



Republic of the Philippines
Department of Education
REGION VIII - EASTERN VISAYAS

January 31, 2022

REGIONAL MEMORANDUM

No. **079**, s. 2022

ACTION TO BE TAKEN ON STALE CHECKS

To: Chief of Finance and Administrative Division
Head of Regional Payroll Services Unit
School Heads of Implementing Unit-Secondary Schools (IU-SS)
All Others Concerned

1. Attached is the DepEd Memorandum OUF-2022-0035 dated January 19, 2022 re: Actions to be taken on stale checks pursuant to the approved APDS Task Force Resolution No. 7, s. 2021.
2. For information, guidance and compliance.


EVELYN R. FETALVERO, CESO IV
Regional Director

Enclosures: None

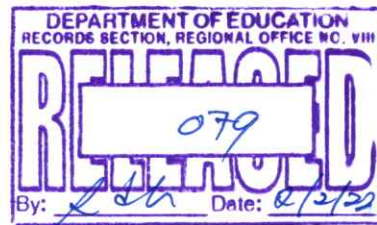
References: DepEd Memorandum OUF-2022-0035 dated January 19, 2022

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

REMITTANCE

STALE CHECKS

AD-CS-RLR






Republic of the Philippines
Department of Education
OFFICE OF THE UNDERSECRETARY FOR FINANCE



MEMORANDUM
OUF-2022-0035

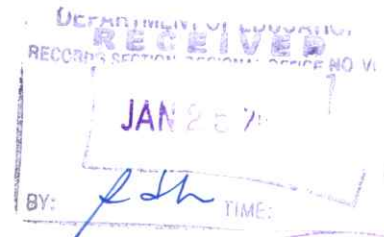
TO : REGIONAL DIRECTORS

ATTENTION : Chiefs of Finance and Administrative Divisions
Heads of Regional Payroll Services Unit
School Heads of Implementing Unit-Secondary Schools (IU-SS)

FROM :  ANNALYN M. SEVILLA
Undersecretary for Finance

SUBJECT : ACTION TO BE TAKEN ON STALE CHECKS

DATE : January 19, 2022



1. This is to inform you of the approval by this Office of DepEd CO APDS Task Force Board Resolution No. 7, s. 2021 entitled "A Resolution Recommending the Action to be Taken on Stale Checks Reported by DepEd Regions."
2. Pursuant to the approved APDS Task Force Resolution, the following are the actions to be made by the regions and IU-SS under jurisdictions:
 - a. Notify in writing via registered mail with return card the concerned private entities and the Philippine Deposit Insurance Corporation (for closed banks under its receivership) regarding the remittance checks that became stale, and inform them that the collections will be refunded to their borrowers in case the remittance is not claimed within two (2) months after the date of issuance of the letter of notification; and
 - b. For the collections in favor of AMA Rural Bank of Mandaluyong and Philippine Prudential Life Insurance Company, Inc., the directives in Memorandum OUF No. 2019-0385 and an unnumbered memorandum dated December 28, 2020, respectively, copies attached for reference, shall remain in force, until further notice.
3. For compliance. Thank you.

410



Republic of the Philippines
Department of Education
OFFICE OF THE UNDERSECRETARY FOR FINANCE

MEMORANDUM
DTE-2019-0319

TO : ALL REGIONAL DIRECTORS
SCHOOLS DIVISION SUPERINTENDENTS

ATTENTION : Chiefs of Finance and Administrative Divisions
Heads of Regional Payroll Services Unit

FROM : *Annaelyn M. Sevilla*
ANNAEYN M. SEVILLA
Undersecretary

SUBJECT : DIRECTIVES ON THE CLOSURE OF AMA RURAL BANK OF
MANDALUYONG, INC. WITH REGARD TO APDS TRANSACTIONS

DATE : December 6, 2019

This has reference to the attached letter of Ms. Shirley G. Felix, Vice President, Loans Management Group, Philippine Deposit Insurance Corporation (PDIC), informing this Office that AMA Rural Bank of Mandaluyong, Inc., a private lending institution accredited with the Department's Automatic Payroll Deduction System (APDS) under APDS Code 1126, is now under the PDIC Receivership pursuant to Central Bank Monetary Board Resolution No. 1705.D dated November 7, 2019.

