



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education



Ground Floor, Philippine Social Science Council Bldg. Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph

- (b) that the students are enrolled in SUCs, CHED-recognized LUCs, TVIs, private HEIs that are in the Registry of Institutions and Programs as defined in Section IV.p in RA 10687.

or they qualify under any other future qualification policies that the UniFAST Board may mandate;

Page | 3

3.2 Instances of Eligibility of SLPTE-ST Student Beneficiaries

- a) Those who availed of the loan during their undergraduate degree may still avail of another cycle of student loan for their pursuit of graduate studies, including medicine and law after they have fully paid the previously availed loan:
- b) *Provided, furthermore,* that those who did not avail of the loan program during their undergraduate studies may avail of it to pursue graduate studies including medicine and law:
- c) *Provided, finally,* that those who did not avail of the loan program during their undergraduate studies may avail of the loan program for their review expenses for licensure examinations administered by the Professional Regulation Commission (PRC), subject to more specific guidelines that the UniFAST Board may implement within the current academic year.

3.3 Purpose of the Student Loan

The loan proceeds from the Student Loan Program for Tertiary Education– Short-Term basis may be used for the following purposes:

- a) Tuition and Other School Fees and / or
- b) Books and complementary education related equipment, tools and supplies and / or
- c) Cost of Tertiary education allowance / stipend and / or
- d) Review expenses for licensure examinations administered by the Professional Regulation Commission (PRC).

4.0 DEFINITION OF TERMS

Certain terms as defined in the Implementing Rules and Regulations of RA 10931 shall be used for in this guidelines on the Student Loan Program for Tertiary Education – Short-Term basis. However, the following terms are specifically distinct in this guidelines and with the following definition:

4.1 Loan in Default. A SLPTE-ST student beneficiary's student loan will be considered on default if the SLPTE-ST student beneficiary failed to make the necessary repayment within the term the student loan has been availed and approved.

4.2 Payment Term. For SLPTE-ST student beneficiaries from TVIs, SUCs and LUCs, the time period for payment, so that no interest will be paid, is within or before the program completion. In addition, for interest computation, the payment term loan period will be for





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a maximum of twelve months in order for the SLPTE-ST student beneficiaries' loan be considered current.

4.3 Registry of Programs and Institutions refer to the Registry of Programs and Institutions defined in Section 4(k) of Republic Act No. 10687 as quality-assured academic and research programs and tertiary institutions certified by the CHED and/or TESDA as complying with acceptable standards, and which shall be referred to from hereon as the "Registry";

4.4 Student Loan Program – Short-Term basis. A student financial assistance program that is provided to students who have liquidity problems. Short term Student Loan is a financial assistance provided to qualified student beneficiaries during the enrollment period at the beginning of a particular term which must be paid within the payment term loan period of twelve months. Interest will be charged only if the student fails to pay the full loan amount at the end of the term when the loan was availed. The reckon date for the interest computation to be imposed on the short-term student loan will then be from the time when the loan proceeds has been credited to the account of student beneficiaries until the time the loan has been paid by the student beneficiaries. The students paying capacity is evaluated based on their financial capacity to do a repayment of their loan (for those already working or have source of income) or the financial capacity of their declared guarantor to do the corresponding repayment on behalf of the student beneficiaries.

4.5 SLPTE-ST Student Beneficiaries. These are the students who were granted with an approved student loan (short-term basis) application who enjoy the benefit of having access to UniFAST loanable funds being managed by a designated Government Financial Institution (GFI). These individuals are considered eligible in the Student Loan Program should they meet the requirements set by the UniFAST Governing Board.

5.0 Providers

All SUCs, CHED-recognized LUCs, private HEIs, state-run TVIs and private TVIs which are part of the Registry of Institutions and Programs are eligible to be part of the Student Loan Program for Tertiary Education –Short-Term basis (SLPTE-ST) provision of RA 10931. In the case of LUCs, only those recognized by the CHED on or before the cut-off schedule for each fiscal year shall be eligible. The annual cut-off schedule will be determined by the CHED. For state-run TVIs and private TVIs, a separate guidelines will be developed by the UniFAST Secretariat in coordination with TESDA and to be approved by the UniFAST Governing Board.

