Republic of the Philippines
Department of Education
CARAGA REGION

October 15, 2020

REGIONAL MEMORANDUM
No. 436, s. 2020

To: Schools Division Superintendents
Assistant Schools Division Superintendents
All Concerned
This Region

DISSEMINATION OF MEMORANDUM OUF-2020-0552, **RE:** *INTERNAL GUIDELINES ON THE IMPLEMENTATION OF SECTION 4 (uu) OF R.A. 11494*

1. Attached is a copy of Memorandum OUF-2020-0552 entitled ***Internal Guidelines on the Implementation of Section 4 (uu) of Republic Act 11494*** dated October 9, 2020 reiterating on the following provisional guidelines:
2.

a. Government Service Insurance System (GSIS) shall implement the 60-day moratorium on payment of loans from November 2020 to December 2020 and the loan is extended by two (2) months;

b. Accredited Private Lending Institutions (PLIs) under the Automatic Payroll Deduction System (APDS), Land Bank of the Philippines, Pag-ibig and DepEd Provident Loan agreed that the implementation of the 60-day grace period under BARO Act shall be in October to November 2020, illustrated as follows:

Entity	***Duration***
GSIS	November to December 2020
Pag-ibig	October to November 2020
Land Bank of the Philippines	October to November 2020
DepEd Provident Loan	October to November 2020
Accredited PLIs under APDS	October to November 2020

c. Other instructions contained in the provisions of DepEd Order 03, s. 2020 is hereby reiterated;

i. Once stoppage is effected, termination dates of loan shall be automatically extended for one (1) month, for every month of suspension of deduction.

ii. Deductions for insurance premia and membership contributions shall continue to be remitted to the appropriate entities.

iii. No interest on interest, penalty, fees and other charges shall be imposed on the loan amortizations not deducted from salaries of DepEd personnel during the grace period. **Billing of the resulting accrued interest, if any, on loans to be charged due to non-deductions of loan amortizations from the payroll during the grace period shall not be collected under the APDS.**

iv. DepEd borrowers shall not be constrained from paying over-the-counter the loan amortization/s not deducted from his/her salary should he/she opts to settle the loan earlier.

v. Remittance of deductions through intra- or interbank fund transfer shall be encouraged. The PLI shall coordinate with the remitting DepEd office for the procedure in setting up the payment process thru bank to bank fund transfer. The PLI shall shoulder the service charge, if any.

vi. New billings to be submitted by the PLIs must be scrutinized, and will be included in the "Undeducted Obligations" portion of the pay slip. Those that include accrued interests and penalties as a result of the non-deduction of loan amortizations during the 60-day grace period must be returned to the concerned PLIs.

d. DepEd borrowers are advised to check the attached list of PLIs/GFIs *(Annex "A")* who did not signify to waive their accrued interests to the Memorandum and at their option, they may pay over-the-counter to the PLIs/GFIs concerned, the loan amortizations not deducted from their monthly salaries should they decide not to avail the 60-day grace period on loans to avoid suffering additional accrued interest. Per record, there were 89 entities who positively respond to waive accrued interests, 30 entities which will collect accrued interests and 50 entities with no response to the request to waive accrued interests from DepEd.

3. Immediate and widest dissemination of this memorandum is desired.

FRANCIS CESAR B. BRINGAS, CESO IV
Regional Director

Encl.: *Annex A*
Reference: DepEd Order 03, s. 2020
DepED Memoramdum OUF-2020-0552

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

GUIDELINES MEMORANDUM PAYROLL POLICY

ASD/jbr
10/15/2020

Annex "A" (Attachment 1 and 2 of DM OUF-2020-0552)

Response of PLIs and GFIs under DepEd APDS with the Implementation of Section 4(uu) of Republic Act 11494, Otherwise Known as the Bayanihan to Recover as One Act (as of October 9, 2020)