Pending final decision and agreement between PDIC and DepEd officials on the matter, all concerned payroll servicing units are hereby advised to:

1. Put on hold all remittances under APDS Code 1126 due to the bank, effective immediately, until further instructions from this Office;
2. Continue the existing deduction of loan obligations under the said code from the monthly salaries of the concerned DepEd personnel, until the maturity period reflected in their pay slips. Requests for stoppage of said deduction may only be allowed for valid reason, or upon notification by the PDIC;
3. Not to accept new billing statements from the said bank;
4. Send inquiries, communications or transactions relating to or involving the bank, if any, addressed to the following:
 - a. PDIC's Public Assistance Department at email address pad@pdic.gov.ph, or contact the said office at telephone number 8841-41-41; and

b. PDIC Liquidator of AMA Rural Bank, Inc., located at PDIC Office, SSS Bldg., Ayala Avenue cor. V. A. Rufino St., Makati City,

For your guidance and compliance.

A. M. SEVILLA

Attachments: **As stated.**

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Bank deposit mo, protektado!

#918952
Office of the Undersecretary
Finance
Received by: Joyce
Date: 11-26-19 Time: 3:22pm

November 18, 2019

MS. ANALYN M. SEVILLA
Undersecretary for Finance
Department of Education
DepEd Complex
Meralco Avenue, Pasig City 1600

Dear Undersecretary Sevilla:

Please be informed that, pursuant to Section 30 of R.A. No. 7653 (New Central Bank Act), the Monetary Board, in Resolution No. 1705.D dated November 7, 2019, prohibited **AMA RURAL BANK OF MANDALUYONG, INC.** ("Bank") with Head Office address at 311 Shaw Blvd., Brgy. Hagdang Bato Libis, City of Mandaluyong, from doing business in the Philippines and directed the **PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC)** as Receiver to proceed with the takeover and liquidation of the Bank in accordance with Section 12 of R.A. 3591, as amended.

The Bank has twelve (12) branches located at the following addresses:

Branch	Address
Pasig	Unit 103 Armal Bldg. 2, F. Legaspi St. cor. C. Raymundo Ave., Brgy. Maybunga, City of Pasig
Baliuag	G/F Jent Bldg., Benigno S. Aquino Ave., Brgy. Poblacion, Baliuag, Bulacan
Pampanga	#8 Pistahan Bldg., Mc Arthur Highway, Brgy. Dolores, City of San Fernando
Bacoor	Units 114 & 115 Conrado Commercial Complex, Km. 16 Aguinaldo Highway, Brgy. Nlog, City of Bacoor
Cainta	Level 1 GF Robinson's Place, Ortigas Ave. Ext., Brgy. Sto. Domingo, Cainta, Rizal
Morong	304 Tomas Claudio St., Brgy. San Pedro (Pob), Morong, Rizal
San Pablo	Jamora Bldg., 150 Burgos St., Brgy. VII-B (Pob), City of San Pablo, Laguna
Calamba	Dencris Bldg., National Highway, Brgy. Halang, City of Calamba
Baguio	143 Ongking Bldg., Abanao St., Brgy. Abanao-Zanduetta-Kayong-Chugum-Otek, City of Baguio
La Union OBO	GF MZF Bldg., Gov. Luna Rd., Barangay IV (Pob), City of San Fernando, La Union
Tuguegarao OBO	#37 AMA Bldg., Caggay Highway, Brgy. Caggay, Tuguegarao City, Cagayan
Tacloban OBO	AMA Computer College-Tacloban Campus, Leyte Academic Center, Brgy. Pawing, Palo, Leyte

The PDIC took over the Bank and all its branches, assets, records and affairs on November 8, 2019.

Upon the placement of the Bank under liquidation, the powers, functions and duties of the directors, officers and stockholders of the Bank are terminated. Accordingly, the directors, officers and stockholders shall be barred from interfering in any way with the assets, records and affairs of the Bank.

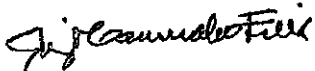
PHILIPPINE DEPOSIT INSURANCE CORPORATION

3rd - 10th Floor SSS Bldg., 6782 Ayala Ave. corner V.A. Rufino St., Makati City 1226 Philippines
Tel. No.: (632) 841-4630 | Toll Free: 1-800-1-888-7342 or 1-800-1-888-PDIC
Website: www.pdic.gov.ph

Moreover, Section 13(e)4 of R.A. 3591 (PDIC Charter), as amended by R.A. 10846, provides that notwithstanding the provisions of the Labor Code, the employer-employee relationship between the Bank and its employees shall be deemed terminated upon service of the Notice of Closure of the Bank.

Henceforth, all inquiries, communications or transactions relating to or involving the Bank must be addressed to the Philippine Deposit Insurance Corporation at PDIC Office, SSS Bldg., Ayala Avenue cor. V.A. Rufino St., Makati City, Metro Manila.

Very truly yours,



SHIRLEY G. FELIX
Vice President
Loans Management Group




Republic of the Philippines
Department of Education
OFFICE OF THE UNDERSECRETARY FOR FINANCE

MEMORANDUM

For : REGIONAL DIRECTORS
BUREAU OF HUMAN RESOURCE AND ORGANIZATION
DEVELOPMENT (BHROD) DIRECTOR
INFORMATION AND COMMUNICATIONS
TECHNOLOGY SERVICE (ICTS) DIRECTOR
SCHOOLS DIVISION SUPERINTENDENTS
SCHOOL HEADS
ALL OTHERS CONCERNED

Attention : *Regional Chiefs of Finance and Administrative Division*
Chief of Personnel Division, BHROD
Heads of Regional Payroll Services Unit
Chief of Solutions Development Division (SDD), ICTS
Payroll Processors of Implementing Unit (IU) Secondary School

From : 
ANNALYN M. SEVILLA
Undersecretary for Finance


RAMON HIEL G. ABCEDE
Assistant Secretary for Finance

Subject : DIRECTIVES FOR PHILIPPINE PRUDENTIAL LIFE
INSURANCE COMPANY, INC. PAYROLL DEDUCTIONS

Date : December 28, 2020

1. This pertains to the recommendations of the Insurance Commission (IC) on the payroll deductions/collections in favor of Philippine Prudential Life Insurance Company, Inc. (PPLIC) which was placed under liquidation by the IC in February 2018, as contained in the letter dated September 7, 2020 from Insurance Commissioner, Mr. Dennis B. Funa, copy attached, for your ready reference.

2. Records of this Office show that the PPLIC was issued the following Automatic Payroll Deduction System (APDS) Codes:

APDS Codes/Sub-Codes	Products and Services
0212	Loans
160 A	Whole Life Plan



Republic of the Philippines
Department of Education
OFFICE OF THE UNDERSECRETARY FOR FINANCE

APDS Codes/Sub-Codes	Products and Services
160 B	Limited Payment Life Endowment Plans
160 C	Group Life Riders/Benefits Attached to Life Insurance: Accidental Death and Dismemberment Benefit Hospital Confinement Daily Benefit Health Maintenance Memorial Services Pension Plan

3. In accordance with the recommendations and clarifications made by the IC as stated in the said letter dated September 7, 2020, all Regional Payroll Services Unit (RPSUs) as well as Implementing Unit Secondary Schools nationwide are hereby directed to:

- a. Inform all DepEd members of PPLIC regarding the legality of its existence to date, and the action to be taken by the Department enumerated under Items b to f below
- b. **Stop all payroll deductions for insurance premiums being collected by PPLIC representatives under APDS Code Nos. 160, 160A and 160B.** The insurance premiums already deducted and remitted to PPLIC under these codes from February 2018 onwards will be refunded directly by the PPLIC Liquidator to the concerned DepEd personnel;
- c. **Return all unremitted insurance premiums** under APDS Codes 160, 160A and 160B to the concerned DepEd personnel;
- d. Continue the deductions with regular remittance to PPLIC under APDS Code 160C, unless requested to stop by the concerned DepEd personnel. This in consideration of the current health crisis and since the payroll services units cannot determine the amount of insurance and HMO premiums under the said code. The corresponding amount of insurance premium deducted and remitted to PPLIC from February 2018 onwards under the said code shall also be refunded directly by the PPLIC Liquidator to the concerned DepEd personnel;
- e. Secure the concurrence of the concerned DepEd personnel whose deductions are currently remitted to PPLIC under APDS Code 160C, if amenable or not to continue the HMO premium by other insurance provider currently accredited with the Department's APDS;
- f. Prepare list of DepEd personnel with insurance premium deductions remitted to PPLIC under APDS Codes 160 and 160 A to C, for reconciliation with the records of PPLIC Liquidator (please see attached template) from February 2018 onwards. The list must be supported with the monthly Abstract of Deductions and Official Receipts issued by PPLIC;



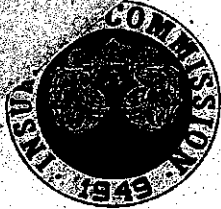
Republic of the Philippines
Department of Education
OFFICE OF THE UNDERSECRETARY FOR FINANCE

- g. Retain the deductions under APDS Code 2012 (for loans) up to the termination dates reflected in the pay slips of the concerned DepEd personnel. Report to this Office, in case of stale checks under this APDS Code.
4. Immediate compliance with and dissemination of this Memorandum is desired.

/camd

AS

2020 - 10016



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila



07 September 2020

MR. RAMON FIEL G. ABCEDE
Assistant Secretary
Office of the Assistant Secretary for Finance
Department of Education
DepEd Complex, Meralco Avenue
Pasig City

Subject: Department of Education (DepEd) Personnel's Group Insurance Policy with Philippine Prudential Life Insurance Company, Inc. (PPLIC)

Dear ASec. Abcede:

This refers to your letter dated 11 August 2020, which was received by this Commission on 13 August 2020, concerning the above subject.

This Commission was informed that a virtual meeting was conducted on 10 August 2020, with your good selves, the designated Liquidator, the representatives of Integrated Management Services, Inc. (IMS), Country Bankers Life Insurance Corporation (CBLIC) and our Conservatorship Receivership and Liquidation Division (CRLD) to initially discuss this matter in view of the inquiry of Teachers' Dignity Coalition (TDC) stated in its letter dated July 14, 2020, which you provided us on 11 August 2020.

During the said meeting it was disclosed that DepEd personnel's group insurance policy with PPLIC, covers a package that includes insurance coverage by the company and riders that are covered by a Health Maintenance Organization (HMO) company, among others.

Considering that PPLIC was placed under Liquidation on 07 February 2018, its insurance coverage with DepEd personnel, by implication, ceased to be effective. Hence, we agree with the CRLD's opinion that the premiums pertaining to insurance coverage remitted by DepEd to PPLIC from the date of its Liquidation, which remains intact with the company, should be returned to the policyholders.

However, those premiums corresponding to the HMO coverage and other similar riders may not be refunded since the covered personnel already benefited from the corresponding medical services and other benefits, of which up to this very moment, we suppose, are still being availed of by the latter.

In the same meeting, our CRLD's representatives further discussed the stoppage and transition options for both the insurance and HMO coverages with the end in view of protecting the interest of the policyholders/members.

We agree that the sudden or unplanned stoppage of the aforesaid HMO coverage of the concerned DepEd's personnel, considering the current health crisis that the country is experiencing, would be detrimental to those still availing of the said services. Hence, a transition process should be in place so as not to unduly disrupt the said services.

We note that CBLIC is willing to take-over the said PPLIC's insurance program. Your good selves however, opine that the consent of all the insured DepEd personnel to said transfer of PPLIC's insurance portfolio to CBLIC is needed, which the Commission also agrees, considering that this is tantamount to a novation of an insurance contract, wherein the consent of parties thereto is essential for its validity.