RULE II

**STUDENT LOAN PROGRAM FOR TERTIARY EDUCATION –
 SHORT-TERM BASIS (SLPTE-ST)**

1.0 ADMINISTRATION AND SLPTE-ST PARTNERS

Under Section 31 of the implementing rules and regulation of RA 10931, the UniFAST Board shall administer / implement the SLPTE-ST through partner banks and similar entities / institutions





2.0

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FUND MANAGEMENT ARRANGEMENT

The UniFAST Board, after due diligence as to the absorptive capacity and existing information and communication technology (ICT) system in place, enter into a Memorandum of Agreement with a Government Financial Institution (GFI), determined by the Board to have the full potential, resources and track record to undertake such a program. The GFI will be tasked with and made fully responsible and accountable for the proper and efficient management of the managing the funds to be transferred by the CHED specifically in the following areas:

Page | 5

- 1) Transfer of loanable funds to SLPTE-ST student beneficiaries and / or SUC / CHED-recognized LUC/ private HEI / state-run TVI / private TVI with approved loan availment application.
- 2) Received repayments made by SLPTE-ST student beneficiaries or identified qualified guarantors of the SLPTE-ST student beneficiaries
- 3) Suggest investment options while the funds, whether in full or part thereof, are not yet released for student loan purposes including accumulated repayments prior to the end of the semester and
- 4) Monitoring of student loans on a per institutional basis (the SUC / CHED-recognized LUC / private HEI / state-run TVI / private TVI where the SLPTE-ST student beneficiaries are enrolled at the time of loan availment). Reports on Fund Management and Account Movements will be provided to the UniFAST Board through the UniFAST Secretariat on a monthly basis.

3.0 INSTITUTIONAL DESIGNATION

As approved by the UniFAST Governing Board, accreditation or designation mechanism of State Universities and Colleges (SUCs), Local Universities and Colleges (LUCs), Private Higher Education Institutions (HEIs) and Technical and Vocational Institutions (TVIs) will be developed. The Commission on Higher Education, in effective coordination with the UniFAST Secretariat, and through its Regional Offices nationwide, will be in charged in ensuring that designated partner institutions are part of the Registry of Institutions and Programs. On the other hand, the TESDA Head Office and through its Regional Offices will be in charged in determining the criteria for designating state-run and private TVIs as partner institutions.

Partner Institutions must be capable of appropriate administration and management of the student loan program for tertiary education on a short-term basis and are considered accountable for the Student Loan Program administration.

3.1 Criteria for Designation

State Universities and Colleges (SUCs), CHED-recognized Local Universities and Colleges (LUCs) and private HEIs will be designated as a UniFAST SLPTE-ST partner, provided they meet the following minimum requirements:

1. The Tertiary Education Institution is included in the Registry of Institution and Programs
2. The institution must enter into and comply with a Designation Agreement with CHED or TESDA. The institution must be capable of appropriate administration of the student financial assistance program and accountable for this administration.





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- (c) Students who study from private HEIs or TVETs
- (d) First time to apply for the student loan program to pursue an undergraduate degree or graduate degree;

For succeeding short-term loan application cycle, the partner Higher Education Institution may consider the following:

Page | 7

- (a) After having fully paid a previous loan applied to their undergraduate degree (if any), said person may avail of another cycle for the pursuit of graduate studies, including medicine and law; and
- (b) Those who did not avail of the loan program during their undergraduate studies may avail of the loan program for purposes of any licensure examination.

Any additional requirements that will be established by the institutions to avoid denial of loan application.

5.0 APPLICATION PROCESS AND DOCUMENTARY REQUIREMENTS

5.1 Application Process

Student beneficiary applicants who intends to enroll in an SUC, CHED-recognized LUC, TESDA run TVIs, private HEIs and private TVIs shall directly submit their StuFAP application form to the concerned partner SUC / LUC / TESDA TVI, private HEI or private TVI.

The partner institutions will forward the screened application forms for SLPTE-ST to the UniFAST Secretariat for final approval (subject to availability of funds).

5.2 Documentary Requirements

In general, applicants for the Student Loan Program for Tertiary Education – Short-Term basis will have to submit a duly accomplished and signed Student Loan Application (please refer to Annex A) with 1 x 1 ID picture. The following are the additional documentary requirements depending on the profile of the student beneficiary:

- A. Certification from the University / College Registrar
- B. Proof of source(s) of acceptable income

5.2 Other Requirements (for the guarantor or co-maker provision will be imposed for SLPTE – Short Term basis

- 1. Any one of the following:
 - 1.1 Latest Income Tax Return (ITR) filed and / or paid with the Bureau of Internal Revenue of parents / guardian as guarantor,
 - 1.2 Certificate of Tax Exemption from the Bureau of Internal Revenue (BIR)
 - 1.3 For children of Overseas Filipino Workers (OFW) and seafarers, a latest copy of contract or proof of income may be considered.





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6 CONDITIONS FOR THE STUDENT LOAN PROGRAM FOR TERTIARY EDUCATION – SHORT-TERM BASIS

All students must be duly registered before they will be allowed to attend classes. A student who is unable to pay the required tuition and other school fees due to financial incapacity or illiquidity may apply with the designated partner Tertiary Education Institutions (SUC, CHED-recognized LUCs or private HEIs).

Page | 8

6.1 Loanable Amount payable in one year

The UniFAST Governing Board decides every academic year the allocation for SLPTE-ST and it reserves the right on what it considers the most equitable distribution of loanable funds to its institutional partners based on the provisions of Rule II Section 3.1 herein and the corresponding loan administration and management system as reflected in the high repayment rate among its SLPTE-ST student beneficiaries.

