”**

3. As such, this Office consolidates all salient features of the said policy for easy understanding and implementation in a Question and Answer format, to wit:

a) What types of loans require verification?

All loans offered by all PLIs, Provident, Pag-IBIG & Landbank

b) What about loan applications in GSIS, does it undergo verification as its first step?

NO. Loan applications is processed first by the AAO. In turn, the AAO refer the application to the verifier.

c) What if the application for a loan did not pass verification, what is the effect?

Concerned PLI cannot bill through APDS. As a result, the borrower shall pay through over-the-counter modality.

d) Can a PLI be allowed to establish that a certain loan did not pass verification and request for the deletion of such from the payroll system?

YES. This is proper if the existing loan deduction due to the existing PLI was bumped-off to undeducted obligation as a result of the non-verification.



Regional Center Site, Rawis, Legazpi City 4500

0969 516 9555

region5@deped.gov.ph

MATATAG
Runung Makabata Batang Makabansa



Republic of the Philippines
Department of Education
REGION V - BICOL

Office of the Regional Director

Moreover, even the Verifier himself/herself may notify the Payroll Services to effect the de-listing.

e) How does a PLI submit its billing?

A PLI is required to submit its billing in text file format.

f) How does the payroll system recognize a renewed loan?

It is recognized as New. That's why in the billing file, we type only either N for New or D for Deletion. If we use R, it will not be recognized and the resulting deduction will either be the same or no deduction at all.

g) What is the timeline in submitting both the billing and deletion files?

All PLIs must observe the timeline between 25th day of the current month up to the 5th day of the ensuing month in submitting both the billing and deletion files. Otherwise, late submission will no longer be accepted.

h) When is the uploading period start to run?

It begins after the billing and deletion files are received by the Payroll Services.

i) Can PLIs be able to determine whether their submitted billing and deletion files were recognized by the payroll system?

YES. The Payroll Services may provide them the remittance list.

j) When is rebilling proper?

Rebilling is proper only if the loan term is still in effect and coupled with any of the following circumstances:

- There was an error in the textfile and the same was no longer rectified within the uploading period; or,
- The borrower was inadvertently excluded from the textfile.

NOTE: In both items A & B, the PLI is required to attach a copy of the summary of remittance.

k) Is "buy-out" allowed?

YES, it may be allowed provided that the requirements under DepED Order No. 20, s. 2021, such as verification among others, is complied with.

l) What should a PLI do if it intends to pay any or all the other loan obligations of the borrower from another PLI?

g



Republic of the Philippines
Department of Education
REGION V - BICOL

Office of the Regional Director

the PLI must:

- Show proof of full payment to the verifier (OR, Certificate of Full Payment);
- The former PLI must immediately submit a request for a stoppage to the Payroll Services at the same time furnishing the verifier of such copy; and,
- After knowing that items A & B are complied with by the former PLI, the subsequent PLI may already include in their billing file the said new transactions to be considered as a new deduction.

m) What should a PLI do if it intends to pay any or all the GSIS loan obligations of the borrower?

The PLI must:

- Secure a valid SOA from GSIS;
- The PLI must pay the obligation within the validity period of the SOA;
- The PLI must secure the OR;
- The PLI must immediately refer the completed transaction to the ERF Handler; and,
- The PLI may already include the new deduction in its subsequent billing.

n) May a PLI be allowed to deduct twice and the same be reflected in the payslips?

NO. As a rule, PLIs are allowed to have one deduction only. However, if there is a proof that the PLI was able to secure authorization from the CO for another loan account, a separate deduction may be allowed.

o) May a PLI rely on the payslips provided by prospective borrower without the deped watermark?

YES, the PLI may rely on such Payslip without the watermark.

However, in the case (DepED ROV), we are requiring all the SDOs and IUs implementing the payroll system to use payslips with DepED watermark as added protection to the integrity of such document. Thus, all PLIs are enjoined to ask for payslips with DepED watermarks before it starts processing any loan applications. The final verification using the net pay softcopy for establishing the NTHP follows.

p) What is the duty of DepEd if the loan remittance is ready for pick-up or the same has been deposited already in the PLIs LBP account?

g



Republic of the Philippines
Department of Education
REGION V - BICOL

Office of the Regional Director

DepED shall notify the PLI through email/PLI messenger account attaching the remittance list, and validated deposit slip/LDDAP ADA.

q) What is the responsibility of the PLI if the remittance has been received either through checks or receipt of validated LDDAP ADA?

The PLI has the duty to issue the OR within 15 days. It is not the obligation of DepED to visit PLI's offices simply to get the ORs. Failure on the part of the PLI to issue the OR despite notice, DepED shall withhold the subsequent remittance.

r) If a borrower requests for the stoppage directly from the payroll services, what should the latter do?

Payroll Services shall notify first the concerned PLI about the request for stoppage, if found in order, the Payroll Services shall wait for the official confirmation in writing from the PLI to effect the same.

s) Can the PLI and the borrower agree as to whether increase or decrease the latter's original monthly amortization?

Yes. Provided that the following conditions are met:

- It will not affect any of the queued creditors that will result in the bumping off;
- The verifier must be informed;
- The NTHP of 5k shall not be reduced;
- The PLI shall submit a request for deletion for the original amortization followed by new billing indicating the increased or decreased amortization.

t) What if the PLI has been ordered to stop operations by any government regulating authority or the PLI ceased to operate, what will be the effect as regards billing?

The PLI is still allowed to collect the amortization using the APDS until full payment or the end of the loan term.

u) Is it necessary that a clearance be first issued by PLI before a DepED-borrower files his/her retirement?

NO. There is no requirement under DepED existing policies that before a DepED Borrower files his/her retirement, he/she must ask clearance from any PLI where he/she has an account.



Republic of the Philippines
Department of Education
REGION V - BICOL

Office of the Regional Director

v) When will the existing TCAA expire?

All TCAAs will expire on December 30, 2023.

4. Immediate dissemination of and strict compliance of this Memorandum is desired.

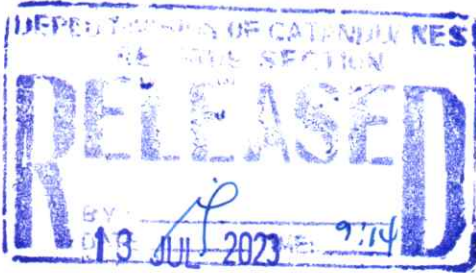

GILBERT T. SADSAD
Regional Director



Republic of the Philippines
Department of Education
REGION V - BICOL

SCHOOLS DIVISION OFFICE OF CATANDUANES

July 12, 2023



TO: Assistant Schools Division Superintendent
Chief Education Supervisors
Education Program Supervisors
Public Schools District Supervisors/In-Charge of Districts
Elementary and Secondary School Heads
All Other Concerned

For widest dissemination to all concerned.


SOCORRO V. DELA ROSA, CESO V
Schools Division Superintendent