A. PLIs and GFIs which will NOT Impose Any Additional Charges*

1. Government Service Insurance System
2. DepEd Provident Fund
3. Abra Public School Teachers Cooperative (code denied (with collection)
4. Agribusiness Rural Bank, Inc.
5. Agusan Del Norte Teachers, Retirees, Employees And Community Cooperative
6. Angeles City Public School Teachers and Employees Credit Cooperative
7. ASCCOM Multi-Purpose Cooperative
8. Baguio City School Teachers and Employees Multi-Purpose Cooperative
9. Banco Alabang, Inc. (A Rural Bank)
10. Banco de Mindoro, Inc. (A Rural Bank)
11. Banco Maximo, Inc. (A Rural Bank)
12. BayBank Inc. (A Rural Bank)
13. Bayugan West District Teachers Employees and Community Cooperative
14. Beneficial Life Insurance Company, Inc.
15. Camarines Sur Elementary and Secondary Teachers and Employees Association, Inc.
16. Camarines Sur Teachers and Employees Multi-Purpose Cooperative
17. Cavite United Rural Bank Corporation
18. Century Rural Bank, Inc.
19. Clarin National High School Family Multi-Purpose Cooperative
20. Country Bankers Life Insurance Corporation
21. Davao Educators and Personnel Credit Cooperative
22. Department of Education Cooperative (DepEd Coop)
23. DepEd MIMAROPA Multi-Purpose Cooperative
24. Digos City National High School Teachers and Employees Multi-Purpose Cooperative
25. Division Teachers And Non-Teaching Multi-Purpose Cooperative
26. Echague Public School Teachers Multi-Purpose Cooperative
27. Enrile Teachers Integrated Development Cooperative
28 Etiqa Life and General Assurance Philippines, Inc.
29. First United Finance and Leasing Corporation (Financing Company)
30. Fortune Life Insurance Company, Inc.
31. Frontier Rural Bank, Inc.
32. General Tinio Faculty and Personnel Association Credit Cooperative
33. Golden R&L Finance Corporation
34. Great Educational Financing Corporation (Financing Company)
35. Home Technologist Credit Cooperative (HOMETECC)**
36. Initao National Comprehensive High School Teachers and Employees Cooperative
37. Innovative Bank, Inc. (A Rural Bank)
38. Janiuay Rural Bank, Inc.

39. Kabankalan-Ilog Teachers and Employees Multi-Purpose Cooperative (KITEMPCO)
40. Kaguruan Multi-Purpose Cooperative
41. Katipunan Bank, Inc. (A Rural Bank)
42. Kilusang Nueve Multi-Purpose Cooperative **
43. Lagawe Multi-Purpose Development Cooperative
44. Libacao Development Cooperative
45. Libungan National Employees Multi-Purpose Cooperative
46. Llanera Teachers Association Multi-Purpose Cooperative
47. Mactan Rural Bank (Lapu-Lapu City), Inc.
48. Madalag Teachers' Multi-Purpose Cooperative
49. Manila Teachers' Mutual Aid System, Inc. (MTMASI)
50. Manila Teachers' Savings and Loan Association, Inc.
51. Marayo Bank, Inc. (A Rural Bank)
52. Masisit-Dacal Livelihood Cooperative (MASCOOP)
53. Mindanao Educators Mutual Benefit Association, Inc.
54. Mt. Province Teachers' Mutual Aid System
55. Munoz National High School Multi-Purpose Cooperative**
56. Negros Teachers' Multi-Purpose Cooperative
57. Novo Ecijano Teachers' Mutual Benefit Association, Inc. (NETMBAI)
58. Olongapo City National High School Employees Multi-Purpose Cooperative, Inc.**
59. Paramount Life & General Insurance Corporation
60. Philippine Business Bank merged with Insular Savers Bank, Inc. (A Rural Bank)
61. Philippine Life Financial Assurance Corporation
62. Philippine Public School Teachers Association (PPSTA)
63. Philippines International Life Insurance Company, Inc.
64. Quezon Public School Teachers and Employees Credit Cooperative (QPSTECC)
65. Racso's Bank, Inc. (A Rural Bank)
66. Romblon National High School Teachers & Employees Multi-Purpose Cooperative**
67. Rubetan Finance Corporation (Financing Company)
68. Rural Bank of Angeles, Inc.
69. Rural Bank of Bambang (Nueva Vizcaya), Inc.
70. Rural Bank of Ibajay, Inc.
71. Rural Bank of Irosin (Sorsogon), Inc.
72. Rural Bank of Malolos, Inc.
73. Rural Bank of Manukan (Zamboanga del Norte), Inc.
74. Rural Bank of Siocon (Zamboanga del Norte), Inc.
75. Santiago-San Isidro Teachers Multi-Purpose Cooperative
76. Sta. Ana Multi-Purpose Cooperative (SAMULCO)
77. Sta. Elena High School Teachers and Employees Multi-Purpose Cooperative
78. Tacurong Teachers and Employees Multi-Purpose Cooperative
79. Tanay District Teachers Credit Cooperative
80. Teachers Association of Pangasinan Multi-Purpose Cooperative
81. Teachers Association of Pangasinan, Dagupan City and San Carlos City, Inc.
82. Teachers Association of Pangasinan, Inc.
83. Unistar Credit And Finance Corporation