Correspondingly, the UniFAST Governing Board reviews the maximum loanable amount periodically. Initially, the maximum loanable cap is Sixty Thousand Pesos (PhP 60,000.00) which may be used by the SLPTE-ST student beneficiaries for the following purposes (in no particular order):

- a. Tuition Fee and Other School Fees and / or
- b. Books and Other supplemental Learning materials / equipment / tools / supplies and / or
- c. Tertiary Education Allowance / Stipend and / or
- d. Review for Licensure Examination

6.2 Fees and / or Interest Rates

6.2.1 Administrative Support

The budget for the Administrative Cost is 2 percent of the total loanable amount approved by the SUC / CHED-recognized LUC / private HEI / state-run TVI and private TVI. The Administrative Support shall be able to cover the compensation of personnel, supplies, utilities and other operating expenses related to the student loan administration and management at the university / college / institute level.

6.2.2 Interest Rates

For the SLPTE – Short Term basis, the interest rate for a particular academic year to be charged if the student SLPTE-ST beneficiary failed to pay on or before the end of the semester will be six (6) percent per annum or the prevailing interest rate in the Philippine Dealing System for a term of one year, whichever is lower, from the time the short term loan was availed.

The UniFAST Board reserves the right to adjust the interest rate to be charged to the SLPTE-ST student beneficiaries based on the movement of the prevailing interest rate in the Philippine financial market.

As an incentive for prompt payment of loans, interest on loans from the date on which they are made will be waived if the loan has been paid within the term





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from the time the loan proceeds has been credited to the account of the SLPTE-ST student beneficiary.

6.3 Pre-screening Procedures

6.3.1 Desk review on credit worthiness

Page | 9

A desk review on the credit worthiness of the SLPTE-ST student beneficiaries and / or guarantor based on submitted recently filed and / or paid Annual Income Tax Return of the qualified guarantor will be done. Assessment will be based on the SLPTE-ST applicant's / qualified guarantor's revenue sources with the option for the Higher Education Institution to conduct an in-depth evaluation / assessment¹.

Furthermore, a Higher Education Institution may enter in a Memorandum of Agreement with the Credit Information Corporation / Government Service Insurance System / Social Security System, so as to determine the credit history of the prospective SLPTE-ST student beneficiary or guarantor (if with employment and / or existing loan). (Note: Partner Tertiary Education Institutions will have the option to provide the details on how to conduct an in-depth evaluation / assessment of a prospective SLPTE-ST student beneficiaries).

UniFAST reserves the right to do further assessment that it sees warranted in exception cases including credit checks".

6.4 Loan Renewal procedures

1. If a qualified student who has an unpaid loan by the end of a given academic term, wishes to register for the following academic term, the prospective SLPTE-ST student beneficiary shall submit an appeal letter, duly attested to by his / her respective parent or guardian, addressed to the concerned official of the SUC / CHED-recognized LUC / [private HEIs / State run or private TVIs, explaining the nature of his / her financial incapacity. If the appeal is found meritorious, the said official shall endorse it to the Chancellor / President (whoever is applicable) for the decision before the end of the registration period. A favorable decision shall enable the student to register and apply for another loan.
2. The foregoing cycle may be repeated for one more academic term. If the loans for three consecutive semesters remain unpaid, the SLPTE-ST student beneficiary shall submit an appeal letter duly attested to by

¹ Credit criteria as part of the credit screening procedures will be set as basis for determining the approval or disapproval of the loan availment application filed by prospective student-beneficiaries. The Higher Education Institutions have the option to determine the following as basis for granting approval to student loan applications:

1. A specific threshold of loanable amount that remained unpaid for the past three years;
2. 90 days overdue in payments on three or more loans or other debts (credit cards, lies of credit, utility bills etc.)
3. Each of the student loan (if any) with banks was worth P 250,000 or more
4. The guarantor or the student SLPTE-ST beneficiary has control over the circumstances that led to the overdue payments.





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his / her parent or guardian, addressed to the concerned official of the SUC / CHED-recognized LUC / private HEIs / State run or private TVIs, explaining why he / she is not able to repay the loans and if needed, requesting for assistance in finding a long-term solution to the student's financial predicament. If the appeal is found meritorious, the said official shall endorse it to the Chancellor / President (whoever is applicable) for decision before the end of the registration period. If the student does not anymore incur further loans from the Student Financial Assistance Board of the SUC / CHED-recognized LUC / private HEI / state-run or private TVI, the concerned constituent college / university shall assist the SLPTE-ST student beneficiaries in finding the appropriate solution to settle long-overdue short-term student loan.

Page | 10

6.5 Schedule of Loan Application

Initially, a prospective SLPTE-ST student-beneficiary may apply for a short-term loan during the registration period set by the SUC / CHED-recognized LUC / private HEIs / state-run or private TVIs in their respective academic calendar.

