

## SSS Educational Assistance Loan Program



### SSS EDUCATIONAL ASSISTANCE LOAN PROGRAM

The Social Security Commission (SSC) in its Resolution No. 323-s. 2012 dated 30 April 2012 approved the following guidelines in the implementation of the SSS Educational Assistance Loan Program:

#### I. Objectives

1. To improve access to higher education by providing financial assistance to SSS members/beneficiaries.
2. To enhance the country's economic productivity through the development of a larger pool of professionals and skilled workers to support the country's industrial and agricultural expansion.
3. To complement the government's aim to expand access to higher education.

#### II. Fund Allocation/Source

The total fund allocation is P7.0-Billion, P3.5-Billion of which shall come from the National Government (NG) and the other P3.5-Billion from the SSS.

#### III. Eligible Borrowers

1. SSS members who have paid at least thirty-six (36) monthly contributions, three of which should be within the last twelve (12) months prior to the date of application for loan;
2. Members whose last posted Monthly Salary Credit (MSC) is PhP15,000 or below provided that his actual basic salary is not more than PhP15,000 per month; and
3. Members who are up-to-date in the payment of salary/housing loan amortization. If with overdue amount, it must

not exceed three (3) monthly loan amortization.

#### IV. Covered Beneficiaries

1. Member
2. Legal spouse
3. Child of SSS member (including illegitimate)
4. Sibling of unmarried SSS member (including half brother/sister)

#### V. Amount of Loan

1. Degree course – Maximum of PhP15,000 per semester/trimester or actual tuition/miscellaneous fees, whichever is lower; rounded off to the next higher PhP100.
2. Vocational/Technical course (minimum of two years) – Maximum of PhP7,500 per semester/trimester or actual amount of tuition/miscellaneous fees, whichever is lower, rounded off to the next higher PhP100.

The amount shall be funded on 50:50 basis from the NG and SSS.

A member shall be allowed to avail only once to defray educational expenses. No substitution of beneficiary shall be allowed.

All semestral/trimestral releases shall be consolidated at the end of the one-year grace period after completion of the course, including the accrued interests from the actual dates of releases up to the date of consolidation. The consolidated amount shall be the principal loan to be amortized over the preferred term.

#### VI. Interest Rate and Penalty

1. NG Portion – zero interest
2. SSS Portion – 6% interest per annum

based on diminishing principal balance until the loan is fully paid. The consolidated loan (composed of semestral/trimestral releases plus accrued interests) will be charged 6% interest per annum based on diminishing principal balance, until full payment of the loan.

A 1% penalty per month shall be charged for any unpaid amortization.

#### VII. Requirements

1. SSS ID or two (2) valid IDs
2. Accomplished application form
3. Assessment/billing statement issued by the school of member/beneficiary

Any excess on the tuition/miscellaneous fees shall be borne by the member/beneficiary.

#### VIII. Manner of Releases

1. The check shall be payable to the school where the member/beneficiary is enrolled/applied for enrollment and shall be released to the member/beneficiary.
2. Subsequent loan releases shall be made upon submission of another accomplished application form and corresponding assessment/billing statement from the school. Validation by the SSS may be done to ensure the continuous schooling of the member/beneficiary.

#### IX. Repayment Terms

1. Degree course – The term is up to five (5) years and loan payment shall start after 18 months for semestral courses or 15 months for trimestral courses from the scheduled last release date or from the date of last release for those who will not avail of the subsequent releases.

2. Vocational/Technical course – The term is up to three (3) years and loan payment shall start after 18 months for semestral courses or 15 months for trimestral courses from the scheduled last release date or from the date of last release for those who will not avail of the subsequent release.

Any unpaid educational loan shall be deducted from the future benefit of the member.

#### X. Eligible Schools

The school must be accredited by the Commission on Higher Education (CHED) for degree courses and Technical Education and Skills Development Authority (TESDA) for vocational/technical courses.

#### XI. Miscellaneous Provisions

1. SS number shall be issued to a non-member beneficiary for the purpose of tracking him when he gets employed, in the event of delinquency by the member-borrower.
2. A member-applicant who falls under the MSC of PhP15,000 shall be requested to present to the SSS Receiving Branch proof of actual basic monthly salary/income of not more than PhP15,000:
  - pay slip or pay envelope or employer's certification, if employed;
  - latest income tax return (received by the BIR), if self-employed; or notarized Affidavit of Income.

If the member-applicant cannot show proof of basic monthly income of PhP15,000 only, his application for the program shall be rejected.

3. The SSS reserves the right to require additional documents as deemed necessary.