



Republic of the Philippines  
**Department of Education**  
REGION X – NORTHERN MINDANAO  
**SCHOOLS DIVISION OF OZAMIZ CITY**

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March 15, 2023

**DIVISION MEMORANDUM**

No. 087, s. 2023

**DISSEMINATION OF MEMORANDUM OUF-2023-0132 AND ADVISORY,  
RE: REVOCATION OF LICENSE TO OPERATE OF THE MANILA  
TEACHERS SAVINGS AND LOAN ASSOCIATIONS INC. (MTSLAI), AS NON-  
STOCK SAVINGS AND LOAN ASSOCIATIONS, INC. (NSSLA) BY THE  
BANGKO SENTRAL NG PILIPINAS (BSP)**

TO : Assistant Schools Division Superintendent  
Chief Education Supervisors, CID and SGOD  
Public Elementary and Secondary School Heads  
Division Personnel  
This Division

1. For the information and guidance of all concerned, attached is Memorandum OUF-2023-0132 and Advisory, re: "Revocation of License to Operate of the Manila Teachers Savings and Loans Association, Inc. as Non-Stock Savings and Loan Association, Inc. by the Bangko Sentral ng Pilipinas (BSP)" issued February 20, 2023.
2. Attention is hereby invited to Paragraph 1 and 2 for a more detailed information and guidance of all concerned.

**JEAN G. VELOSO**   
Schools Division Superintendent



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Our **LEARNERS**: *The Diamonds of the Fortress.*  
**ASENSO OZAMIZ!**



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

**MEMORANDUM**  
OUF-2023- **0132**  
February 20, 2023

**TO :** REGIONAL DIRECTORS  
DIRECTOR OF BUREAU OF HUMAN RESOURCE AND  
ORGANIZATIONAL DEVELOPMENT  
OFFICER-IN-CHARGE, OFFICE OF THE DIRECTOR FOR  
INFORMATION AND COMMUNICATION TECHNOLOGY SERVICE  
SCHOOLS DIVISION SUPERINTENDENTS  
SCHOOL HEADS OF IMPLEMENTING UNIT SECONDARY SCHOOLS  
ALL OTHERS CONCERNED

**ATTENTION :** Regional Chiefs of Administrative and Finance Divisions  
Chief of Personnel Division, BHROD  
Officer-In-Charge, Solutions Development Division, ICTS  
Heads of Regional Payroll Services Unit

**FROM :**   
**ANNALYN M. SEVILLA**  
Undersecretary for Finance

  
**GLORIA JUMAMIL-MERCADO**  
Undersecretary for Human Resource and Organizational  
Development

  
**JOSE ARTURO C. DE CASTRO, J.D., LL.M., J.S.D.**  
Undersecretary for Legal and Legislative Affairs

**Subject :** **REVOCATION OF LICENSE TO OPERATE OF THE MANILA  
TEACHERS' SAVINGS AND LOAN ASSOCIATION, INC. (MTSLAI)  
AS NON-STOCK SAVINGS AND LOAN ASSOCIATION, INC. (NSSLA)  
BY THE BANGKO SENTRAL NG PILIPINAS (BSP)**

1. This is to inform all concerned that on November 25, 2022, the Office of the Secretary received a letter dated November 23, 2022, from the BSP on the enforcement of the revocation of MTSLAI license to operate as NSSLA pursuant to the BSP Monetary Board Resolution No. 735 dated May 26, 2022. This was then published by said agency through BSP Circular No. CL 2022-084.