Consequently, prospective SLPTE-ST student-beneficiaries may apply for a student loan after the enrollment period if the intended purpose of the loan is for other education related purposes subject to availability of loanable funds.

The duration and timing of each step in the efficient processing of SLPTE-ST application and the immediate release of loanable funds will be done in the shortest time possible.

7.0 Master Lists Database

7.1 Master List of Eligible Student Beneficiaries

- 7.1.1 The periodic generation of the official master list of eligible Student Loan Program for Tertiary Education – Short-Term student-beneficiaries shall be centralized and administered by the UniFAST. This list shall henceforth be referred to as the Student Loan for Tertiary Education - Short-Term master list.
- 7.1.2 The master list shall be developed based on the certification provided by SUCs, CHED-recognized LUCs, private HEIs, state-run and private TVIs when they correspondingly submit the specific student loan details as discussed in Rule III Section 2.1.2 No. 9 of these guidelines.
- 7.1.3 The master list shall consist of the following information :
 - (1) List of SUCs (main, external and satellite campuses), CHED-recognized LUCs, private HEIs, state-run and private TVIs and their corresponding programs included in the Registry of Institutions and Programs
 - (2) List of complete names, degree program pursued, year level, contact information (Note: residence address and / or e-mail address and / or or mobile number) of eligible students to the Student Loan Program for Tertiary Education – Short-Term



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- 7.1.4 A tracking system shall be put in place in order to determine those students who have availed of the short-term student loan at any given academic term and the corresponding account movement of these students with existing student loan(s). The UniFAST will conduct the proper monitoring mechanism of these SLPTE-STs.

Page | 11

7.2 General provisions of the master list

The master list of SLPTE=ST student beneficiaries for a specific term will have to be submitted to UniFAST Secretariat not later than the end of the September 30 of the fiscal year (for the 1st term) and not later than March 31 of the following year or the end of the first quarter of the succeeding fiscal year (for the second term).

RULE III

FINANCIAL MANAGEMENT

1.0 Fund Source, Release and Disbursement

1.1 Fund Source

The fund source will be the allocation decided upon by the UniFAST Governing Board from the General Appropriations Act of a particular year.

2.0 Fund Transfers

2.1 Transfer of Funds from CHED-UniFAST through CHED-AFMS to designated Government Financial Institution (GFI)

General Guidelines

Fund transfers should be properly taken up in the books of both agencies cited only for the purpose intended, and properly accounted and reported (COA Circular No. 94-013 dated December 13, 1994).

2.1.1 Transfer

Source Agency (in this case the Commission on Higher Education) to provide the following document to the Fund Manager (in this case, the designated Government Financial Institution as approved by the UniFAST Governing Board):

- Copy of the Memorandum of Agreement
(Note: The process flow and the reportorial requirements are to be clearly stated in the MOA)

2.1.2 Implementation

1. The UniFAST Board shall administer / implement the SLP through partner banks and similar entities / institutions.





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2. Budget allocation will be based on a criteria that will serve as weights for granting slots in the student loan program. A tripartite Memorandum of Agreement between the UniFAST, Commission on Higher Education and the concerned SUC / CHED-recognized LUC / private HEI / state-run TVI / private TVI will have to be duly approved by their respective authorized heads. The partner institutions will administer the Student Loan Program for Tertiary Education – Short-Term in their respective institutions. Page | 12
3. The Fund Manager will be the designated Government Financial Institution. (GFI)
4. The Implementing Agency (in this case, the partner Higher Education Institutions, namely, SUCs, CHED-recognized LUCs, private HEIs, state-run and private TVIs) prepares the following:
 - Student Loan Availment Application Forms duly screened on credit history and creditworthiness by the designated Student Financial Assistance Board of the SUC / CHED-recognized LUC, private HEI, state-run and private TVI.
 - Endorsement Report to be submitted by SUCs / CHED-recognized LUCs / private HEIs / state-run and private TVIs to be forwarded to UniFAST Secretariat, during the registration period for approval. Note: UniFAST Governing Board will decide on the fund allocation for the Tertiary Education Institutions with June academic year opening and with August academic year opening so as to ensure that there will be available Student Loan Funds available to those institutions due to the variations on commencement of academic year.
5. The UniFAST Secretariat will process all endorsement reports with attached duly screened application forms submitted by SUCs / CHED-recognized LUCs / private HEIs / state-run and private TVIs during the registration period so as to determine who will be able to avail of the Student Loan for Tertiary Education – Short-term basis.
6. The UniFAST Secretariat will provide an advisory to ALL SUCs / CHED-recognized LUCs / private HEIs / state-run and private TVIs, regarding the students from their respective institutions who were given an approval as to their Student Loan – Short Term application.
7. SUCs / CHED-recognized LUCs / private HEIs / state-run and private TVIs will inform their students with successful and unsuccessful student loan availment application. Those students who were successful with their student loan availment application will be requested to accomplish and sign the necessary bank documents, that are prepared by the SUCs / CHED-recognized LUCs / private HEIs / state-run and private TVIs in coordination with the designated Government Financial Institution. Note: These bank documents may include promissory note, student loan agreement, and amortization schedule among others that will have to be prepared in several copies for all the parties concerned.
8. Based on Bangko Sentral ng Pilipinas ruling, designated GFI personnel will conduct a “Know Your Client” interviews to SLPTE-ST student beneficiaries





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with approved student loan application. Consequently, the GFIs will facilitate opening of debit accounts, signing of auto-debit instruction (for student beneficiaries who will be using the student loan proceeds as payment to Tuition Fee and Other School Fees (TOSF) of private HEIs / private TVIs) and bank secrecy waiver so as to facilitate GFI's periodic report generation of student-beneficiaries' bank accounts that will reflect account movements from deposit of loan proceeds and withdrawals done during a specific period.

Page | 13

9. Duly accomplished bank documents which may include the promissory note (with attached suggested loan amortization schedule), the debit advice form, the data privacy waiver form which will be forwarded by the SUCs / CHED-recognized LUCs / private HEIs / state-run and private TVIs to the UniFAST Secretariat.
10. The UniFAST Secretariat upon clearing of all pertinent loan documents will forward these loan documents to the GFI.
11. The UniFAST Secretariat will provide an advisory to the designated Government Financial Institution on the list of student beneficiaries with complete bank documents. The advisory should include the following:
 - a. Student's Name
 - b. Student Loan Application Number
 - c. Name of SUC / CHED-recognized LUC / private HEI / state-run TVI / private TVI
 - d. Degree program being pursued
 - e. Year level
 - f. Promissory Note Reference Number
 - g. Approved loan amount
 - h. Purpose of the Student Loan
12. As per advisory from the UniFAST Secretariat, the designated Government Financial Institution will make the necessary transfer of funds to its intended recipient(s).
 - a.1 For Tuition and Other School Fees of private HEIs / private TVIs – based on duly accomplished auto-debit advisories
 - a.2 For Tuition and Other School Fees of the SUC / CHED-recognized LUC / state-run TVI – based on duly accomplished auto-debit advisories
 - b.1 For Books, Other Tertiary Education Materials, Equipment and Tools – fund transfer to the debit card account of the student-beneficiaries
 - b.2 For the allowance / stipend of the student beneficiaries – fund transfer to the debit card account of the student-beneficiaries
 - b.3 For the cost of review for professional licensure examination – to be credited to the account of the SLPTE-ST student beneficiaries with auto-debit advisories to specified Review School for Licensure Examination.
13. The loan proceeds will be officially considered a loan of the SLPTE-ST student beneficiary from the time the loan proceeds has already been credited to the account of the SLPTE-ST student beneficiaries. Should a





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portion or the full amount of the approved loanable amount is intended by the SLPTE-ST borrower as payment for tuition and other school fees, the entire amount of the approved loanable amount will still be credited in full to the account of the SLPTE-ST student beneficiary. Payments to be made by the SLPTE-ST student beneficiary to a specific Higher Education Institution shall be covered by a debit advice duly signed by the SLPTE-ST student beneficiary address to the GFI. The debit advice form may be duly accomplished by the SLPTE-ST student beneficiary prior to the actual transfer of approved loanable funds to his / her account. UniFAST should ensure that these debit advice forms are duly signed by the SLPTE-ST student beneficiaries together with the corresponding HEI assessment form secured during enrollment.

Page | 14

14. The SLPTE-ST student beneficiaries will be made aware by the Tertiary Education Institution of the corresponding interest expense that will be added on top of the principal amount of the approved loan if they pay their respective loan after the payment term.
15. The SUCs / CHED-recognized LUCs / private HEIs / state-run and private TVIs will have to issue an Official Receipt once they have received the payment, either through fund transfers or LDDAP-ADA, for the Tuition and Other School Fees of a particular SLPTE-ST student-beneficiary registered in their institution. Thus, once the Official Receipt of the SUC / CHED-recognized LUCs / private HEIs / state-run and private TVIs / has been issued, the student-beneficiary will be considered OFFICIALLY ENROLLED.

Once the student loan application has been approved by the UniFAST, then the advisory of loan approval will be a document to be presented by the SLPTE-ST student-beneficiaries to their respective Tertiary Education Institution so that the said student-beneficiaries may be allowed to attend their enrolled classes for a particular term.

3.0 Annual Work and Financial Plan and Monthly Cash Programming

The release of a Notice of Cash Allocation (NCA) to CHED shall be subject to the submission of a special budget request supported by the following:

- (a) Physical Plan
- (b) Financial Plan
- (c) Monthly Disbursement Program

4.0 Fund Utilization

- 4.1 Utilization of the fund shall be subject to the usual budgeting, accounting and auditing rules and regulations.
- 4.2 All unreleased appropriations and unobligated allotments in the implementation of the Student Loan Program by the UniFAST Governing Board shall be reverted to the General Fund at the end of the validity of appropriations and shall be available for expenditure only upon subsequent legislative enactment.





