

Republic of the Philippines
Department of Education
NATIONAL CAPITAL REGION

CN-2023-3-27-2175

REGIONAL MEMORANDUM

ORD-2023-232

**TO : SCHOOLS DIVISION SUPERINTENDENTS
CHIEFS, FUNCTIONAL DIVISIONS**

FROM : WILFREDO E. CABRAL, CESO III
Regional Director

**SUBJECT : ADOPTION OF DEPED EMPLOYEES' PROVIDENT FUND LOAN
ACCOUNT TRANSFER**

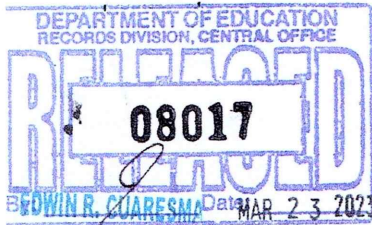
DATE : March 28, 2023

1. This has reference to the attached Memorandum OUF-2023-0112 dated February 21, 2023 from Undersecretary Annalyn M. Sevilla, relative to the above-captioned policy on Provident Fund Loan, contents of which are self-explanatory, for information and guidance.
2. For immediate dissemination and compliance.

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Republic of the Philippines
Department of Education

OFFICE OF THE UNDERSECRETARY FOR FINANCE

MEMORANDUM

OUF-2023-0112

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

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

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

DATE : FEBRUARY 21, 2023

1. It has been reported that there are salary deductions for PF loans that stopped due to the transfer of PF borrowers from one implementing office/unit to another, resulting in delinquent accounts that remain uncollected for a period of time.
2. To address the above issue, the adoption of the DepEd Employees' Provident Fund Loan Account Transfer Form (PF Transfer Form, for brevity) by the PF Chapters at the central, regional, and schools divisions offices, is directed for the following purposes:
 - a. Ensure and facilitate the continuity of the monthly deduction of loan amortizations from the salaries of PF borrowers who transferred from one implementing office/unit to another;
 - b. Standardize the process of recording the transferred loan balances of the PF borrowers;
 - c. Help the PF borrowers avoid incurring compounding of interest due to the stoppage of the loan deduction;

- d. Relieve the PF borrowers from the burden of traveling to their former place of assignment just to make a direct payment on the loan amortizations; and
 - e. Monitor and track the PF loan records efficiently.
3. For the proper use of the PF Transfer Form, all concerned must be guided by the following:

3.1 Originating Place of Assignment of the PF Borrower

- 3.1.1 The PF borrower shall inform the PF Secretariat of his/her transfer to another implementing office/unit, and subsequently request for issuance of Clearance as to PF accountability.
- 3.1.2 Before signing the Clearance of the PF borrower, the PF Secretariat shall ensure that the former's PF loan account is already transferred and recorded in the PF book of accounts of the receiving office/unit, and the transfer of payroll deduction is already effected.
- 3.1.3 The PF Secretariat shall also request the Personnel Division/Section/ Unit (Human Resource Office) for the status of employment of the borrower/s with at least three (3) months past due account/s, to check if has/have transferred to another implementing office/unit.
- 3.1.4 The PF Secretariat, upon confirmation of the transfer of the PF borrower, shall perform the following:
 - a. Accomplish Part I of the PF Transfer Form, and sign the portion "Prepared and Certified By" in the form.
 - b. Transmit the Transfer Form, duly supported with the latest processed Loan Application Form, Authority to Deduct and updated Statement of Account to Accounting Division/Section/Unit, for Journal Entry Voucher (JEV) preparation.
- 3.1.5 Once the PF Transfer Form and its attachments are transmitted, the Accounting Division/Section/Unit shall:
 - a. Prepare JEV to drop the PF Outstanding Loan Balance of the borrower in the books of accounts.
 - b. Indicate the JEV No. in the column of Part I in the PF Transfer Form, and sign the portion "JEV Prepared By" of Part I in the form.
 - c. Email in advance to the Accounting Division/Section/Unit of the borrower's receiving place of assignment (cc: PF Secretariat), the copy of the signed JEV and the supporting documents stated in Item 3.1.4 (b) stated above, for the accomplishment of Part II of the PF Transfer Form, subject to the compliance of the procedures under item 3.2 below.
 - d. Return the original and signed PF Transfer Form and JEV to the PF Secretariat.

