



REPUBLIC OF NAMIBIA



PERFORMANCE AUDIT REPORT OF THE AUDITOR-GENERAL ON THE

ADMINISTRATION OF GOVERNMENT

STUDENT LOANS

(MINISTRY OF EDUCATION –

NAMIBIA STUDENTS FINANCIAL

ASSISTANCE FUND)

FOR THE FINANCIAL YEARS 2008, 2009, 2010 AND 2011

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REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my performance audit report of the Administration of Government Student Loans in the Ministry of Education – Namibia Students Financial Assistance Fund for the financial years 2008, 2009, 2010 and 2011 in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Finance in terms of Section 27(1) of the State Finance Act, 1991, (Act 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

WINDHOEK, October 2012

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

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ABBREVIATIONS

AG	Attorney-General
BPR report	Business process re-engineering report
Board	NSFAF Board
CCO	Chief Control Officer
Fund	NSFAF
GIPF	Government Institutions Pension Fund
MOE	Ministry of Education
NDP	National Development Plan
NSFAF	Namibia Students Financial Assistance Fund
NSFAF IMS	Information Management System
OAG	Office of the Attorney-General
PS	Permanent Secretary
SC	Selection Committee
UNAM	University of Namibia

Authors:

Mr. Rodney Vernon Uri-khob

Ms. Elizabeth Sheehama

EXECUTIVE SUMMARY

The Office of the Auditor-General is authorized to carry out performance audits in terms of Section 26(1)(b)(iv) of the State Finance Act, 1991, (Act 31 of 1991), which reads as follows: *(The Auditor-General) "may investigate whether any moneys in question have been expended in an efficient, effective and economic manner"*.

The report concentrates on the "poor administration of Government student loans" within the Ministry of Education, focusing on the Namibian Student Financial Assistance Fund (NSFAF) which is responsible for awarding loans/grants to needy Namibian students.

There were recent public outcries about the administration of student loans that led to the audit.

The following findings have been identified as the most crucial problems that are contributing to the poor administration of Government student loans.

Findings

- The NSFAF has failed to visit schools, institutions of Higher Learning and other stakeholders to disseminate information regarding NSFAF.
- The awarding process takes long, resulting in student fees being paid late to institutions.
- Files from different sub-divisions were not transferred to offices. Therefore NSFAF has failed to recover debts. According to documentary reviews and interviews with the staff members at NSFAF, demand letters are not forwarded consistently to non-payers (breach of contract cases) or at times no demand letters has been sent to debtors.
- Due to the lack of control, the backlog of files are not attended to and the following duties are not being done or are over looked:
 - Interest is not calculated on the non-payers account.
 - Demand letters are not sent to non-payers and some are being sent inconsistently.
 - Payments received are not acknowledged on the 15th of every month as per the division's agreement.
 - No follow-up are made on debtors who signed the salary deduction agreement form.
 - Defaulters list is not send to Government Attorneys every month if not at least every quarter.
- The Office of the Attorney General's staff members as well as documents reviewed revealed that, NSFAF does not provide the Government Attorney with the relevant and complete information that the Government Attorney need in order to recover the money from the breach of contract cases.

Conclusions

- The audit concludes that NSFAF failed to disseminate information to its stakeholders. Based on the audit findings, the auditors conclude that the public is not well informed about the functions and roles of the NSFAF.
- There are no guidelines on transfer of files. The audit concludes that without these guidelines NSFAF will fail to make effective and efficient payments as well as recovery of loans.

- There is little or no assurance that the debtors' profiles and information contained in the files within the recovery division is complete, correct, accurate and up to date. Interest is not calculated on non-payers account and notification letters are sent inconsistently or not at all. Hence, for all the financial years under review, the division has not yet met the objective it set for itself to recover at least N\$ 10 million from the debtors each year. Ineffective recovery of loans means the NSFAP will continue to depend entirely on the annual government budget allocation to meet the escalating demand for educational financial assistance.