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5.0 Monitoring and Tracking

5.1 While the student-beneficiary is still in the SUC/LUC/HEI / TVI

In order to maintain eligibility, student should be able to submit the needed documents for the next cycle of student loans.

Page | 15

Students who have temporary illness, disability or an exceptional circumstance may submit an appeal duly endorsed by the SUC / CHED-recognized LUC / private HEI / state-run TVI /private TVI Dean / Head and approved by President to designated UniFAST officer at the CHERO, TESDARO, SUC, LUC, private HEI or private TVI for the renewal of their succeeding short-term loan availment. – part of the appeals processing

Students may have their eligibility for future loans reinstated by either submitting a successful appeal or by completing two terms / semesters (or one academic year) of full-time study at a designated institution. Students must submit an appeal request form with a copy of their temporary transcript showing their successful completion of the previous term(s) – Certification from University / College Registrar every semester – subject to availability of funds.

The UniFAST Secretariat will periodically report compliance of existing SLPTE-ST student-beneficiaries to conditions set while the students are still studying and completing their respective degree programs.

5.2 Before graduation from SUC/LUC/HEI / TVI

Before graduation SLPTE-ST student-beneficiaries of student loans availed on a short-term basis should have been settled in full as a condition for the release of his / her diploma, transcript of records, clearance and other academic credentials. Only in exceptional cases, this condition may be waived by the President of the SUC / CHED-recognized LUC / private HEI / state-run TVI / private TVI, provided the student and his / her parent or guardian sign an appropriate promissory note.

With duly signed data privacy waiver, GFIs will be able to submit to UniFAST the SLPTE-ST student beneficiaries' account movement monthly reports for proper monitoring purposes.

5.3 After leaving SUC/LUC/HEI / TVI without finishing the degree / program

Correspondingly, all those SLPTE-ST student-beneficiaries who were unsuccessful in the completion of their respective degree programs will have to be reported accordingly. Existing whereabouts of these student-beneficiaries who were unsuccessful in the completion of their respective degree programs will have to be established in order to eventually enforce repayment arrangements of student loan. 2nd school availment of loan may only be considered for as long as the SLPTE-ST student beneficiary do not have any existing unsettled student loan.





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6 Repayment options

6.1 Cash payment within the academic term

For cash payments made by SLPTE-ST student beneficiaries within the academic term, the interest shall be waived. Cash payments should be deposited by the SLPTE-ST student beneficiaries to the account of CHED- UniFAST with the designated Government Financial Institution within the academic term.

Page | 16

6.2 Cash payment after the end of the semester

Cash payments should be deposited to the account of CHED- UniFAST with the designated Government Financial Institution. The amortization schedule of loan repayment presented upon loan availment will be enforced by the SUC / CHED-recognized LUC / private HEI / state-run TVI / private TVI to the SLPTE-ST student beneficiaries. SLPTE-ST student beneficiaries have the option to pay in lump sum plus additional interest

7.0 Debt forgiveness

The power of the UniFAST Governing Board to decide on the condonement of student loans due to acts of God or any unforeseen fortuitous events is reserved considering that the permanent non-payment of the student loan is inevitable.

8.0 Sanctions

8.1 Perspective on sanctions

Sanctions are provided for non-compliance to the requirements set by UniFAST on the SLPTE so as to instill strictness and seriousness of the government to collect repayment from student-loans.

8.2 While the student is still enrolled in the SUC/ LUC/ HEI / TVI Availment of the SLPTE for another cycle may be affected by the following:

1. Dropping out from school without providing due notice to a specific SUC / CHED-recognized LUC / private HEI / state-run TVI / private TVI
2. Deferment of student loan without approval from a specific SUC / CHED-recognized LUC / private HEI / state-run TVI / private TVI
3. Transferring to another HEI / academic program without approval from the Student Loan / Student Financial Assistance Board

8.3 When the student is no longer enrolled in the HEI

As a back-up system of repayment enforcement, a list of student-beneficiaries, both successful and unsuccessful in the completion of degree program, will be provided to National Bureau of Investigation (NBI) and the Department of Foreign Affairs through the Bureau of Immigration in order to enforce tagging in the electronic database that will cause a trigger against delinquent student loan beneficiaries. The holding mechanism will be in effect until the outstanding loans are repaid.





Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

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Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



9.0 Monitoring and Reporting Requirements.

9.1 The UniFAST Secretariat, in close coordination with the designated Government Financial Institution and the Tertiary Education Institutions concerned shall create a system that will efficiently and effectively monitor the administration of the Student Loan Program in particular, the disbursement of loanable funds to SLPTE-ST student-beneficiaries and the status of students in the institutions.

Page | 17

9.2 SUCs / CHED-recognized LUCs / TVIs / private HEIs with SLPTE-ST student-beneficiaries shall report to UniFAST the list of students who have dropped out during the term.