- 3.1.6 The PF Secretariat shall prepare and mail, through the Records Division/Section/Unit, the endorsement letter signed by its PF Head Secretariat transmitting the original PF Transfer Form, signed JEV, and the supporting documents specified in Item 3.1.4(b) to the Head PF Secretariat of the borrower's receiving place of assignment.

3.1 Receiving Place of Assignment

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

- a. Accomplish Part II of the PF Transfer Form, and sign the portion "Prepared and Certified by" in the form.
- b. Transmit the PF Transfer Form to Accounting Division/Section/Unit for JEV preparation.

- 3.2.2 The Accounting Division/Section/Unit shall:

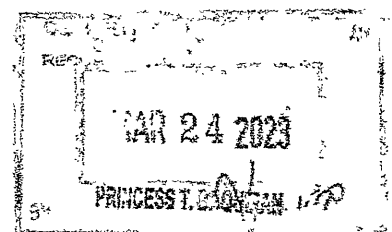
- a. Prepare JEV to set up the PF Outstanding Loan Balance of the PF borrower in the books of accounts.
- b. Indicate the JEV No. in the column of Part II in the PF Transfer Form, and sign the portion "JEV Prepared By" in the form.
- c. Return the original and signed PF Transfer Form with JEV and other attachments to the PF Secretariat, retaining one (1) copy for records purposes.

- 3.2.3 The PF Secretariat shall:

- a. Retain the original copy of the PF Transfer Form with attachments for records purposes.
- b. Reproduce the PF Transfer Form with attachments and prepare an endorsement letter signed by its Head PF Secretariat addressed to the Head PF Secretariat of the borrower's originating place of assignment for records/audit purposes, copy furnished the following:
 - b.1 Originating place of assignment- Accounting Division/Section/Unit for confirmation of the transferred account;
and
 - b.2 Principal borrower for his/her file
- c. Release the copy of the endorsement letter with attachments to the Records Division/Section/Unit for mailing.
- d. Furnish the Payroll Services Unit with a copy of the new Authority to Deduct signed by the principal borrower for integration into the payroll.

3.2.4 The Payroll Services Unit/payroll processor shall take effect the deduction of PF loan amortizations from the monthly salary of the borrower.

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





Republic of the Philippines
Department of Education
PROVIDENT FUND

Transfer Form No. _____
 Date: _____

DEPED EMPLOYEES' PROVIDENT FUND (PF) LOAN ACCOUNT TRANSFER FORM
(PF Transfer Form)

I. TO BE ACCOMPLISHED BY THE ORIGINATING PLACE OF ASSIGNMENT (PF CHAPTER)

Name of Borrower : _____ Position Title : _____
 Contact No./Email Address : _____ Employee Number : _____

Particulars	From	To
Region		
Schools Division		
School/Office Assignment		

Name of Co-Maker : _____ Present Place of Assignment of Co-maker : _____
 Address of Co-Maker : _____
 Contact No./Email Add. of Co-Maker : _____

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

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

Type of PF Loan	Amount of Principal Loan	Date Granted	Duration of Payroll Deductions (Start and End)	Outstanding Loan Balance*	Monthly Amortization	Journal Entry Voucher No.**
Multi-Purpose Loan						
Additional Loan						
TOTAL						

** Accomplished Loan Application Form and Statement/s of Account as of _____ attached; includes interest in arrears, if any

** Copies of JEV and Loan Ledger are attached

PREPARED AND CERTIFIED BY:
 Head of PF Secretariat

JEV PREPARED BY:
 Accounting Division/Unit

 Signature above Printed Name and Designation

 Signature above Printed Name and Designation

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

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

Type of PF Loan	Outstanding Loan Balance*	Monthly Amortization	Duration of Payroll Deductions (Start and End)**	Journal Entry Voucher No.***
Multi-Purpose Loan				
Additional Loan				
TOTAL				

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

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

*** Copies of JEV and Loan Ledger are attached

PREPARED AND CERTIFIED BY:
 Head of PF Secretariat

JEV PREPARED BY:
 Accounting Division/Unit

 Signature above Printed Name and Designation

 Signature above Printed Name and Designation

REMINDERS:

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

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

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

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

