

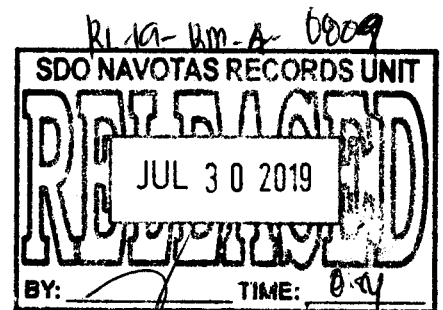


Republic of the Philippines
Department of Education
National Capital Region
SCHOOLS DIVISION OFFICE OF NAVOTAS CITY
Bagumbayan Elementary School Compound,
M. Naval St., Sipac, Navotas City



MEMORANDUM

To: OIC-Assistant Schools Division Superintendent
Chief, Education Program Supervisors
Education Program Supervisors
Public Schools District Supervisor
Public Elementary/Secondary School Principals
All others concerned



From: *Meliton P. Zurbano*
MELITON P. ZURBANO
Assistant Schools Division Superintendent
OIC - Office of the Schools Division Superintendent

Date: July 29, 2019

Subject: **PROCESSING OF APPLICATION FOR GSIS CONSOLIDATED LOAN
AND GSIS FINANCIAL ASSISTANCE LOAN (GFAL)**

1. Attached is DepEd Memorandum OUF-2019-0180 dated July 8, 2019 re: **PROCESSING OF APPLICATION FOR GSIS CONSOLIDATED LOAN AND GSIS FINANCIAL ASSISTANCE LOAN (GFAL)**, which is self-explanatory, for the information and guidance of all concerned.
2. Immediate dissemination of and compliance to this Memorandum is desired.





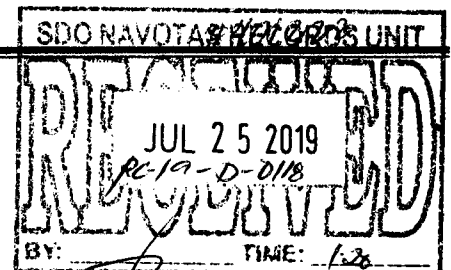
Republic of the Philippines
Department of Education

Tanggapan ng Pangalawang Kalihim
Office of the Undersecretary for Finance

MEMORANDUM

OUF-2019- 0180

July 8, 2019



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

ATTENTION : Chiefs of Administrative and Finance Divisions and Central
Office Personnel Division
Heads, Implementing Unit Secondary Schools
All Designated Authorized Agency Officers (AAOs)
All Designated DepEd Verifiers

FROM : ANNALYN M. SEVILLA
Undersecretary for Finance and Education Programs Delivery Unit

SUBJECT : PROCESSING OF APPLICATIONS FOR GSIS CONSOLIDATED
LOAN AND GSIS FINANCIAL ASSISTANCE LOAN (GFAL)

1. This Office has been informed by the GSIS that there are designated Authorized Agency Officers (AAOs) in-charge of GSIS loans who have been requiring DepEd borrowers applying for the renewal of their Due and Demandable GSIS Consolidated Loan (Conso-Loan) as a prerequisite for GFAL, also known as GFAL + Conso-Loan combo, to secure first a "Certification" from the GSIS that the AAO can approve their loans.
2. Please be clarified that the above information was not the directive contained in the attached copy of DM-OUFDA-2018-0011 dated August 14, 2018, particularly Items 2 and 3 thereof, and the agreement with the GSIS in the cluster orientation-workshops conducted by the Employee Account Management and Personnel Divisions, this Department, held last January to February, 2019, wherein the DepEd AAOs and Verifiers were asked for their commitments on the timelines for each process for the purpose. For your ready reference, please refer to the attached copy of the recommended procedure on the processing of applications for GFAL + Conso-Loan which were discussed during the said orientation-workshop.
3. For compliance.

A. M. SEVILLA

Attachments: As stated.

Copy furnished:

Atty. Nora M. Malubay
Executive Vice President - Core Business Sector
Officer-in-Charge, Office of the President and General Manager
Government Service Insurance System
Financial Center, Macapagal Avenue, Pasay City

Ms. Leah D. De Leon
Vice President, NCR Area II Operations
Government Service Insurance System
Financial Center, Macapagal Avenue, Pasay City

cand/rst



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

*revised
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.

5. All AAOs are likewise directed to either inform (for applications that include GFAL) or course through (for applications for other GSIS loans) all applications for GSIS loans to the DepEd Verifiers for tagging and/or assessment purposes, respectively, of the DepEd personnel's resulting Net Take Home Pay.

ulysse
2/12/18

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

V.L.M. Catibog
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**



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:

- a. The private lender/s whose existing deductions will be dislodged after accommodating the due and demandable GSIS Conso-Loan are prioritized under GFAL; and
 - b. The borrower's resulting NTHP after accommodating the GFAL and GSIS Conso-Loan shall not be lower than Php5,000.00, or the NTHP threshold required in the provision on Authorized Deductions, General Provision of the applicable GAA.
5. The borrower is informed of the Conso-Loan approval through SMS. The due and demandable loans with the GSIS are deemed up-to-date.
6. The GSIS shall re-process the GFAL application of the borrower.

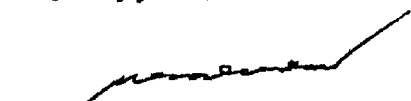
In the loan counseling stage, the GSIS loan processor shall explain that the Conso-Loan amortization deduction may cause some deducted obligation from private lender/s, if any, to be dislodged in the borrower's payslip, albeit *temporarily*, while the GFAL application is in process.

Once the proceeds from the GFAL is received by the private lender/s and applied to the borrower's loan account, the improved NTHP is realized by the borrower.

The borrower shall likewise be reminded that any remaining balance due the private lender/s, after settlement of the loan through GFAL, must be settled directly and without delay.

With this development, we respectfully request the assistance of your office to disseminate the aforementioned guidelines to those with due and demandable loan accounts with the GSIS and desire to avail of GFAL.

Very truly yours,

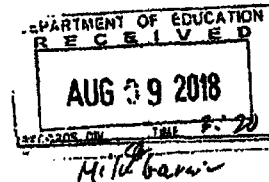

ATTY. NORA MALUBAY-SALUDARES
*Executive Vice President, Core Business Sector and
concurrent Senior Vice President, NCR Operations Group*



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

06 August 2018

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 monthly amortizations; or
2. The payment period of the loan has already lapsed; hence, the remaining unpaid balance is deemed due and demandable.

Attached is the CD file containing the list of member-borrowers with due and demandable accounts with the GSIS.

Please be reminded that the approval of the GSIS loan by your Agency Authorized Officer (AAO) carries with it the latter's commitment to undertake the following actions:

1. That the monthly amortization shall be deducted from the member-borrower's monthly salary and remitted to the GSIS; and
2. That in case the member-borrower is subsequently separated from the service, the agency shall make the final payment of benefits due the member-borrower from the agency only after clearance or statement of account is obtained from the GSIS.

It is important that your designated Authorized Agency Officer (AAO) and Electronic Remittance File (ERF) Officers act prudently in approving the loans of GSIS member-employees, and remit the required monthly amortizations to the GSIS promptly and correctly in accordance with the amortization schedule.

The aforementioned responsibilities of the AAO and ERF Officer are anchored in the following provisions of the **Revised Implementing Rules and Regulations (RIRR) of the Republic Act No. 8291**:

Section 14 Remittance of Contributions

14.2 The government agency shall also deduct from the fixed monthly compensation of the employee the loan amortizations (consolidated loans, policy loan, emergency loan, housing loan and other loans), premium payments (optional, pre-need and other non-life insurance) and other amounts due the GSIS.

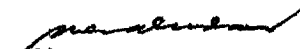
14.3 The said amounts shall be remitted to the GSIS within the first ten (10) days of the calendar month following the month when the deductions were effected, accompanied by supporting lists in the form prescribed by the GSIS.

On the basis of the foregoing and in order to protect the interest of the Social Insurance Fund, we are requesting that you enjoin the member-borrowers included in the attached list to update their accounts in default within thirty (30) days upon receipt of this letter to avoid further accumulation of interests and penalties.

One way to settle a loan account is by availing the *Enhanced Conso-loan Plus Program* which waives all penalties and surcharges on the outstanding salary loan accounts. Starting October 1, 2018, this 'automatic waiver' of penalties and surcharges will be discontinued by the GSIS, and we will automatically set off the computation of pro-rated surcharges and penalties on all loans in default.

