VII. **FINANCIAL MATTERS** ... (cont'd)

Matters recommended by the President ... (cont'd)

G.   Proposal for the establishment of U.P. Diliman Computer Loan Program

U.P. Diliman proposes to establish a Computer Loan Program as part of capability enhancement program for its faculty and staff.

Qualifications:

1.   Full-time regular or temporary faculty and permanent staff of the University.

2.   Net take home pay must be sufficient for the monthly installment through payroll deductions, i.e. net pay after all deductions should be no less than P2,000 per month, including PERA and ACA.

3.   No pending loan application with all recognized governmental and non-governmental providing credit and lending services institutions (e.g. GSIS, Provident Fund, Credit Union).

4.   Established need for computer for capability enhancement as certified by the Unit Head.

Amount of Loan: Maximum of P50,000.00

Options and Terms: Amount of loan inclusive of interest shall be payable on equal monthly installments, starting two months after the grant of the loan, as follows:

VII. <u>FINANCIAL MATTERS</u> ... (cont'd)

Matters recommended by the President ... (cont'd)

G. Proposal for the establishment ... (cont'd)

Tables of illustrative monthly payments per month of loan

<u>Option 1</u>: 12 Months Repayment Period at 8% Annual Interest Rate

Amount of Loan	Monthly Payment (for 12 months)
P50,000.00	P4,500.00
P45,000.00	P4,050.00
P40,000.00	P3,600.00
P35,000.00	P3,150.00

<u>Option 2</u>: 24 Months Repayment Period at 9% Annual Interest Rate

Amount of Loan	Monthly Payment (for 24 months)
P50,000.00	P2,270.85
P45,000.00	P2,043.75
P40,000.00	P1,816.70
P35,000.00	P1,589.60

Fund Source: Initial self-sustaining fund of P5,000,000.00 is set aside to finance the program on a continuing basis.

VII. <u>FINANCIAL MATTERS</u> ... (cont'd)

Matters recommended by the President ... (cont'd)

G. Proposal for the establishment ... (cont'd)

A maximum loan of P50,000.00 for each borrower will initially benefit 100 applicants. On the third month after the grant of the loan, at least 8 additional applicants will be benefited if all loans are payable within 12 months (at 8% interest), while only additional 4 applicants will be benefited if loans are payable in 24 months (at 9% interest).

Guidelines

Following are the implementing guidelines for **the Computer Loan Program** of the University of the Philippines Diliman:

1. The Computer Loan shall be granted on priority basis to faculty and staff of the University of the Philippines under the following conditions:

    a) That the applicant is a permanent regular faculty or with temporary appointment, or permanent non-teaching staff of the University;

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VII. <u>FINANCIAL MATTERS</u> ... (cont'd)

Matters recommended by the President ... (cont'd)

G. Proposal for the establishment ... (cont'd)

        i.   If faculty with temporary appointment, he/she must name as guarantor another permanent faculty member or permanent non-teaching staff of the university with the capacity to guarantee payment of loan.

b)   That he/she has served the University for not less than one (1) year on regular status; or if temporary, for at least two years;

c)   That there is an established need of a computer for capability enhancement of the applicant as certified by the Head of the Unit;

d)   That the proceeds of the loan shall be solely for the purchase of a computer unit and/or parts and peripherals thereof;

e)   The total amount of loan inclusive of the prescribed interest shall be deducted on equal monthly installments from the pay of the applicant starting two months after the grant of the loan;

VII. <u>FINANCIAL MATTERS</u> ... (cont'd)

Matters recommended by the President ... (cont'd)

G.   Proposal for the establishment ... (cont'd)

    f)   That no grantee shall avail of this benefit within four years after the grant of the loan; and

    g)   That grantee abides by the additional guarantees contained in the memo/letter of undertaking.

2.   The University of the Philippines shall initially set aside a self-sustaining fund of **P5,000.000.00**, known as **The Computer Loan Fund**, from available funds to finance the **Computer Loan Program** on a continuing basis;

3.   Monthly collections from the beneficiaries of the **Computer Loan Program** shall be plowed back to the Fund to finance the requirements of additional or new applicants;

4.   The total amount of loan, inclusive of the prescribed interest shall be payable in 12 months or 24 months as may be agreed by the applicant and management.

5.   The administration of the Computer Loan program shall be the responsibility of the **Vice-Chancellor for Administration**, specifically the **Benefits Section** of the **Human Resources Development Office**.

VII. <u>FINANCIAL MATTERS</u> ... (cont'd)

Matters recommended by the President ... (cont'd)

G. Proposal for the establishment ... (cont'd)

6. The Computer Loan Program takes effect upon approval of the Board of Regents.

Procedure

1. Applicant fills out CLP application form, to include certification by Head of Unit of faculty/staff's need for a computer unit

2. Queues at **Benefits Section HRDO** for priority list—specifying amount of target loan

3. Acquires certification/clearances of qualification for benefit

    a. Accounting – certification that net pay is more than P2,000 per month, factoring the amount of CLP loan monthly payments

    b. GSIS, Provident fund, Credit Union – certifications of no pending loan application/s

4. Goes back to HRDO to fill up Letter of Undertaking, to be cleared by **Head of Benefits, HRDO Director,** for notarization and submission

VII. <u>FINANCIAL MATTERS</u> ... (cont'd)

Matters recommended by the President ... (cont'd)

G. Proposal for the establishment ... (cont'd)

5. HRDO to endorse application to Accounting for voucher preparation

6. Voucher to be approved by HRDO Director and the **Vice-Chancellor for Administration**

7. Voucher goes back to **Accounting** for check preparation

8. Vice-Chancellor for Administration signs check, to be released by the **Cash Office**

9. Beneficiary must purchase the computer unit not later than seven (7) calendar days after release of check. Beneficiary must fill up **Report of Purchase** within seven (7) calendar days after purchase of unit and/or parts, and submit original copy of **Official Receipt** and photocopy, the latter to be retained by HRDO for records purposes.

10. If the amount of loan is greater than actual cost of computer unit, accessories or components, the balance should be paid back to the Cashier, who must issue a **GRP Official Receipt.**

VII. FINANCIAL MATTERS ... (cont'd)

Matters recommended by the President ... (cont'd)

G. **Proposal for the establishment ... (cont'd)**

11. The **GRP Official Receipt** must be presented to HRDO, who will retain a photocopy of such.

Board action: Approval. The guideline which provides that the applicant has no pending administrative case as of the actual date of the grant of the loan was deleted as per suggestion of Regent Alfonso.

G-1. Realignment of funds from the reprogrammed funds for the Housing Soft Loan Program to U.P. Diliman faculty and staff (as approved by the Board of Regents at its 1096th meeting on 23 April 1996) to finance the U.P. Diliman Computer Loan program amounting to P5,000,000, certified as available by the Chief Accountant

Note: It is understood that the disbursements from this reprogrammed amount shall be subject to the usual accounting and auditing laws, rules and regulations.

Board action: Approval