



**Republic of the Philippines
OFFICE OF THE PRESIDENT
COMMISSION ON HIGHER EDUCATION**



CHED MEMORANDUM ORDER

No. 40
Series of 2012

SUBJECT: REQUEST OF THE UNIVERSITY OF THE PHILIPPINES-DILIMAN RELATIVE TO THE REVISIONS IN THE GUIDELINES FOR THE IMPLEMENTATION OF THE FOLLOWING: 1) STUDENT LOAN PROGRAM FOR CENTERS OF EXCELLENCE (SLP-COE), CHED ORDER No. 5, s. 2000, 2) STUDENT ASSISTANCE FUND FOR EDUCATION (SAFE LOAN), CHED MEMORANDUM ORDER (CMO) No. 25, s. 2008

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In accordance with the pertinent provisions of Republic Act 7722, otherwise known as the "Higher Education Act of 1994" and pursuant to Resolution No. 323-2012 during the 401st Meeting on October 8, 2012, the Commission **approved** the herein amendments to CO No. 5, s. 2000 and CMO No. 25, s. 2008 implemented by the UP-Diliman, thus:

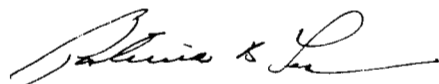
ORIGINAL PROVISIONS	AMENDMENTS
I. CONCEPT OF THE HEL-BASED STUDENT LOAN FUND	
1 The funds shall be constituted as a revolving fund to be made available as loans to deserving but financially disadvantaged students.	1 The CHED SLP-COE loan shall utilized solely for the emergency educational needs of qualified UP-Diliman students in the form of emergency loans.
II. FUNCTIONS AND RESPONSIBILITIES	
HEIs	
1 Screen and process the loan applications in accordance with the criteria.	1 The Student Loans Section, Office of Scholarships and Student Services (OSSS), shall print and issue loan application and repayment forms, receive and process loan applications and manage the funds.
2 Enter into loan contract with the student-borrowers.	2 A voucher shall be processed for each approved loan where the amount shall be claimed in the UP-D Cashier.
3 Grant loan to qualified and deserving student-borrowers.	3 The total interest earnings from the student loans shall be added to the principal amount of the loan program at the end of every calendar year.
4 Orient the student-borrower on the regulations of the program.	4 At the end of every calendar year, a detailed annual report shall be prepared by the Office of Scholarships and Student Services (OSSS).
5 Submit to CHED within two weeks after the closing of enrollment the list of student-borrowers together with a photocopy of their accomplished certificate of enrollment.	5 A copy of the annual report shall be sent to CHED.
6 Submit to CHED the scholastic ratings of the student-borrowers not later than two weeks after the closing of the semester.	
7 Collect loan repayments from student-borrowers.	
III. QUALIFICATION OF STUDENT-BORROWERS	
1 Must be currently enrolled in the priority courses considered Center of Excellence or must be willing to enroll/transfer to COE if not enrolled in one.	1 Must be a Filipino citizen with good moral character
2 Must not be more than 30 years old at the time of application.	2 Must be an undergraduate student enrolled in any college provided students enrolled in CHED-identified Centers of Excellence in UP-Diliman (attached) shall be prioritized.
3 Parents/guardians/spouse have annual gross income not exceeding P150,000.00.	3 Must be of good scholastic standing.
4 Must be a full-time student.	4 Must not have any outstanding/unpaid loans with the Student Loan Section, Office of Scholarships and Student Services.
5 Must have passing grades in all subjects.	5 Loan can be availed with tuition loan, provided the section 4 is satisfied.
6 Must not have an outstanding loan in the school.	6 Students who filed for residency and/or are taking Continuing Profession Education (CPE) courses are ineligible.
7 Must not be presently enjoying any scholarship or study grant.	
8 Must present a credible guarantor willing to ensure repayment of the loan, as scheduled.	
9 Must have attended the orientation called for the purpose.	
10 Must be able to present documents as may be required.	
IV. LOANABLE AMOUNT	
1 Qualified students may be allowed to borrow a maximum amount of Ten Thousand Pesos (P10,000.00) per semester or Twenty Thousand Pesos (P20,000.00) per school year to cover tuition and other school fees.	1 A maximum loanable amount of Php5,000.00 per student per semester shall be available to qualified students.
	2 Interest of the loan shall be 6% per annum.
	3 A service fee of 3.5% per annum shall be charged on the principal amount.
APPLICATION & SCREENING PROCEDURES	
Screen and process the loan applications in accordance with the criteria.	1 Duty accomplished form signed by a parent co-debtor.
	2 Photocopy of current semester's validated registration Form 5.