Recommendations

- NSFAP should plan when the application process starts to handle the pressure from students to speed up the awarding and timely payments. Further NSFAP must ensure adherence to the due dates on the annual plan and ensure that this plan must be strictly monitored by Management.
- The Ministry should embark on aggressive dissemination campaigns about the Fund.
- A new document should be drafted for students to sign on the final year of studies to inform them about their obligation to pay back loans and also to give latest personal information like addresses if it has changed. Further the NSFAP must create a link with local institutions to request student's results, proof of registration and status of student's qualification to ensure effective payments and transfer of files.
- NSFAP should be mandated to deduct loan monies from defaulter's salaries and to blacklist defaulters in order to recover the government loans. NSFAP should ensure that their computer system be linked to the IFMS system and the Inland Revenue system to trace public servants.

CHAPTER 1

1. INTRODUCTION

1.1.1 Background¹

“The Namibia Student Financial Assistance Fund (NSFAF) is a loan scheme which was designed to replace the Public Service bursary scheme of which its purpose was to train people to work solely in the Civil Service. Soon after independence, the demand for new recruits in the Public Service increased significantly following the integration of the various ethnic-based administrations. Hence, the Public Bursary Scheme, that was in place before the student loans, lost its relevance.”

“In the meantime, the demand for financial assistance by students was ever on the increase. Cabinet therefore decided to replace the Bursary Scheme with the NSFAF, which could allow the Government to continue addressing the human resources need of the country in general and beyond the needs and requirements of only the Public Service. This new Scheme, NSFAF was approved in 1996 and was implemented during January 1997. Ultimately, the Namibia Student Financial Assistance Fund Act, 2000 (Act No. 26 of 2000) came into being and is currently still operational.”

1.1.2 Reasons for the audit

The audit was motivated by the following:

- Many needy Namibians are not allocated with study loans;
- There are grievances that relate to lack of transparency in awarding loans;
- Students complained that the Ministry released fees and travel tickets very late;
- Student’s proofs of registration go missing in the offices of NSFAF; and
- Those who finished with their studies are not paying back their loans and in total owe the Government more than N\$ 300 million during 2010².

1.2 Vision

“The vision of the NSFAF is to provide Namibia with pro-active, innovative, creative and competent human resources by assessing students to quality education programs at accredited tertiary institutions through sustainable and equitable funding, thereby not only empowering the citizens of the country but also contribute significantly towards the economic development.”³

1.3 Mission

“The mission of the NSFAF is to produce, in line with NDP1 & NDP2 (National Development Plan), through loans and scholarship awards, the national critical mass of men and women with relevant knowledge, skills and competencies for both public and private sectors in Namibia.”

¹ Selection Committee Guidelines

² Sources: The Namibian (02/07/09 & 01/02/11) & New Era newspapers (15/02/11).

³ NSFAF Vision, Mission and Goals Document

1.4 Mandate of NSFAF

“The mandate of the NSFAF⁴ in terms of Act 26 of 2000, is to provide financial assistance in the form of a loan/grant to eligible students at approved institutions of higher learning. The Fund provides financial assistance to needy Namibian students (undergraduate studies: full-time). The Fund should also recover money from beneficiaries upon completion of their studies.”

1.5 Goals

“The goal of NSFAF is to award loans and scholarships to successful candidates, payments of study loans/grants to various institutions and to recover loan monies from the debtors in an effective way.”

1.6 Objectives of NSFAF

The objectives of the NSFAF are as follows:

- To ensure a consistent, transparent, effective and efficient awarding of loans and scholarships; and
- To ensure effective and efficient payment of study loans/grants to various institutions and to put in place effective strategies to recover more money and to increase loan recovery from the debtors.

1.7 Organizational structure

The Ministry of Education

Administration of the Ministry of Education is headed by the Permanent Secretary. Previously there were 11 Directorates within the Ministry which were headed by different Directors who report through their respective Under-Secretaries to the Permanent Secretary (PS). The structure has since been revised and now caters for 13 Directorates.

The NSFAF Division is under the Directorate of Finance. The NSFAF Division is headed by a Deputy Director and consists of three sub-divisions, namely: Awards, Payments, Recovery and Breach of contract and a Section for Administration. A total number of 29 staff members are responsible for running the affairs of the Division as follows:

The award sub-division is responsible for the invitation and processing of loan application forms as well as the awarding of loans, administration for both local and foreign scholarships. This sub-division is headed by a Chief Control Officer (CCO), 2 Control Officers, 4 Chief Clerks and 2 Clerks.

The payment sub-division deals with the payments of student’s loan/grants monies directly to institutions or to the service providers and not to the individual students. A Chief Accountant heads this sub-division followed by 2 Senior Accountants, 4 Accountants and 2 Assistant Accountants.

The recovery and breach of contract sub-division’s primary function is to recover loans from students upon completion of studies. This sub-division is headed by a Chief Control Officer; under the CCO are a Control Officer, 3 Chief Clerks and two Clerks.

⁴ NSFAF BPR report June 2010

The **Administration sub-division** is responsible for the basic administration of the NSFAP and registry.

1.8 Key players

- **NSFAP Board:** The Board manages and controls the affairs of the Fund.
- **NSFAP staff:** Responsible to manage the day to day affairs of the Fund.
- **Selection Committee** are representatives from all 13 Regions assisted by specialists in a particular field of studies from line Ministries/Offices/Agencies as well as representatives from the Namibia National Student Organization to select possible awardees of loans.
- **Government Attorney:** Responsible for tracing and collection of debts from those who are in breach of contract.
- **Institutions of Higher Education:** Is responsible for admitting students and loan monies are directly paid to these institutions.
- **Computer company:** Contracted company responsible for developing and administering the new computer system.
- **Students:** Is a Namibian citizen who is eligible for admission or is admitted for a course of study at an approved institution of higher education.
- **Bank Windhoek:** Approved banking institution for keeping NSFAP deposits and withdrawals.
- **High Schools:** These are Grade 10 pupils who intend to enroll at a local Vocational Training Institute and Grade 12 pupils who intends to enroll at a recognized accredited institution of higher education.

1.9 Financing

The actual expenditure/budget allocation for the Division NSFAP for the financial years under review are shown in table 1 below:

Table1: Financing and budgeting of NSFAP⁵

Financial year	Government contribution & other income	Actual expenditure	Difference
	N\$	N\$	N\$
2007/08	90 390 017	89 822 886	567 131
2008/09	212 015 145	112 187 637	99 827 508
2009/10	213 722 000	225 734 771	(12 012 771)
2010/11	224 580 000	269 627 036	(45 047 036)

1.10 Staffing

The staff establishments for the period 2007/2008 to 2010/2011 for the NSFAP are as follows:

Table 2: Staff establishment of NSFAP⁶

Financial year	Provision	Filled	Vacant
2007/08	29	26	3
2008/09	29	27	2
2009/10	29	27	2
2010/11	29	25	4

⁵ Source: NSFAP Financial Statements

⁶ Source: NSFAP Staffing

CHAPTER 2

2. AUDIT DESIGN

2.1 Audit scope

2.1.1 Audit object

The audit team covered the award, payment, recovery and breach of contract processes in the Ministry of Education under the division of NSFAP, focusing on the “Administration of Government Student Loans”.

2.1.2 Audit objective

The objective of the audit is to establish the effectiveness of the administrative functions of the Fund that the Ministry of Education has in place to efficiently and effectively manage the Fund.

2.1.3 Geographical coverage

The auditors have audited the NSFAP Division at the Ministry of Education Head Office in Windhoek, Khomas region. The Division of NSFAP has no regional offices as their work is centralized. The audit coverage is a representative of the whole country.

2.1.4 Time period covered

The audit covered four financial years 2007/2008, 2008/2009, 2009/2010 and 2010/2011. The four financial years were selected with the expectation that NSFAP would provide the auditors with sufficient, reliable and relevant data.

2.2 Audit methodology

2.2.1 Documents reviewed

The audit team reviewed documents from NSFAP and from the Government Attorney in order to gather required information and audit evidence.