84. United Coconut Planters Life Assurance Corporation (COCOLIFE)
85. United Teachers Multi-Purpose Cooperative
86. Yields Financial Corporation
87. Zamboanga City Rural Bank, Inc.
88. Zamboanga Del Sur-Sibugay-Pagadian City Teachers' Association (ZSSPCTA), Inc.
89. Zamboanga Peninsula Teachers and Community Multi-Purpose Cooperative
** - TCAA prepared by the Regional Office

NOTES:
1. * - Interest on Outstanding Principal Loan Balance that will not be remitted within 60-day grace period AND will not be paid over-the-counter on or before December 31, 2020.
2. With the implementation of the 60-day grace period, the PLIs and GFIs not included in this list WILL charge monthly interest on Outstanding Principal Loan Balance, in case not settled or paid over-the-counter on or before December 31, 2020.

B. PLIs and GFI which Will COLLECT the Accrued Interests for the 60-Day Grace Period (DepEd borrowers may opt to pay over-the-counter, should they prefer not to avail the 60-days grace period with these lending institutions)

1. Land Bank of the Philippines
2. 1st Valley Bank, Inc. (A Development Bank)
3. Aurora Bank, Inc. (A Micro-Finance Oriented Rural Bank)
4. Bankways, Inc. (A Rural Bank)
5. Bataan Public School Teachers and Employees Association, Inc.
6. BDO Network Bank, Inc. (A Rural Bank)
7. Cagsawa Rural Bank, Inc.
8. Camalig Bank, Inc. (A Rural Bank)
9. China Bank Savings, Inc.
10. City Savings Bank, Inc.
11. Community Rural Bank of Dapitan City, Inc.
12. East West Rural Bank, Inc. (EWRBI)
13. Enterprise Bank, Inc.
14. First Consolidated Bank, A Private Development Bank
15. GM Bank of Luzon, Inc. (A Rural Bank)
16. Gubat Saint Anthony Cooperative
17. Iloilo National High School Faculty and Employees Multi-Purpose Cooperative
18. Legazpi Savings Bank, Inc.
19. Mount Carmel Rural Bank, Inc.
20. National Teachers and Employees Cooperative Bank (NTECB)
21. PBCOM Rural Bank (Formerly: Banco Dipolog, Inc., A Rural Bank)
22. Producers Savings Bank Corporation
23. Rural Bank of Barili (Cebu), Inc.
24. Rural Bank of Mati, Inc.
25. Rural Bank of San Jacinto (Masbate), Inc.
26. Sun Savings Bank
27. Tagum Cooperative

28. UCPB Savings Bank, Inc.
29. Unilink Bank, Inc. (A Rural Bank)
30. Wealth Development Bank Corporation

C. PLIs and GFI with No Response to the Request for Waiver of Collection of Accrued Interest

1. Pag-IBIG Fund
2. AMA Rural Bank of Mandaluyong, Inc. (under Receivership of PDIC)
3. ASPAC Rural Bank, Inc.
4. Bataan School of Fisheries Faculty and Staff Multi-Purpose Cooperative
5. Bohol Public School Teachers and Employees Multi-Purpose Cooperative**
6. Cabatuan National Comprehensive High School Multi-Purpose Cooperative
7. Cebu CFI Community Cooperative
8. Country Builders Bank, Inc. (A Rural Bank)
9. Cristal Vi Finance Corporation
10. Crosscap Financing, Inc.
11. DECS Sagay Employees Multi-Purpose Cooperative
12. DECS South Cotabato Mutli-purpose Cooperative
13. DepEd RO6 Multi-Purpose Cooperative
14. Des Financing Corporation
15. Eastern Peninsula Teachers Credit Cooperative (EPTCC)
16. Farmers Savings and Loan Bank, Inc.
17. First Community Bank, Inc. (Rural Bank)
18. Grandvista Finance Corporation
19. Hiyas Banking Corporation (A Thrift Bank)
20. Innovative Investors and Financing Company, Inc.
21. Jacinto P. Elpa High School Employees Multi-Purpose Cooperative
22. Jalandoni Memorial National High School Teachers' and Employees Development Cooperative
23. La Castellana I Personnel Multi-Purpose Cooperative
24. Lagawe Highlands Rural Bank, Inc. (Banco Lagawe)
25. Legazpi City Division Credit Cooperative
26. Luzon Development Bank
27. Makati Educators Multi-Purpose Cooperative (MAK-ED) MPC**
28. Marcelo H. Del Pilar National High School Teachers Multi-Purpose Cooperative**
29. MOGCHS Faculty, Retirees, Employees and Students Mulit-Purpose Cooperative**
30. Monkayo Public School Teachers, Employees and Retirees Multi-Purpose Cooperative
31. Mr. Yu Finance Corporation
32. Naga School Teachers Multi-Purpose Cooperative
33. Pampanga High School Multi-Purpose Cooperative
34. People's Credit Network Finance Company, Inc.
35. Piwong Multipurpose Cooperative
36. Quezon National High School Multi-Purpose Cooperative
37. R6 Teachers Association, Inc.
38. Radiowealth Finance Company, Inc.

39. Ramon Avanceña National High School Faculty and Employees Multi-Purpose Cooperative
40. Rang-ay Bank (A Rural Bank), Inc.
41. Rosales National High School Teachers and Employees Multi-Purpose Cooperative
42. Rural Bank of Central Pangasinan, Inc.
43. Rural Bank of Dulag (Leyte), Inc.
44. Rural Bank of Pilar (Sorsogon), Inc.
45. Rural Bank of Tangub City (Mis. Occ.), Inc.
46. Sorsogon Public School Teachers and Employees Multi-Purpose Cooperative, Inc.
47. Tabaco National High School-Alay Kapwa Multi-Purpose Cooperative (TNHS-AKMPC)**
48. Triple Diamond Finance Corporation
49. Unicapital Finance and Investments, Inc.
50. Z.C. Crown Link Finance Corporation

** - TCAA prepared by the Regional Office

D. PLIs with No Loans Granted

1. Cooperative Bank of Cotabato
2. Emerald Rural Bank, Inc.
3. Negros Cooperative Bank
4. Rural Bank of San Agustin (Isabela), Inc.

ATTACHMENT 2

Sample Computation of Accrued Interest to be Charged by PLIs which did NOT Signify on its Waiver

ASSUMPTIONS:

- 60-day grace period to be implemented on Oct. 2020 payroll month
- Term of Loan : 9% per annum, payable in 2 years or 24 months, or 0.75% per month
- P300,000.00 Principal Loan, with Outstanding Principal Loan Balance of P229,965.71 as of Sept. 2020

COMPUTATION:

Outstanding Principal Balance as of Sept. 2020 P229,965.71
Multiplied by Contractual Interest Rate per Month 0.75%
Accrued Interest for October 2020 P1,724.74
Accrued Interest for November 2020 P1,724.74
Total Accrued Interest for 2 months – to be paid outside APDS P3,442.48

NOTES:

1. Pursuant to Section 4(uu) of R 11494 (Bayanihan Act 2), the total Accrued Interest may be settled on staggered basis without interest on interests, penalties and other charges until December 31, 2020 (i.e. P1,724.74/month from Nov. to Dec. 2020, or as may be agreed upon by the borrower and the Lender).

2. Unlike in Section 4 (aa) of RA 11469 (Bayanihan Act 1), the Accrued Interest may be settled on staggered basis without interest on interests, penalties and other charges over the remaining life of the loan (eg. In case the remaining life of the loan is 16 months, the borrower may opt to pay P215.60 per month (i.e. P3,449.49 divided by 16 months = P215.60)

3. The accrued interest to be charged under Bayanihan Act 2 is over and above the accrued interest charged by the Lender under the Bayanihan Act 1