TN# 2018-08-9786

Republic of the Philippines
DEPARTMENT OF EDUCATION
Region XIII (Caraga)
Jose Rosales Avenue, Butuan City
Tel. No. 342-8207

DEPARTMENT OF EDUCATION
RELEASED
DATE: 17 AUG 2018
SIGNATURE
CARAGA REGION

MEMORANDUM

To : All Schools Division Superintendent
This Region

Attention: Administrative Officers V / Administrative Officer IV-Division HRMOs
All GSIS Authorized Agency Officers (AAOs)

From : **FRANCIS CESAR B. BRINGAS, CESO V**
OIC, Regional Director

Subject : **DIRECTIVES ON CERTAIN ISSUES AND CONCERNS REGARDING GSIS LOANS OF DEPED PERSONNEL**

Date : August 17, 2018

Please find attached copy of *Memorandum DM-OUFDA-2018-0011 dated August 14, 2018* on the **Directives on Certain Issues and Concerns Regarding GSIS Loans of DepEd Personnel.**

The Department and the GSIS have arrived at agreements regarding the **availment of GFAL** by DepEd personnel with due and demandable GSIS loan accounts. Further, DepEd employees whose loans are already in default may also apply for the **GSIS' Enhanced Conso-Loan Plus Program**, wherein the penalties and surcharges will be automatically waived. However, this "automatic waiver" will be discontinued starting **October 1, 2018**. See attached Memorandum for the procedural guidelines on the availment of these GSIS Financial Assistance Programs.

For your information and guidance.

ROA10/PS/srp
17 August 2018
FN: memo_GSIS-GFAL-EConso

Republic of the Philippines
Department of Education

Office of the Undersecretary for Finance
Disbursements and Accounting

DM – OUFDA – 2018 – 0011

August 14, 2018

MEMORANDUM

To: **ALL REGIONAL DIRECTORS**
THE DIRECTOR IV, BUREAU OF HUMAN RESOURCE AND ORGANIZATIONAL DEVELOPMENT
ALL SCHOOLS DIVISION SUPERINTENDENTS

Attention: **Chiefs, Regional Administrative and Finance Divisions, and Central Office Personnel Division**
Heads, Implementing Unit Secondary Schools
All Authorized Agency Officers (AAOs)

FROM: **VICTORIA L. MEDRANA CATIBOG**
Undersecretary

SUBJECT: **DIRECTIVES ON CERTAIN ISSUES AND CONCERNS REGARDING GSIS LOANS OF DEPED PERSONNEL**

1. This pertains to the following issues and concerns in relation to the Government Service Insurance System (GSIS) loans of DepEd personnel:

1.1 As of July 27, 2018, the GSIS has documented 4,701 DepEd personnel who applied for GSIS Financial Assistance Loan (GFAL) which were not accommodated due to inability to renew their due and demandable GSIS loan accounts;

1.2 There were official and unofficial reports of DepEd personnel with Undeducted Obligations in their pay slips who are requesting their respective Authorized Agency Officers (AAOs) to approve the renewal of their GSIS Consolidated Loans (Conso-Loans), which were not also accommodated in view of the Department's policy under Item 2 of DepEd Order No. 5, s. 2018 entitled "Implementation of P5,000.00 Net Take Home Pay for Department of Education Personnel;" and

1.3 There are 122,926 DepEd employees who availed of different GSIS loan products that are already in default. These borrowers are advised by the GSIS to apply for the GSIS' Enhanced Conso-Loan Plus Program on or before October 1, 2018, so that the penalties and surcharges incurred will be waived.

2. For Item No. 1.1 above, the Department and the GSIS have arrived at the agreements **regarding the availment of GFAL by DepEd personnel with due and**

8/15/18

demandable GSIS loan accounts, which shall be followed by all GSIS offices and AAOs nationwide. For the procedural guidelines, please refer to attached letter dated August 13, 2018 from Atty. Nora Malubay Saludares, Senior Vice President, NCR Operations Group of the GSIS, particularly paragraph 4 thereof, for your ready reference and guidance.

3. **For DepEd personnel with Undeducted Obligations who are requesting for the renewal of their GSIS Conso-Loans but not applying for the GFAL** (Item No. 1.2 above), the AAOs may approve such requests provided that the following conditions are met:

3.1 The GSIS Conso-Loan for renewal is not a past due loan, thus, the deduction for the GSIS Conso-Loan appears under the Deducted side of the concerned DepEd personnel's monthly pay slip;

3.2 The resulting GSIS Conso-Loan deduction will be equal to or lower than the existing GSIS Conso-Loan deduction in the pay slip, i.e., all other things being equal, no Deducted Obligation will be dislodged and the NTHP will not be reduced; and

3.3 The extension of the termination date of the GSIS Conso-Loan deduction, which is a direct result of the renewal, will not cause the delay of the deduction of Undeducted Obligations, i.e., all Undeducted Obligations will be incorporated in the left side of the pay slip on the same month regardless if the GSIS Conso-Loan's termination date is extended or not.

