



Visayas State University

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Office of the President

15 May 2014

MEMORANDUM CIRCULAR NO. 24

Series of 2014

T O: All VSU Faculty and Staff

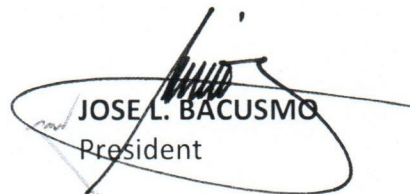
R E: Clarification in the Approval of HELP Loans

In view of the inclusion of Baybay City as one of the worst hit areas by super typhoon Yolanda, those working and residing in Baybay City are already qualified for the HELP loan as stated in the attached letter of Mr. Dionesio C. Ebdane, Jr., Senior Vice President, Visayas Mindanao Group.

Please be informed that based from the GAA, Sec. 46, the mandatory monthly net take home pay for any employee must not be lower than P3,000.00. Hence, the loanable amount is dependent upon the amount in excess of the P3,000.00 net take home pay. A sample computation of the HELP Loan and the Table of Monthly Amortization is also attached for your guidance.

Therefore, all approval on earlier requests from concerned GSIS members is already deemed no longer usable. The Authorized Approving Officer of VSU, Dr. Lourdes B. Cano, is directed not to honor any previously approved request/promissory notes in support of HELP loan.

Please be guided accordingly.


JOSE L. BACUSMO
President

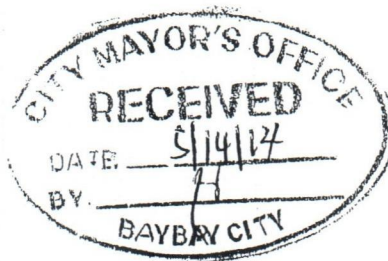


GSIS

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

May 9, 2014

HON. CARMEN L. CARI
City Mayor
Baybay City
Province of Leyte



Attention: AMELITO V. BORNEO (amelitoborne@yahoo.com)
EVELINDA A. OPPUS (linda.oppus@yahoo.com.ph)
Agency Authorized Officers (AAO)

Dear Mayor Carl,

We are pleased to inform you that based on relevant *Sanggunian* Resolutions and reports from the provincial offices (i.e. Office of the Governor, PDRPMC and PSWO), as well as, the data provided by DILG classifying Baybay City among the cities/municipalities declared as "priority areas for assistance" due to typhoon Yolanda, the GSIS Board of Trustees in its meeting yesterday approved the recommendation of the GSIS Management to extend HELP loans to GSIS members who were residing or working in Baybay City during the onslaught of the super typhoon last November 8, 2013.

This loan package is over and above the other existing loan programs of the GSIS, and shall only be availed once, thus, not subject to renewal. While a member may avail a maximum loan of Php200,000.00 the approval shall depend upon the paying capacity of the member.

In order to effectively carry out the objectives of the program and to ensure collection of loan amortizations which will start in November 2014, the following formula is hereby prescribed in computing for the loanable amount of the members. To wit:

| | | |
|---|----------|-----------|
| Monthly Basic Salary + Personnel Economic Relief Allowance (PERA) | | xx,xxx.xx |
| Deduct: | | |
| Total Monthly Mandatory Deductions (income tax, GSIS contribution, HDMF contribution, etc.) | x,xxx.xx | |
| Total Monthly Amortizations for loans availed from GSIS | x,xxx.xx | |
| Total Monthly Amortizations for loans availed from other lenders/loan providers | x,xxx.xx | |
| Take-home pay in compliance with the General Appropriations Act | 3,000.00 | |
| Total Monthly Deductions | | xx,xxx.xx |
| Amount Available for loan amortization under the HELP | | xx,xxx.xx |

Sample Case: Mr. X, a Chief Accountant of Baybay City has been working with the government for the last 18 years. On May 15, 2014, he filed an application for loan under HELP for Php200,000.00. Details of his payslip for the month of April 2014 are as follows:

| | | |
|--|----------|-----------|
| BASIC MONTHLY SALARY | | 27,284.00 |
| Add: ALLOWANCES | | 2,000.00 |
| TOTAL EARNINGS FOR THE MONTH | | 29,284.00 |
| Less: Mandatory Deductions: | | |
| Income Tax Withheld | 2,687.00 | |
| GSIS Premium Contribution | 2,456.00 | |
| HDMF Premium Contribution | 100.00 | |
| PhilHealth Contribution | 350.00 | |
| Deductions for other loan providers | | |
| Multi-Purpose Loan Amort – HDMF. | 1,500.00 | |
| Loan Amort – Cooperative | 2,500.00 | |
| Loan Amort – Credit Union | 3,500.00 | |
| TOTAL MONTHLY DEDUCTIONS | | 13,093.00 |
| TAKE HOME PAY | | 16,191.00 |
| Less: Net take-home pay in compliance with the General Appropriations Act (RA 10633) | 3,000.00 | |
| GSIS Loan Deductions under Moratorium (if applicable): | | |
| Consolidated Loan | 4,800.00 | |
| Policy Loan | 2,000.00 | |
| Real Estate Loan | 4,350.00 | |
| TOTAL DEDUCTIONS - OTHERS | | 14,150.00 |
| AMOUNT AVAILABLE FOR LOAN AMORTIZATION UNDER HELP | | 2,041.00 |

It is important that the Monthly Amortizations pertaining to newly availed/renewed loans that are not yet reflected in the payslip/payroll at the time of granting of HELP loan should likewise be deducted from the Total Monthly Earnings for the Month.

Referring to the Table of Monthly Amortization below (the said table is also printed at the back of the HELP application form), the required monthly amortization for the desired loan amount of Php200,000.00 is **Php2,280.48**. Considering that the AMOUNT AVAILABLE FOR LOAN AMORTIZATION UNDER HELP is only Php2,041.00, Mr. Cruz can only borrow a **maximum amount** of Php170,000.00 which has a required monthly amortization of Php1,938.41.

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Kindly note that should Mr. Cruz be allowed to borrow Php180,000.00, its required monthly amortization of Php2,052.43 can no longer be covered by the AMOUNT AVAILABLE FOR LOAN AMORTIZATION UNDER HELP of Php2,041.00.

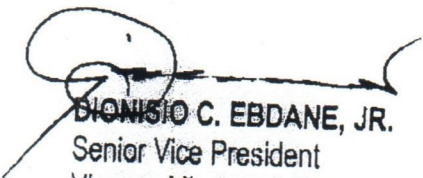
Table of Monthly Amortization for HELP:

| Loan Amount | Monthly Amortization | | | Loan Amount | Monthly Amortization | | |
|-------------|----------------------|------------|----------|-------------|----------------------|------------|----------|
| | Prin. & Int. | RI Premium | Total | | Prin. & Int. | RI Premium | Total |
| 10,000.00 | 110.22 | 3.80 | 114.02 | 110,000.00 | 1,212.46 | 41.80 | 1,254.26 |
| 20,000.00 | 220.45 | 7.60 | 228.05 | 120,000.00 | 1,322.69 | 45.60 | 1,368.29 |
| 30,000.00 | 330.67 | 11.40 | 342.07 | 130,000.00 | 1,432.91 | 49.40 | 1,482.31 |
| 40,000.00 | 440.90 | 15.20 | 456.10 | 140,000.00 | 1,543.14 | 53.20 | 1,596.34 |
| 50,000.00 | 551.12 | 19.00 | 570.12 | 150,000.00 | 1,653.36 | 57.00 | 1,710.36 |
| 60,000.00 | 661.34 | 22.80 | 684.14 | 160,000.00 | 1,763.58 | 60.80 | 1,824.38 |
| 70,000.00 | 771.57 | 26.60 | 798.17 | 170,000.00 | 1,873.81 | 64.60 | 1,938.41 |
| 80,000.00 | 881.79 | 30.40 | 912.19 | 180,000.00 | 1,984.03 | 68.40 | 2,052.43 |
| 90,000.00 | 992.02 | 34.20 | 1,026.22 | 190,000.00 | 2,094.26 | 72.20 | 2,166.46 |
| 100,000.00 | 1,102.24 | 38.00 | 1,140.24 | 200,000.00 | 2,204.48 | 76.00 | 2,280.48 |

To ensure the smooth implementation of the program, our frontline services staff in Maasin Branch Office will soon be meeting with your administrative and finance officers to discuss the implementing guidelines and the terms and conditions of the loan.

For your reference, attached are the general guidelines of the Program and a copy of the HELP loan application which can be reproduced and distributed to GSIS members in your area of jurisdiction.

Very truly yours,


DIONISIO C. EBDANE, JR.
 Senior Vice President
 Visayas Mindanao Group

cc : Mr. Igmidio F. Ponay, Jr.
 Branch Manager
 GSIS Maasin Branch