



Republika ng Pilipinas
(Republic of the Philippines)
KAGAWARAN NG EDUKASYON
(DEPARTMENT OF EDUCATION)
PAMBANSANG PUNONG REHIYON
(NATIONAL CAPITAL REGION) Department of Education
Daang Misamis, Bago Bantay, Lungsod Quezon National Capital Region
(Misamis St., Bago Bantay, Quezon City)
RECORDS AND PUBLICATION UNIT

RELEASED

Memorandum

No. 26, s. 2018

By: [Signature]
Date: 6 Time: 9:21

FEB 2018

TO : Schools Division Superintendents
Administrative Officers
Agency Authorized Officers (AAOs) for GSIS
Personnel Officers

FROM : Officer-In-Charge
Office of the Regional Director

RE : GSIS/Pag-IBIG Loans & Reports

Date : February 23, 2018

Based on payroll records and as noted by the Auditors of the Commission on Audit in the audit conducted for January to December payroll, there are employees or teachers whose Net Take Home Pays (NTHP) are below the threshold, and that some loans from GSIS were undeducted due to employees' salary insufficiency to cover the monthly amortizations.

In their Audit Observation Memorandum No. 2018-004, the Auditors observed and opine, to wit:

13. Despite of the employees NTHP below the threshold, loans were still approved. The said instance could have been avoided had the DepEd AAOs performed with prudence its responsibility in certifying loan applications of members in DepEd as to the sufficiency of the NTHP of the member to cover the regular monthly amortization of the loan applied for. The same is true with the PLIs who continually grant loans to employees to with NTHP that could no longer accommodate new approved loans. Enormous amount of undeducted obligations came from loans and/or policy premiums granted by the PLIs that could remain undeducted since application of

its deductions would render negative balances of NTHP of employees affected thereof. (emphasis supplied)

9. *Meanwhile, undeducted GSIS and HDMF/Pag-IBIG loans and/or policy premiums from January to December 2017 will remain arrears from the records of the GSIS and HDMF/Pag-IBIG and could possibly incur compound interests and penalties or surcharges. Employees with persistent delay in the deduction of loans from the GSIS could suffer the consequences later on through non-availment of benefits from their retirement and separation from the service due to the offsetting of outstanding loan obligations including interests and/or penalties/surcharges incurred therefrom.*

In this connection, all AAOs for GSIS are hereby directed to henceforth, disapprove any loan application with the GSIS/Pag-IBIG or other lending entities of employees whose NTHP is below the threshold. For FY 2018, the threshold is PhP5000.00. The AAOs shall explain to the loan applicants the consequences of obtaining multiple loans despite insufficiency of their salary, as mentioned by the Auditors and also the possible consequence to themselves for violating the law and this Memorandum.

Administrative Officers, Personnel Officers and AAOs are advised to timely submit updated information of the Division and the employees to the GSIS, Pag-IBIG and PhilHealth.

Compliance hereof is enjoined.


WILFREDO EL CABRAL
Officer-In-Charge
Office of the Regional Director