



Republic of the Philippines
Department of Education

12 FEB 2014

DepEd ORDER
No. **7**, s. 2014

AMENDMENTS TO DEPED ORDER NO. 10, S. 2011
(Implementation of the DepEd Provident Resolution No. 9, s. 2006)

To: Undersecretaries
Assistant Secretaries
Bureau Directors
Directors of Services, Centers and Heads of Units
Regional Directors
Schools Division Superintendents
Heads, Public Elementary and Secondary Schools
All Others Concerned

1. Pursuant to Resolution No. 01, s. 2013 of the DepEd Provident Fund National Board of Trustees, the following amendments to the terms and conditions of the Provident Fund Calamity Loan are issued:

- a. The maximum amount of calamity loan, that may be availed of by the DepEd teaching and non-teaching personnel in areas/provinces declared under the State of Calamity, is Twenty Thousand Pesos (P 20,000.00). The terms of which are as follows:

Particulars	Terms
Nominal Interest Rate	Six percent (6%) per annum will be added to the principal amount of loan.
Number of Payments	Eighteen (18) months
Monthly Amortization	P 1,244.45 per month
Grace Period on first loan amortization	Six (6) months Thus, the first payment shall commence on the seventh (7 th) month from the date the loan was granted.

- b. The grant of calamity loan shall be subject to the limitation on the net take home pay as provided for in DepEd Order No. 1, s. 2014 or subsequent provisions in the General Provisions of the General Appropriations Act.

2. The Regional Board of Trustees shall determine when to open the window for the grant of calamity loan, based on either a provincial or municipal declaration of state of calamity, and in which division offices shall the calamity loan be made available.

3. The regional/division offices concerned shall determine the teachers and non-teaching employees to whom the calamity loan may be granted depending on the extent of damage or effect of the calamity on the teacher or non-teaching employee. The Regional Board shall also determine up to when the window for the grant of calamity loan shall be open, provided that the period shall not exceed six months after the declaration of the state of calamity. Any extension of the period for the grant of calamity loan after six months shall be subject to the approval of the National Board of Trustees.

4. The requirement on the net take home pay and DepEd payroll deduction queuing systems shall be strictly observed in granting the Provident Fund (PF) calamity loans. The regional/division offices concerned must ensure that the take home pay of the concerned borrower based on his/her latest pay slip can accommodate the deduction of the amount of P 1,244.45 per month, starting from the 7th month up to the 24th month reckoned from the date the loan was granted. This means that the PF calamity loan may be granted to a certain borrower even if at the time of loan availment, his/her net take home pay may not be sufficient to accommodate the deduction for this type of loan, but on the 7th month, there is an opening in his/her salary to accommodate the deduction for the calamity loan.

5. If the concerned teacher/employee-borrower shall be retired within 24 months, the regular payment scheme for the PF calamity loan shall apply.

6. Provisions in DepEd Order No. 10, s. 2011, which are not inconsistent with any of the above amendments, shall remain to be enforced.

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


BR. ARMIN A. LUISTRO FSC
Secretary

References:

DepEd Order: (Nos. 10, s. 2011 and 1, s. 2014)

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

CALAMITY
CHANGE
EMPLOYEES
POLICY
TEACHERS