4. With regard to the GSIS loans of 122,926 DepEd employees that are already in default (Item 1.3 above), Atty. Malubay-Saludares in her letter dated August 6, 2018, copy also attached, informed the Department that one alternative to settle the borrowers' past due account, to make it current/updated, is to apply for the GSIS' Enhanced Conso-Loan Plus Program, wherein the penalties and surcharges will be automatically waived. However, this "automatic waiver" will be discontinued starting **October 1, 2018**. A compact disc (CD) containing the list of DepEd personnel will be provided to the Chief Administrative Officers (CAOs) of the Regional Administrative Division, who will perform the following:

4.1 Disseminate this information to the concerned DepEd personnel within their respective areas as soon as possible. It is understood that Republic Act 10173 or the Data Privacy Act of 2012 and its Implementing Rules and Regulations shall be strictly followed in handling all personal information; and

4.2 Advise the concerned DepEd personnel to settle in full their GSIS due and demandable loan accounts in order to avoid compounded penalties and surcharges. The CAOs may also inform the concerned DepEd personnel that they may apply for the GSIS' Enhanced Conso-Loan Plus Program on or before October 1, 2018 to update their loans with the GSIS, in order to waive and avoid additional penalties and surcharges. In case of they will apply for the said loan, the concerned DepEd personnel and AAOs must adhere to the guidelines under Items 2 or 3 of this Memorandum, whichever is applicable.

6. For strict compliance and proper dissemination to all concerned.

vlmcatibog
V.L.M. CATIBOG 8/15/18

Enclosures: As stated.

Copy furnished:

1. **LEONOR MAGTOLIS BRIONES**
   Secretary, this Department

2. **ATTY. NORA MALUBAY-SALUDARES**
   Senior Vice President, NCR Operations Group, GSIS
   Financial Center, Pasay City, Metro Manila

3. **ALL DEPED VERIFIERS FOR THE AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS) PROGRAM**

OVP Area 1
File Copy

GSIS Government Service Insurance System
Financial Center, Pasay City, Metro Manila 1308

06 August 2018

DEPARTMENT OF EDUCATION
RECEIVED
AUG 09 2018
TIME 8:20
Milo Baran

Hon. VICTORIA L. MEDRANA CATIBOG
Undersecretary
Finance and Administration
Department of Education
DepEd Complex, Meralco Avenue
Pasig City

Dear **Usec. Catibog:**

We write to inform you that based on our records, there are **122,926 employees** from ***Department of Education*** who availed of different loan products with the GSIS but have already defaulted on their loans due to the following reasons:

1. The total arrearages or unpaid amortization is equivalent to more than 6

GSIS Government Service Insurance System
Financial Center, Pasay City, Metro Manila 1308

13 August 2018

HON. VICTORIA CATIBOG
Undersecretary
Finance and Administration
Department of Education
DepEd Complex, Meralco Avenue
Pasig City

Dear **Usec. Catibog:**

This refers to your letters dated July 3 and 17, 2018 formalizing the agreements during our meeting on May 18, 2018 that will address the concern of teaching and non-teaching personnel of DepEd who cannot avail of the *GSIS Financial Assistance Loan (GFAL) for DepEd* due to the existence of due and demandable loan accounts with the GSIS. Inasmuch as they want to renew or restructure their due and demandable loan accounts through the GSIS's Conso-Loan Program, the Authorized Agency Officer (AAO) will not approve the loan application because their net take home pay (NTHP) is already at the minimum (Php5,000.00).

As a matter of policy, the AAO shall only approve loans that meet the required NTHP.

As of July 27, 2018, we have documented 4,701 DepEd personnel who were unable to avail of GFAL due to their inability to renew their due and demandable Conso-Loan accounts.

We will advise all GSIS offices nationwide to adopt the following additional guidelines in case the DepEd personnel applying for GFAL has due and demandable loan accounts:

1. GSIS shall provide the borrower the tentative computations of the monthly amortizations for both the GSIS Conso-Loan and the GFAL.

2. If the resulting NTHP after accommodating the GFAL and GSIS Conso-Loan is more than Php5,000.00 or the required NTHP threshold, the borrower shall be advised by GSIS to proceed with the renewal of Conso-Loan through the GSIS kiosk.

3. The borrower shall submit his/her payslips, tentative GFAL computation and tentative Conso-Loan to the AAO as supporting documents in the loan application to be evaluated by AAO.

4. The AAO shall certify / approve the GSIS Conso-Loan application if the following conditions are met: