



Republic of the Philippines
Department of Education
REGION VI – WESTERN VISAYAS
SCHOOLS DIVISION OF AKLAN

March 4, 2022

DIVISION MEMORANDUM

No. 115, s. 2022

**EXTENSION OF LOAN TERMS OF PAYMENT UNDER THE DEPARTMENT'S
AUTOMATIC PAYROLL DEDUCTION SYSTEM PROGRAM**

To: **OIC, Office of the Assistant Schools Division Superintendent**
Chief Education Supervisors
Education Program Supervisors
Public Schools District Supervisors
Heads of Public Elementary, Secondary and Integrated Schools
All Others Concerned

1. Attached is a copy of Regional Memorandum No. 153 s. 2022 dated March 1, 2022, titled " **EXTENSION OF LOAN TERMS OF PAYMENT UNDER THE DEPARTMENT'S AUTOMATIC PAYROLL DEDUCTION SYSTEM PROGRAM**".
2. Immediate dissemination of this memorandum is desired.


MIGUEL MAC D. APOSIN EdD, CESO V
Schools Division Superintendent

PYM/mtb



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Department of Education
REGION VI — WESTERN VISAYAS

MAR 01 2022

REGIONAL MEMORANDUM
No. 153 s. 2022

EXTENSION OF LOAN TERMS OF PAYMENT UNDER THE DEPARTMENT'S
AUTOMATIC PAYROLL DEDUCTION SYSTEM PROGRAM

To: Schools Division Superintendents
All Others Concerned

- Attached is DepEd Order No. 004, S. 2022 from the Offices of the Secretary, Department of Education, on the Extension of Loan Terms of Payment under the Department's Automatic Payroll Deduction System.
- Immediate dissemination of this Memorandum is desired.

RAMIR B. UYTICO EdD, CESO III
Regional Director

Reference: DepEd Order No. 004, S. 2022
To be indicated in the Perpetual Index
under the following subjects:

OFFICIALS LOANS PAYROLL



Address: Duran Street, Iloilo City, 5000
Telephone Nos: (033)509-7653; (033)336-2816
Email Address: region6@deped.gov.ph
Website: region6.deped.gov.ph

Document Name	Document No.	Date Created	Revision Number
Regional Memorandum	DepEd RO6-RPSU-003	February 28, 2022	New



Republic of the Philippines
Department of Education



21 FEB 2022

DepEd ORDER
No. 004, s. 2022

**EXTENSION OF LOAN TERMS OF PAYMENT UNDER THE DEPARTMENT'S
AUTOMATIC PAYROLL DEDUCTION SYSTEM PROGRAM**

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

1. In view of the clamor of the Department of Education (DepEd) personnel to extend the payment terms of loans offered to DepEd personnel-borrower by private lending institutions accredited under the Department's APDS Program, Paragraph 26 of Enclosure No. 1 of DepEd Order (DO) No. 020, s. 2021 titled **Enhanced Guidelines on Accreditation/Re-accreditation of Private Entities Under the Automatic Payroll Deduction System (APDS) Program**, shall be amended to extend the maximum loan term from three to five years. Paragraph 26 of the said DO shall now read as follows:

26. Entities participating in the APDS for lending business shall conform with the ceilings on interest and non-interest rates on loans as shown below. Only loans with a term not exceeding five years will be accommodated under the APDS. Illustrations for the loan computations from one to five years are in Annexes D-1 to D-5 of Enclosure No. 2 of this DepEd Order.

Particulars	Ceilings
Contractual Interest Rates (based on diminishing/declining principal balance)	1 year – 7.500% per annum (p.a.) or 0.625% per month 2 years – 9.000% p.a. or 0.750% per month 3 years – 9.660% p.a. or 0.805% per month 4 years – 9.66% p.a. or 0.805 per month 5 years – 9.66% p.a. or 0.805 per month
One-time Other Charges (Must be itemized in the Disclosure Statement)	6.000%, deducted upfront from the principal amount of loan
Effective Interest Rates (EIR) p.a.	1 year – 21.091% 2 years – 16.351% 3 years – 14.886% 4 years – 13.759% 5 years – 13.082%

2. For ready reference and guidance of all concerned, the copies of the Illustrations under Annexes D-1 to D-5 of the abovementioned Enclosure 2 (Terms and Conditions of the APDS Accreditation) of DO 020, s. 2021, as amended, are shown in Attachment No. 1 hereof.
3. All other provisions of DO 020, s. 2021 shall remain effective after the issuance of this Order.
4. This Order shall take effect upon posting on the DepEd website. It shall also be filed with the University of the Philippines Law Center (UP LC)-Office of the National Administrative Register (ONAR), UP Diliman, Quezon City.
5. For more information, please contact the **Employee Account Management Division, (acting as APDS Secretariat)**, 2/F Teodoro Alonzo Building, Department of Education Central Office, DepEd Complex, Meralco Avenue, Pasig City, through email at fs.eamd@deped.gov.ph or at telephone number (02) 8633-7248.
6. Immediate dissemination of and strict compliance with this Order is directed.


LEONOR MAGTOLIS BRIONES
Secretary

Encls.:
As stated



Reference:
DepEd Order No. (020, s. 2021)

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

ACCREDITATION
AMENDMENT
LOAN
PAYMENT
POLICY
PROGRAMS



Republic of the Philippines
Department of Education
AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS) PROGRAM

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		Contractual Interest Rate		
2	Loan Term (in years)		1		Per Annum	= 7.500%	
3	No. of installments (in mon)		12		Per Month	= 0.625%	
4	Grace period (in months)		-		Nominal Interest Rate	= 4.109%	
5	No. of periods (in months)		12		Effective Interest Rate (EIR)		
6	Other Charges		6.000%		Per Annum	= 21.091%	
					Per Month	= 1.608%	
7	Monthly Installment		PhP 8,675.75				
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</u> <u>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		8,621.86	53.89		(8,675.75)	-
23	Total		100,000.00	4,108.91	6,000.00		



Republic of the Philippines
Department of Education
AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS) PROGRAM

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 mon		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%	
					Per Month	= 1.270%	
7	Monthly Installment		PhP 4,568.48				
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</u> <u>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		4,534.47	34.01		(4,568.48)	-
35	Total		100,000.00	9,643.37	6,000.00		



Republic of the Philippines
Department of Education
AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS) PROGRAM

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 mon		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%	
					Per Month	= 1.163%	
7	Monthly Installment		PhP 3,210.78				
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</u> <u>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		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		3,185.14	25.64		(3,210.78)	-
47	Total		100,000.00	15,588.05	6,000.00		

Republic of the Philippines
Department of Education
AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS) PROGRAM