All partner institutions (SUCs, LUCs, TVIs, and private HEIs) shall submit to the UniFAST Governing Board after the last day of registration for each term the following:

A report detailing the names of students in their institutions who availed of the student loan program and the relevant details of this availment (e.g., courses enrolled, number of units enrolled, number of semesters left in the Free HE benefit, etc.);

9.3 All partner institutions (SUCs, LUCs, TVIs, and private HEIs) shall submit to the UniFAST Governing Board one month after the end of each term the following:

- (a) total re-payments of cash collected from student-beneficiaries during the recently concluded semester,
- (b) repayment rate per SLPTE-ST student-beneficiary

10. Appropriation.

The amounts necessary to carry out the provisions for the SLPTE-ST shall be included in the annual GAA appropriated under the CHED and TESDA, except during the transitory period which shall be subject to the transitory provisions in Section 52 of the IRR.

Starting in 2019, the amounts needed to carry out the provisions of the SLP shall be included in the annual appropriation of the UniFAST.

RULE IV

PROGRAM SUPPORT SYSTEM

1.0 Duties and Responsibilities. Pursuant to Section of RA 10931, specific government agencies and higher education institutions shall perform the duties and responsibilities, including but not limited to the following:

1.1 UniFAST Governing Board

- (a) Deliberate on and approve after due consultation with specific sectors the policies, implementing rules and regulations, and guidelines pertinent to the Student Loan Program of RA 10931.
- (b) In coordination with the appropriate stakeholders, conduct every three years a review and evaluation of the guidelines of the Student Loan program for Tertiary Education – Short-Term basis.





Republic of the Philippines
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- (c) In cases of violation of any of the provisions of the Guidelines for Student Loans or disputes, the case(s) will be elevated to the UniFAST Governing Board for evaluation and resolution.

1.2 UniFAST Secretariat

1.2.1 Central Office

Page | 18

- (a) Disseminate information to all private HEIs, SUCs and CHED-recognized LUCs on the implementation of the Short-term Student Loan Program;
- (b) Process and request fund transfer to the private HEIs, SUCs or CHED-recognized LUCs for the release of the loan proceeds of student beneficiaries under the short-term student loan program. Specifically, check the completeness, consistency and accuracy of short-term student loan documentations;
- (c) Monitor the implementation of the Student Loan program together with the Philippine Association of State Universities and Colleges (PASUC), Association of Local Colleges and Universities (ALCU) and the Federation of Accrediting Agencies in the Philippines (FAAP);
- (d) Together with the SUCs, CHED-recognized LUCs and private HEIs, develop a system, including securing the services of advisers with approval of the UniFAST Governing Board, which shall provide assistance and guidance to the qualified enrolled students' academic, psychological, social and welfare needs.
- (e) Provide timely reminders to the private HEIs, SUCs and CHED-recognized LUCs about the Student Loan Program implementation rules and regulations and specific guidelines to ensure compliance.
- (f) Accept complaints of violations of SUCs / CHED-recognized LUCs / private HEIs / state-run TVIs and private-run TVIs in the implementation of the Student Loan Program and elevate the same to the UniFAST Governing Board for determination of appropriate action.

1.2.2 Regional Coordinators at CHED – Regional Offices

- (a) Based on the UniFAST budget for administrative costs, UniFAST Regional Coordinators will have to assist the private HEIs, SUCs and CHED-recognized LUCs within the region in providing orientation / briefing to the qualified enrolled students in reference to the policies, standards and guidelines of the Short-term Student Loan program; and
- (b) Monitor the SUCs and CHED-recognized LUCs on the implementation of the Short-term Student Loan program;
- (c) Assist the private HEIs, SUCs and CHED-recognized LUCs in the preparation of financial and operational reports related to the implementation of Student Loan program.





Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education



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- (d) Prepare regional quality assurance reports, which may include gathering of raw data related to Student Loan program for assessment, planning and controlling purposes.

1.3 State Universities and Colleges (SUCs), CHED-Recognized Local Universities and Colleges (LUCs) and Private HEIs

Page | 19

- (a) To execute and properly comply with the provisions of this tripartite Memorandum of Agreement between UniFAST, the Commission on Higher Education and the SUC / CHED-recognized LUC / private HEIs for the full implementation of the Student Loan Program;
- (b) Orient faculty, administrative official and staff and parents, as well as all other stakeholders, about the Student Loan program;
- (c) Diligently implement and comply with the Implementing Rules and Regulations of RA 10931 and the specific provisions of Rules II and III of the guidelines on the Student Loan program; specifically the following procedures will have to be undertaken:
 - (c1) Issue an official receipt for every amount received from CHED – UniFAST through the designated Government Financial Institution in relation to the implementation of RA 10931, specifically on the short-term Student Loan program;
 - (c2) Deposit the amount received (if any) in relation to Student Loan Program to the authorized depository bank;
 - (c3) Maintain a separate bank account for proper account management;
 - (c4) Be accountable to the funds received from CHED pursuant to the agreement; Administration of the funds provided.
 - (c5) Revert back to CHED excess fund transfer (if any)
 - (c6) Comply with the provisions of COA Circular No. 94-13 as may be warranted by the situation.
- (d) Submit to the UniFAST Secretariat, the master list of students who were granted student loans (short-term basis)
- (e) Submit an annual report and other reportorial requirements on the date/s set by Congress regarding the implementation of Student Loan Program to UniFAST Governing Board on or before a specific date set by the UniFAST Governing Board and
- (f) Ensure that full assistance is granted to the qualified enrolled students to enable them to avail of the Student Loan program by developing a complete support system, including but not limited to the appointment of adviser/s. Such adviser/s shall perform the following tasks:





Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education



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Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph

- (f.1) Provide assistance and guidance to the qualified enrolled students in having the right attitude, motivation and behavior in pursuing the degree program and
 - (f.2) Provide referral assistance with respect to the psychological, social and other welfare needs of the qualified enrolled student.
 - (f.3) Provide financial counseling programs and other support programs, as deemed necessary for the students.
- (g) Be accountable for the funds received from CHED pursuant to the agreement

Page | 20

1.4 Commission on Higher Education

1.4.1 CHED – Administrative, Financial and Management Services (CHED-AFMS)

- (a) To process payment subject to the accounting and auditing rules and regulations. Specifically, check on the completeness, correctness and accuracy of the Memorandum of Agreement for the fund transfer to the designated Government Financial Institution.
- (b) Through the CHED – Cash Section, to ensure that an Official Receipt (OR) has been provided to SUC / CHED-recognized LUC / private HEI which has reverted back the excess fund transfer, as a result of a fund reconciliation, to the CHED-AFMS.

1.4.2 CHED – Regional Offices

A corresponding budget to be charged to UniFAST Administrative Costs will be downloaded to the CHED – Regional Offices so as to carry out the following functions:

- (a) To disseminate information to the SUCs, CHED-recognized LUCs, private His, state-run TVIs and private TVIs within their region the implementing rules and regulations and guidelines of the Student Loan program;
- (b) Provide timely reminders to the SUCs, CHED-recognized LUCs, private HEIs, state-run TVIs and private TVIs about the Student Loan program implementation rules and regulations and specific guidelines to ensure compliance;
- (c) In general, to properly coordinate and ensure the smooth systems and operations with the UniFAST Secretariat for the timely and efficient implementation of the programs under RA 10931;
- (d) To process payment subject to the accounting and auditing rules and regulations. Specifically, check on the completeness, correctness and accuracy of the Report on Loan Application, Prioritization and Approval submitted by SUCs / CHED-recognized LUCs / private HEIs / state-run TVIs / private TVIs. Supporting documents are to be forwarded to the





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UniFAST secretariat's Tertiary Education Financing for monitoring purposes.

1.5 Designated Government Financial Institution

A specific Memorandum of Agreement between the Commission on Higher Education and the Government Financial Institution will be executed prior to the implementation of the Student Loan Program for Tertiary Education – Short-term. Page | 21

- a) To facilitate preparation of documents related to account opening (promissory note, loan covenants, agreement with SUCs / CHED-recognized LUCs / private HEIs / state-run TVIs / private TVIs) once the approval to the loan availment has already been provided by the UniFAST Board. Correspondingly, personnel of designated Government Financial Institution (GFI) will conduct a "Know your Client" interviews to all duly approved SLPTE-ST student beneficiaries.
- b) To transfer of funds to SLPTE-ST student-beneficiaries and / or SUC / CHED-recognized LUC/ private HEI / state-run TVI / private TVI with approved loan availment application per instruction of the UniFAST Secretariat
- c) To provide repayments facilities and mechanisms to receive cash payments done by SLPTE-ST student-beneficiaries or identified guarantors of the SLPTE-ST student-beneficiaries for their respective student loans.
- d) To suggest and / or recommend investment options to the UniFAST Board while the funds are not yet released for student loan purposes. Funds, in full or a part thereof, may be used for reinvestment so as to increase the probability of higher positive return on investment (ROI) but with risk-mitigating mechanisms in place to avoid losses.
- e) Reporting of student loans on a per institutional basis (the SUC / CHED-recognized LUC / private HEI / state-run TVI / private TVI where the student beneficiaries is enrolled at the time of loan availment).
- f) Reports on Fund Management and Account Movements will be provided to the UniFAST Board through the UniFAST Secretariat on a monthly basis.

RULE V

FINAL PROVISIONS

1.0 FUTURE ENDEAVOUR ON THE STUDENT LOAN PROGRAM

The UniFAST Governing Board may develop several student loan programs depending on degree programs, student-beneficiaries' profile, special groups (e.g. students with permanent disabilities, students from indigenous communities, single mothers / fathers, Muslim students, rehabilitated students from drug abuse or



