

Circular No. 34
Ref. No. 125789

MINISTRY OF FINANCE AND PLANNING
(Public Service Establishment Division)
30 National Heroes Circle
Kingston 4

August 8, 2006

Permanent Secretaries
Heads of Departments
Chief Executives Officers of Statutory Bodies
and Government Companies/Agencies
Secretaries of Parish Councils/KSAC

Tertiary Assistance Programme for Public Sector Employees

One of the conditions of the second Memorandum of Understanding (MOU2), signed on May 30, 2006, between the Government and the Jamaica Confederation of Trade Unions, is for the establishment of a Revolving Loan Fund to assist Public Sector employees, who are pursuing studies at the tertiary level.

This circular provides the details and guidelines to be followed in order to access this benefit. In this regard, the facility is available to employees in the Public Service pursuing full-time/part-time courses or professional certification courses at tertiary institutions accredited by the University Council of Jamaica.

Eligibility

- i. The applicant should be employed to the Public Service for at least two continuous years. Priority will be given to persons who need to meet qualification requirements for permanent appointment.
- ii. Each application should be accompanied by the following from the accredited tertiary institution:
 - a. Letter of acceptance for new students;
 - b. Grade slips for returning students;
 - c. Copy of invoice from institution setting out cost.
 - d. Length of course.
- iii. The applicant must produce evidence of scheduled times for classes, verified by the institution where the course of study is being pursued.
- iv. Eligible persons would be able to access loans on a year by year basis.
- v. Loans may be considered once in every five (5) years for a course of study at different levels.

Operating Principles

- (i) Loan applications are to be submitted through local Human Resource (HR) Section/Department of the organization to which the officer applying is attached, to the Special Benefits Unit, Public Service Establishment Division, Ministry of Finance & Planning. The attached prescribed form is to be used for the loan applications, and HR Sections/Departments are required to complete the section dealing with outstanding loans.
- (ii) The programme of study must be accredited and must be completed within the normal period set by the institution to qualify for certification.
- (iii) Applicants will not be able to benefit from any other local loan/grant and the Revolving Loan Fund, for the same purpose.
- (iv) Applicants will be required to provide two guarantors. Guarantors who are public servants should have at least four years' permanent service in the Public Service. Guarantors working outside the Public Service should provide proof of their ability to guarantee the loan. **No guarantor may sign for more than one applicant.**
- (v) Loans will be disbursed per semester or annually to the tertiary institution, depending on how fees are charged, and subject to confirmation of registration by the institution.
- (vi) Each beneficiary must sign an irrevocable salary deduction order on approval of the loan. Monthly deduction for all loans should not exceed 40% of an applicant's net pay.
- (vii) The loans are repayable in monthly instalments over a three year period, and payroll deductions are to be remitted to the Accountant General's Department within the first seven (7) days of the following month. Repayment will commence as soon as the loan is disbursed.
- (viii) Loan repayment will be suspended for beneficiaries on approved no-pay leave. However, the loans will continue to attract interest. Beneficiaries may however elect to make payments during the period of no-pay leave.
- (ix) Applicants who will be proceeding on no-pay study leave will be required to demonstrate their ability to repay the loan in the event that they do not resume on the job.

Interest Rate

- (i) Interest is payable at the rate of 5% on the reducing balance calculated monthly and paid quarterly until the loan is fully repaid.

- (ii) In the event that a beneficiary resigns from the Public Service, the outstanding balance immediately becomes due and payable. Interest will be applied to the loan based on the commercial rates prevailing at the time of resignation.
- (iii) Where there is delinquency, interest will continue to be charged against the principal amount granted.

Please ensure that this Circular is brought to the attention of all members of staff. Permanent Secretaries and Heads of Departments are being requested to bring this Circular to the attention of the various entities falling under the purview of the respective Ministries/Departments.



Colin Bullock
Financial Secretary

Encl.

Are you re-paying any of the following?		Monthly Repayment	Outstanding Balance
Motor vehicle loan	No <input type="checkbox"/> Yes <input type="checkbox"/>	\$ _____	\$ _____
Motor vehicle insurance loan	No <input type="checkbox"/> Yes <input type="checkbox"/>	\$ _____	\$ _____
Miscellaneous loan	No <input type="checkbox"/> Yes <input type="checkbox"/>	\$ _____	\$ _____
Salary Advance	No <input type="checkbox"/> Yes <input type="checkbox"/>	\$ _____	\$ _____
Computer Loan	No <input type="checkbox"/> Yes <input type="checkbox"/>	\$ _____	\$ _____
Education Loan	No <input type="checkbox"/> Yes <input type="checkbox"/>	\$ _____	\$ _____
Any other	No <input type="checkbox"/> Yes <input type="checkbox"/>	\$ _____	\$ _____

Amount of Loan Requested _____

Period of Repayment requested _____

Course pursuing _____

Length of Course _____

Cost of Course _____

Signature of Applicant _____ Date _____

Recommendation Head of Department _____

Signature _____ Date _____

TERTIARY EDUCATION APPLICATION FORM

Name _____

Home Address _____

Ministry/Department/Agency _____

Office location (Address) _____

Job title/Post _____ Grade _____

Date of first permanent appointment _____ Present salary _____ (Basic)

Are you re-paying any of the following?

Monthly
Re-payment

Outstanding
Balance

Motor vehicle loan No ___ Yes ___ \$ _____ \$ _____

Motor vehicle insurance loan No ___ Yes ___ \$ _____ \$ _____

Miscellaneous loan No ___ Yes ___ \$ _____ \$ _____

Salary Advance No ___ Yes ___ \$ _____ \$ _____

Computer Loan No ___ Yes ___ \$ _____ \$ _____

Education Support No ___ Yes ___ \$ _____ \$ _____

Any Other No ___ Yes ___ Type _____

Amount of Loan Required _____

Name of Institution attending _____

Course pursuing _____

Length of Course _____

Cost of Course _____

Signature of Applicant _____ Date _____

Recommendation
Head of Department _____

Signature _____ Post _____

_____ Date

OFFICIAL USE ONLY