2. Paragraph 11.3 of the two (2) Terms and Conditions of the APDS Accreditation (TCAA) for loans and mutual aid system (MAS) and contributions of MTSLAI under APDS Codes 085 and 0121 A to B, respectively, are quoted as follows:

## 2.1 For loans

*"11.3 The Accreditation shall be revoked upon commission of grounds classified as "Serious". When the Accreditation is revoked, the Lender shall no longer be allowed to grant new business in the affected provinces/regions under the APDS. However, collection of deductions already incorporated in the APDS as of the date of revocation shall continue up to the termination dates reflected in the pay slip. Thereafter, the APDS Code is automatically cancelled.*

## 2.2 For MAS and Contributions

*"11.3 The Accreditation shall be revoked upon commission of grounds classified as "Serious". When the Accreditation is revoked, the Accredited Entity shall no longer be allowed to grant new business in the affected provinces/regions under the APDS. However, collection of deductions already incorporated in the APDS as of the date of revocation shall continue for the next three (3) months or until requested for stoppage by the concerned Employees, whichever comes earlier. Within sixty (60) calendar days from the said revocation, DepEd shall notify the concerned Employees of the stoppage of deductions, and the latter may transact and/or pay directly to the formerly accredited entity, or terminate their memberships therewith. Thereafter, the APDS Code and Sub-Codes, if any, are automatically cancelled.*

3. Consequently, a DepEd Order No. 005, s. 2023 entitled "*Status of the Accreditation of the Manila Teachers Savings and Loan Association, Inc. Under the Automatic Payroll Deduction System Program*" has been issued on the matter.

4. In view of the foregoing, all payroll processors are directed to perform the following:

- a. Not to accept any new business or billing statements for transactions under APDS Codes 085 for loans and 0121 A and B for savings and mutual aid system (death aid) granted to DepEd personnel by MTSLAI **beginning November 25, 2022**;
- b. Continue servicing the collection of amortizations for loans granted to MTSLAI borrowers under APDS Code 085 **before November 25, 2022** and those already incorporated in the payroll as of the said date, up to the termination dates reflected in their pay slips and until fully paid, and remit the same to the said association. Thereafter, the said APDS code is automatically cancelled;
- c. Continue servicing the collections of deductions for mutual aid system and contributions under APDS Codes 0121 A and B that are already incorporated in the payroll system for the next three (3) months after November 25, 2022, i.e. **from December 2022 to February 2023** or until requested for a stoppage by the DepEd MTSLAI member, whichever comes earlier and remit the same to MTSLAI. Thereafter, APDS Codes 0121 A and B are automatically cancelled; and

- d. Post the message below in the pay slips of DepEd personnel, to be programmed by the Solutions Development Division, Information and Communication Technology Service:

*"APDS Codes 0121 A and B shall be terminated after one (1) month reckoning this payroll month, in view of the revocation by BSP of the MTSLAI license to operate as NSSLA. Please directly communicate with MTSLAI branch for any queries/claims on refund of your contributions, if any, to the association.*


*For loans, however, the pre-existing contractual obligations to pay a sum of money between the borrower/DepEd personnel and MTSLAI, despite the supervening events are separate matters between them, and DepEd is not a party to said loans or contracts. Thus, MTSLAI may continue to enforce its loans or contracts with and collect directly from borrowers/DepEd personnel/debtor, outside APDS."*

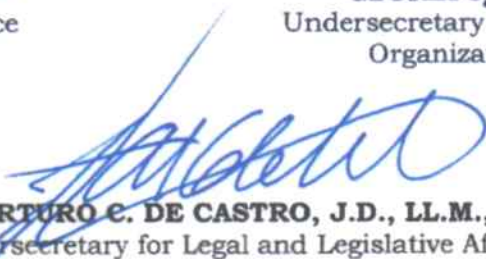
5. The Regional Directors are also requested to ensure the dissemination of this Memorandum and the attached copy Advisory to DepEd personnel, for their information and guidance.

For compliance.

Thank you.