We trust that you will give this matter your preferential attention.

Very truly yours,


Atty. NORA MALUBAY-SALUDARES
Senior Vice President
NCR Operations Group

PROCESSING OF APPLICATIONS FOR GSIS FINANCIAL LOAN ASSISTANCE (GFAL) + CONSO-LOAN

Step	Procedure	Timelines	Office/Person in charge	Form
1	<p>GFAL - Files application at GSIS for tentative computation; accomplishes GFAL Applications Forms and completes the GSIS requirements including the three (3) months pay slip for certification</p> <p>Conso-Loan - Files application through GSIS Wireless Automated Processing System (G-W@PS) Kiosk</p>		DepEd Borrower/Personnel	a. GFAL Loan Application Form b. GFAL Statement of Account to be accomplished by the Automatic Payroll Deduction System (APDS) accredited private lending institutions
2	<p>Checks completeness of requirements:</p> <p>a. If incomplete, returns application to Borrower.</p> <p>b. If complete, e-mails Verifier to check authenticity of pay slip and tags monthly amortization for GFAL, based on the tentative computation provided by the GSIS</p>		DepEd Designated Authorized Agency Officer (AAO)	a. GFAL Loan Application Form b. GFAL Statement of Account to be accomplished by the Automatic Payroll Deduction System (APDS) accredited private lending institutions
3	<p>For Conso-Loan, evaluates the eligibility of the Borrower to obtain said loan based on the existing criteria set by the GSIS, and performs the following:</p> <p>a. If in order, e-mails the following details of the Borrower and loan to the DepEd Verifier.</p> <p>1. Name of Borrower 2. Work Station Code 3. APDS Code No. 4. Type of Loan 5. Principal Amount of Loan</p>		DepEd AAO	

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PROCESSING OF APPLICATIONS FOR GSIS FINANCIAL LOAN ASSISTANCE (GFAL) + CONSO-LOAN

Step	Procedure	Timelines	Office/Person in charge	Form
	<p>6. <i>Terms of Loan (Starting Month and Ending Month of Salary Deductions)</i></p> <p>7. <i>Monthly Amortization</i></p> <p>8. <i>Date of Evaluation</i></p> <p>b. If not in order, returns application to the Borrower</p>			
4	<p>Checks authenticity of pay slip:</p> <p>a. If not authentic, e-mails the AAO that the pay slip is not authentic.</p> <p>b. If authentic, proceeds to evaluation of the capacity of the Borrower to pay GFAL + Conso-Loan being applied for:</p> <p>i. Records the details of GFAL + Conso-Loan in the MS Access Verifiers' Ledger and checks result if the corresponding loan amortizations can be accommodated in the payroll</p> <p>ii. If can be accommodated, tags the Borrower, puts notation in the MS Access Verifiers' Ledger "with pending application for GFAL and GSIS Conso-Loan" and e-mails verification result to AAO.</p> <p>iii. If cannot be accommodated, e-mails the verification result to the AAO with the following notation: Disapproved due to (state reason/s): _____</p>		DepEd Verifier	DepEd Verifier's Ledger; editable response template

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PROCESSING OF APPLICATIONS FOR GSIS FINANCIAL LOAN ASSISTANCE (GFAL) + CONSO-LOAN

Step	Procedure	Timelines	Office/Person in charge	Form
5	Acts on response of DepEd Verifier through e-mail: a. If cannot be accommodated, disapproves the loan applications, with notations. For GFAL: Disapproved due to (state reason/s): For Conso-Loan: Disapproves loan through cert.gsis.gov.ph. b. If can be accommodated: For GFAL: Signs the Certification portion for AAOs (at the bottom) of the GFAL Loan Application Form and releases the processed documents to the Borrower For Conso-Loan: Approves the loan at cert.gsis.gov.ph.		DepEd AAO	
6	Files the application at the GSIS Servicing Branch		DepEd Personnel/Borrower	
7	Sends monthly report of all approved GFAL to the Verifier and the Regional Payroll Services Unit/payroll processor for Implementing Unit secondary schools		DepEd AAO	
8	Updates the status of the transaction in the Ledger.		DepEd Verifier	
*** End of Process ***				

*The AAO's tasks for GFAL + Conso-Loan applications for employees **with Undeducted Obligations** and for employees **without Undeducted Obligations** are the same.

[Handwritten signature]