ORIGINAL PROVISIONS	AMENDMENTS
III. TITLE AND COVERAGE	
1 The loan grant can be used for tuition and other school fees, books and course projects, thesis writing, board and lodging, graduation fees, and other valid related educational expenses.	1 SAFE loan shall utilized solely for the emergency educational needs of qualified UP-Dilliman students in the form of emergency loans.
Ascertain that grantees are enrolled in HEIs, preferably in SUCs, which offer priority programs such as Agriculture, Fisheries, Agro-business, Forestry, Veterinary Medicine, Environmental Science, English, Math, Science, Teacher Education, Maritime and En The program shall cater to financially needy students who are in their 3rd, 4th, 5th or graduating year of study. Priority shall be given to those enrolled in CHED Priority Courses.	QUALIFICATIONS OF AN APPLICANT 1 Must be a Filipino citizen with good moral character 2 Must be an undergraduate student enrolled in any college provided students enrolled in CHED Priority Courses (CMO No. 4, s. 2011) shall be prioritized.
	3 Must be of good scholastic standing.
	4 Must not have any outstanding/unpaid loans with the Student Loan Section, Office of Scholarships and Student Services.
	5 Loan can be availed with tuition loan, provided the section 4 is satisfied.
	6 Students who filed for residency and/or are taking Continuing Profession Education (CPE) courses are ineligible.
VI. AMOUNT OF SAFE LOAN GRANT	
1 Qualified loan grantees can borrow as much as Eight Thousand Pesos (PhP8,000.00) depending on the circumstances and requirements.	1 A maximum loanable amount of PhP5,000.00 per student per semester shall be available to qualified students.
	2 Interest of the loan shall be 6% per annum.
	3 A service fee of 3.5% per annum shall be charged on the principal amount.
VII. APPLICATION PROCEDURES	
1 The applicant-student should apply directly to the SFA Unit of the participating higher education institution.	1 Duly accomplished form signed by a parent co-debtor.
	2 Photocopy of current semester's validated registration Form 5.
	3 Photocopy of student's UP ID card.
IX. ADMINISTRATION OF THE SAFE LOAN	
HEIs	
1 Shall establish a Student Financial Assistance (SFA) Unit to manage the disbursements of the program and undertake operations internal to the private HEI, with the option to utilize its existing unit equivalent to SFA unit for this purpose.	1 The Student Loans Section, Office of Scholarships and Student Services (OSSS), shall print and issue loan application and repayment forms, receive and process loan applications and manage the funds.
2 Treat the Fund transferred from the CHED Regional Office as Revolving Fund to expand the number of beneficiaries of the SAFE Loan Program.	2 A voucher shall be processed for each approved loan where the amount shall be claimed in the UP-D Cashier.
	3 The total interest earnings from the student loans shall be added to the principal amount of the loan program at the end of every calendar year.
	4 At the end of every calendar year, a detailed annual report shall be prepared by the OSSS.
	5 A copy of the annual report shall be sent to CHED.
3 Screen and accept applicants in accordance with set criteria.	
4 Conduct orientation with the grantees on the guidelines governing the program.	
5 Draw corresponding duly notarized promissory note for repayment within 2 to 5 years after graduation, duly signed by the student-borrower when grant of loan is awarded.	
6 Decide on the termination of the grant, or of any appeal for reconsideration/reinstatement by terminated grantee/s, if any.	
7 Act on requests for transfer to another school, shifting of course, deferment, financial assistance for summer, and other matters of similar nature, provided that the grantee is enrolled in a school offering the identified CHED priority courses.	
8 Maintain separate accounting records for the program that will be subjected to periodic monitoring by CHED and/or COA Audit Teams.	
9 Submit to CHED Regional Offices (CHEDRO) the following: List of grantees per semester; and Status of SAFE Loan Program Implementation per semester.	
10 Assist CHEDRO to monitor or track the whereabouts of the scholars after graduation in order that the latter properly comply with their obligation to refund the loan at the intended period of repayment; and	
11 In the course of implementation, recommend whenever necessary, measures to improve the efficient and effective handling of the program.	

Immediate dissemination of this Memorandum is hereby enjoined.

For strict compliance of all concerned.

Issued this 19 day of October 2012, Quezon City.



PATRICIA B. LICUANAN, Ph. D.
Chairperson