  
**ANNALYN M. SEVILLA**  
Undersecretary for Finance

  
**GLORIA JIMAMIL-MERCADO**  
Undersecretary for Human Resource and  
Organizational Development

  
**JOSE ARTURO C. DE CASTRO, J.D., LL.M., J.S.D.**  
Undersecretary for Legal and Legislative Affairs



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

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February 20, 2023

**ADVISORY**

**TO : ALL DEPED PERSONNEL**

**SUBJECT: STATUS OF ACCREDITATION OF THE MANILA TEACHERS' SAVINGS AND LOAN ASSOCIATION, INC. (MTSLAI) UNDER THE DEPARTMENT'S AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS) PROGRAM**

The Department of Education (DepEd) received a letter from the Bangko Sentral ng Pilipinas (BSP) on the enforcement of the revocation of MTSLAI license to operate as Non-Stock Savings and Loan Association (NSSLA) pursuant to the BSP Monetary Board Resolution No. 735 dated May 26, 2022. This was then published by said agency through BSP Circular No. CL 2022-084.

Paragraph 11.3 of the two (2) Terms and Conditions of the APDS Accreditation (TCAA) for loans and mutual aid system (MAS) and membership contributions of MTSLAI under APDS Codes 085 and 0121 A to B, respectively, are quoted as follows:

**a. For loans**

*11.3 The Accreditation shall be revoked upon commission of grounds classified as "Serious". When the Accreditation is revoked, the Lender shall no longer be allowed to grant new business in the affected provinces/regions under the APDS. However, collection of deductions already incorporated in the APDS as of the date of revocation shall continue up to the termination dates reflected in the pay slip. Thereafter, the APDS Code is automatically cancelled.*

**b. For MAS and Contributions**

*11.3 The Accreditation shall be revoked upon commission of grounds classified as "Serious". When the Accreditation is revoked, the Accredited Entity shall no longer be allowed to grant new business in the affected provinces/regions under the APDS. However, collection of deductions already incorporated in the APDS as of the date of revocation shall continue for the next three (3) months or until requested for stoppage by the concerned Employees, whichever comes earlier. Within sixty (60) calendar days from the said revocation, DepEd shall notify the concerned Employees of the stoppage of deductions, and the latter may transact and/or pay directly to the formerly accredited entity, or terminate their memberships therewith. Thereafter, the APDS Code and Sub-Codes, if any, are automatically cancelled.*

Consequently, a DepEd Order No. 005, s. 2023 entitled "Status of the Accreditation of the Manila Teachers Savings and Loan Association, Inc. Under the Automatic Payroll Deduction System Program" has been issued for ready reference and guidance of all DepEd personnel. Particular attention is invited to paragraph 7 of said DO, quoted as follows:

- "7. As a result of the revocation of its BSP license as an NSSLA, MTSLAI lost all its privileges to do business as an NSSLA under RA 8367. By virtue thereof, and under the APDS Program, the MTSLAI is not allowed to grant new business, e.g. mutual aid system membership and new loans beginning November 25, 2022 and in relation to this:**
- a. For the mutual aid system membership dues and/or contributions, collection of deductions already incorporated in the APDS as of the date of revocation shall continue for the next three months or until requested for stoppage by the concerned employees, whichever comes earlier. Thereafter, the corresponding APDS Codes and Sub-Codes, if any, are automatically cancelled.**
  - b. For loans granted before November 25, 2022, the collection of deductions for these existing loans in the APDS for MTSLAI or salary deduction on behalf of MTSLAI shall continue up to the termination dates reflected in the pay slip and until fully paid. Thereafter, the corresponding APDS Codes and Sub-Codes, if any, are automatically cancelled."**

However, the pre-existing contractual obligations to pay a sum of money between the borrower/DepEd personnel and MTSLAI, despite the supervening events are separate matters between them, and DepEd is not a party to said loans or contracts. Thus, MTSLAI may continue to enforce its loans or contracts with and collect directly from borrowers/DepEd personnel/debtor, outside APDS.

For the savings or membership contributions with MTSLAI, all concerned are hereby advised to directly communicate with MTSLAI branch for any queries/claims or request for refund, if any.

Please be guided accordingly.

  
**ANNALYN M. SEVILLA**  
Undersecretary for Finance

**Copy Furnished:**

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