In view of the foregoing and considering that it is our paramount objective to protect the interest and welfare of the policyholders, the Commission agrees to adopt the following opinions and recommendations, to wit:

1. To return the premiums remitted by DepEd to PPLIC corresponding to the supposed insurance coverage from the time the latter was placed under Liquidation on 07 February 2018. Note that as requested by our CRLD representatives during the meeting, PPLIC will require submission of your list of personnel from whose payroll the said premiums were deducted during the said period in order to reconcile it with the records of PPLIC;
2. As to the deductions, which were not remitted by DepEd to or accepted by PPLIC, the same should be directly refunded by the former subject to its existing process, rules and regulations.
3. For HMO and similar riders, the same shall continue in the meantime, considering the current health crisis, unless the insured DepEd personnel voluntarily and with prior notice, requested the termination of their HMO agreement with the former; and
4. The program may be prospectively taken-over by CBLIC and continue the same provided that the insured DepEd personnel give their assent thereto and subject to DepEd's rules and regulations. If DepEd is amenable to this, we suggest that the representatives of IC-CRLD, DepEd, CBLIC, IMS and the Liquidator of PPLIC further coordinate to ensure smooth transition of the said coverage. Nonetheless, your office has the final option to allow or disallow the continuation of the program based on your existing rules and regulations. In both cases, the teacher-members must appropriately be informed of the requirements on their part and the consequences of the stoppage or continuation of the deductions.

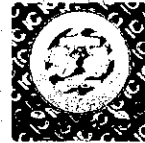
Thank you for bringing this matter to our attention.

Very truly yours,


DENNIS B. FUNA
Insurance Commissioner

Cc:

ATTY. IRIS SYLVIA LUCERO BONIFACIO
Liquidator
Philippine Prudential Life Insurance Company, Inc.
Suite 507 Pacific Center Building
San Miguel Ave., Ortigas Business Center
1605 Pasig City





Republic of the Philippines
Department of Education
OFFICE OF THE ASSISTANT SECRETARY FOR FINANCE

August 11, 2020

Atty. DENNIS B. FUNA
Commissioner
Insurance Commission (IC)
1071 United Nations Ave, Ermita
Manila

Attention : **Atty. JOHN A. APATAN**
Chief, Conservatorship, Receivership and Liquidation Division

Dear **Commissioner Funa**:

Greetings!

This pertains to the herein letter of Mr. Benjo G. Basas, National Chairperson, Teachers' Dignity Coalition, dated July 14, 2020, regarding the closure of Philippine Prudential Life Insurance Company, Inc. (PPLIC) which is now under Liquidation by the IC.

Records of this Office show that the PPLIC was issued Automatic Payroll Deduction System (APDS) Codes 0212 and 160, as follows:

APDS Codes/ Sub-Codes	Products and Services
0212	Loans
160 A	Whole Life Plan
160 B	Limited Payment Life Endowment Plans
160 C	Group Life Riders/Benefits Attached to Life Insurance: <ul style="list-style-type: none">• Accidental Death and Dismemberment Benefit• Hospital Confinement Daily Benefit• Health Maintenance• Memorial Services• Pension Plan


Upon verification from our DepEd Regional Payroll Services nationwide, it was revealed that PPLIC's remittances for some regions are still unclaimed to date, while for other regions such as DepEd Regions IV-A, IV-B, VIII, X, XIII and NCR, remittance checks are being collected by PPLIC representatives.

In our initial virtual meeting with Atty. Apatan et al. last August 10, 2020, it was disclosed that the PPLIC collections have an HMO component, hence, DepEd cannot just cease the payroll deductions, especially this COVID-19 pandemic, since the expected benefits of the PPLIC members will also be stopped. It was then agreed that IC shall submit proposals to this Office as to the appropriate action to be made by both the IC and DepEd, for the benefits of PPLIC's members, including the process of refund on the remittances made to PPLIC from the date of its liquidation as also mentioned in the letter of TDC.

In view of the foregoing, this Office hereby requests for an official recommendation from your Office as to the action to be taken hereof.

Thank you.

Sincerely yours,


RAMON FIEL G. ABCEDE
Assistant Secretary

Copy Furnished:

*Regional Directors, Chiefs of Administrative and Finance Divisions, and Heads of Regional Payroll Services Units,
DepEd Regions I, II, III, IV-A, IV-B, V - XIII, CAR and NCR*

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