EFFECTIVE INTEREST CALCULATION MODEL FOR A FOUR (4)-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)		4		Per Annum	=	9.660%
3	No. of installments (in mon		48		Per Month	=	0.805%
4	Grace period (in months)		-		Nominal Interest Rate	=	4.916%
5	No. of periods (in months)		48		Effective Interest Rate (EIR)		
6	Other Charges		6.0000%		Per Annum	=	13.759%
					Per Month	=	1.080%
7	Monthly Installment		PhP 2,519.97				
8							
9	<u>Installment</u>	<u>Gross Loan</u>	<u>Principal</u>	<u>Interest</u>	<u>Other</u>	<u>NET</u>	<u>Outstanding</u>
	<u>Period</u>				<u>Charges</u>	<u>PROCEEDS</u>	<u>Balance</u>
						<u>Cash Flows</u>	
10	0	100,000.00			6,000.00	94,000.00	100,000.00
11	1		1,714.97	805.00		(2,519.97)	98,285.03
12	2		1,728.78	791.19		(2,519.97)	96,556.25
13	3		1,742.69	777.28		(2,519.97)	94,813.56
14	4		1,756.72	763.25		(2,519.97)	93,056.84
15	5		1,770.86	749.11		(2,519.97)	91,285.98
16	6		1,785.12	734.85		(2,519.97)	89,500.86
17	7		1,799.49	720.48		(2,519.97)	87,701.37
18	8		1,813.97	706.00		(2,519.97)	85,887.40
19	9		1,828.58	691.39		(2,519.97)	84,058.82
20	10		1,843.30	676.67		(2,519.97)	82,215.52
21	11		1,858.14	661.83		(2,519.97)	80,357.38
22	12		1,873.09	646.88		(2,519.97)	78,484.29
23	13		1,888.17	631.80		(2,519.97)	76,596.12
24	14		1,903.37	616.60		(2,519.97)	74,692.75
25	15		1,918.69	601.28		(2,519.97)	72,774.06
26	16		1,934.14	585.83		(2,519.97)	70,839.92
27	17		1,949.71	570.26		(2,519.97)	68,890.21
28	18		1,965.40	554.57		(2,519.97)	66,924.81
29	19		1,981.23	538.74		(2,519.97)	64,943.58
30	20		1,997.17	522.80		(2,519.97)	62,946.41
31	21		2,013.25	506.72		(2,519.97)	60,933.16
32	22		2,029.46	490.51		(2,519.97)	58,903.70
33	23		2,045.80	474.17		(2,519.97)	56,857.90
34	24		2,062.26	457.71		(2,519.97)	54,795.64
35	25		2,078.87	441.10		(2,519.97)	52,716.77
36	26		2,095.60	424.37		(2,519.97)	50,621.17
37	27		2,112.47	407.50		(2,519.97)	48,508.70
38	28		2,129.47	390.50		(2,519.97)	46,379.23
39	29		2,146.62	373.35		(2,519.97)	44,232.61
40	30		2,163.90	356.07		(2,519.97)	42,068.71
41	31		2,181.32	338.65		(2,519.97)	39,887.39
42	32		2,198.88	321.09		(2,519.97)	37,688.51
43	33		2,216.58	303.39		(2,519.97)	35,471.93
44	34		2,234.42	285.55		(2,519.97)	33,237.51
45	35		2,252.41	267.56		(2,519.97)	30,985.10
46	36		2,270.54	249.43		(2,519.97)	28,714.56
47	37		2,288.82	231.15		(2,519.97)	26,425.74
48	38		2,307.24	212.73		(2,519.97)	24,118.50
49	39		2,325.82	194.15		(2,519.97)	21,792.68
50	40		2,344.54	175.43		(2,519.97)	19,448.14
51	41		2,363.41	156.56		(2,519.97)	17,084.73
52	42		2,382.44	137.53		(2,519.97)	14,702.29
53	43		2,401.62	118.35		(2,519.97)	12,300.67
54	44		2,420.95	99.02		(2,519.97)	9,879.72
55	45		2,440.44	79.53		(2,519.97)	7,439.28
56	46		2,460.08	59.89		(2,519.97)	4,979.20
57	47		2,479.89	40.08		(2,519.97)	2,499.31
58	48		2,499.85	20.12		(2,519.97)	-
59	Total		100,000.00	19,664.63	6,000.00		

Republic of the Philippines
Department of Education
AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS) PROGRAM



EFFECTIVE INTEREST CALCULATION MODEL FOR A FIVE (5)-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)		5		Per Annum	= 9.660%	
3	No. of installments (in mon)		60		Per Month	= 0.805%	
4	Grace period (in months)		-		Nominal Interest Rate	= 5.296%	
5	No. of periods (in months)		60		Effective Interest Rate (EIR)		
6	Other Charges		6.000%		Per Annum	= 13.082%	
7	Monthly Installment		Php 2,108.02		Per Month	= 1.030%	
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</u> <u>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		1,303.02	805.00		(2,108.02)	98,696.98
12	2		1,313.51	794.51		(2,108.02)	97,383.47
13	3		1,324.08	783.94		(2,108.02)	96,059.39
14	4		1,334.74	773.28		(2,108.02)	94,724.65
15	5		1,345.49	762.53		(2,108.02)	93,379.16
16	6		1,356.32	751.70		(2,108.02)	92,022.84
17	7		1,367.24	740.78		(2,108.02)	90,655.60
18	8		1,378.24	729.78		(2,108.02)	89,277.36
19	9		1,389.34	718.68		(2,108.02)	87,888.02
20	10		1,400.52	707.50		(2,108.02)	86,487.50
21	11		1,411.80	696.22		(2,108.02)	85,075.70
22	12		1,423.16	684.86		(2,108.02)	83,652.54
23	13		1,434.62	673.40		(2,108.02)	82,217.92
24	14		1,446.17	661.85		(2,108.02)	80,771.75
25	15		1,457.81	650.21		(2,108.02)	79,313.94
26	16		1,469.54	638.48		(2,108.02)	77,844.40
27	17		1,481.37	626.65		(2,108.02)	76,363.03
28	18		1,493.30	614.72		(2,108.02)	74,869.73
29	19		1,505.32	602.70		(2,108.02)	73,364.41
30	20		1,517.44	590.58		(2,108.02)	71,846.97
31	21		1,529.65	578.37		(2,108.02)	70,317.32
32	22		1,541.97	566.05		(2,108.02)	68,775.35
33	23		1,554.38	553.64		(2,108.02)	67,220.97
34	24		1,566.89	541.13		(2,108.02)	65,654.08
35	25		1,579.50	528.52		(2,108.02)	64,074.58
36	26		1,592.22	515.80		(2,108.02)	62,482.36
37	27		1,605.04	502.98		(2,108.02)	60,877.32
38	28		1,617.96	490.06		(2,108.02)	59,259.36
39	29		1,630.98	477.04		(2,108.02)	57,628.38
40	30		1,644.11	463.91		(2,108.02)	55,984.27
41	31		1,657.35	450.67		(2,108.02)	54,326.92
42	32		1,670.69	437.33		(2,108.02)	52,656.23
43	33		1,684.14	423.88		(2,108.02)	50,972.09
44	34		1,697.69	410.33		(2,108.02)	49,274.40
45	35		1,711.36	396.66		(2,108.02)	47,563.04
46	36		1,725.14	382.88		(2,108.02)	45,837.90
47	37		1,739.02	369.00		(2,108.02)	44,098.88
48	38		1,753.02	355.00		(2,108.02)	42,345.86
49	39		1,767.14	340.88		(2,108.02)	40,578.72
50	40		1,781.36	326.66		(2,108.02)	38,797.36
51	41		1,795.70	312.32		(2,108.02)	37,001.66
52	42		1,810.16	297.86		(2,108.02)	35,191.50
53	43		1,824.73	283.29		(2,108.02)	33,366.77
54	44		1,839.42	268.60		(2,108.02)	31,527.35
55	45		1,854.22	253.80		(2,108.02)	29,673.13
56	46		1,869.15	238.87		(2,108.02)	27,803.98
57	47		1,884.20	223.82		(2,108.02)	25,919.78
58	48		1,899.37	208.65		(2,108.02)	24,020.41
59	49		1,914.66	193.36		(2,108.02)	22,105.75
60	50		1,930.07	177.95		(2,108.02)	20,175.68
61	51		1,945.61	162.41		(2,108.02)	18,230.07
62	52		1,961.27	146.75		(2,108.02)	16,268.80
63	53		1,977.06	130.96		(2,108.02)	14,291.74
64	54		1,992.97	115.05		(2,108.02)	12,298.77
65	55		2,009.01	99.01		(2,108.02)	10,289.76
66	56		2,025.19	82.83		(2,108.02)	8,264.57
67	57		2,041.49	66.53		(2,108.02)	6,223.08
68	58		2,057.92	50.10		(2,108.02)	4,165.16
69	59		2,074.49	33.53		(2,108.02)	2,090.67
70	60		2,091.19	16.83		(2,108.02)	-
71	Total		100,000.00	26,480.68	6,000.00		