The documents reviewed are as follows:

- NSFAP Policy and Regulations;
- Namibia Student Financial Assistance Fund Act 26 of 2000;
- Latest approved Organizational Structure of NSFAP;
- Statistics on NSFAP (2007/08, 2008/09, 2009/10, 2010/2011);
- Annual, quarterly reports (2007/08, 2008/09, 2009/10, 2010/2011);
- NSFAP Business Process Re-engineering report (BPR) June 2010;
- Agreement for Government financial assistance for study purpose by way of loan (loan contract);
- Student loan application form (old and new);
- NSFAP Board minutes from 2007-2010;
- MOE annual report (2007/08, 2008/09, 2009/10);
- Student files from all three sub-divisions;
- Defaulter’s files from Government Attorney;

- Memorandum of agreement between MOE and the contracted company; and
- Tender document F1/9-9/2010.

2.2.2 Interviews

The following staff members of NSFAP and other role players were interviewed to obtain information that could not be gathered from documents reviewed, and to verify the accuracy of the findings. This was done with 27 officials and they are as follows:

- 1 Director (Directorate of Finance);
- 1 Deputy Director (NSFAP);
- 2 Chief Control Officers;
- 1 Chief Clerk;
- 2 Clerks;
- 2 Control Officers;
- 1 Chief Accountant;
- 1 Senior Accountant;
- 1 Accountant;
- 10 Selection Committee members;
- 2 Guidance Teachers from Khomas region;
- 1 Bursary Officer UNAM; and
- 2 Legal practitioners from Governments Attorney's office.

2.2.3 Questionnaires

The audit handed out 132 questionnaires to non-first year students at UNAM to gather information related to NSFAP which were not readily available.

2.2.4 Sampling

The audit used random sampling method to gather information from the auditee.

CHAPTER 3

3. SYSTEMS DESCRIPTION⁷

The Namibian Student Financial Assistance Fund (NSFAF) is a loan/grant scheme that provides financial assistance to needy full-time Namibian students to study at an approved/recognized institution of higher learning.⁸ Once students have finished their studies and are employed, they are expected to pay back loans plus interest at half the current prime interest rate.

In terms of the NSFAF Act, the affairs of the Fund are managed and controlled by (5) five FSFAF Board members appointed by the Minister of Education. The Board is accountable and responsible for the proper management, administration and control of the financial and other affairs of the Fund. The financial year of the Fund ends on 31 March in each year. The main source of income for the Fund is an appropriation by Parliament through the National Budget and through recovery of loans (loan repayments).

The NSFAF has three sub-divisions which all functions are operated manually. The workflow goes from the award section to the payment section and finally to the recovery and breach of contract section. The Fund is currently busy computerizing its operations. In each of the three sections, staff members are allocated with a number of files to work on. Upon completion of their work on a file, a staff member should forward the file to the next section until it has gone through all three sections and the loan or bursary is redeemed.

3.1 Application and award process

The application forms are made available from August each year at schools, regional education offices of MOE, NSFAF Head Office and other institutions of higher learning. The closing date for the applications is the 31st of October every year and the Division shall not consider any late applications.

Requirements to apply

- Be a Namibian citizen and in good health.
- Financial assistance is offered to students whose combined parental income does not exceed N\$ 150 000 (basic salary plus allowances and other benefits minus income tax and pension fund). Exception can be made in cases where parents are paying for other children at other tertiary institutions. Proof is required.
- Have been admitted to/registered for a course which he/she applied for (only one course can be funded per student)
- Be a full-time student.
- Have obtained a Grade 12 or equivalent qualification or Grade 10 certificate in case of vocational training.

Required documents

- Certified copy of birth certificate or Namibian identity document;
- Verified statement of joint parental income or, if unemployed, a declaration made before a Commissioner of Oath by parents;
- Final results of Grade 10/12 or academic record; and

⁷ NSFAF Act 2000 (Act No. 26 of 2000), Regulations and Policy

⁸ NSFAF Act 2000 (Act No. 26 of 2000), Regulations and Policy.

- Proof of registration/admission to an approved/recognized institution of higher learning.

By the end of February each year, all applications received on time are acknowledged and presented to the Selection Committee (SC) for initial consideration. The SC consist of Regional representatives from all thirteen (13) Regions assisted by specialist in a particular field of studies from line Ministries/Offices as well as a representative from the Namibia National Student Organization (NANSO).⁹ Applications with outstanding documents should be turned down by the Selection Committee. According to the Policy document dated 2006, only recommended applications are submitted for approval to the Permanent Secretary (PS) or responsible official appointed by the NSFAP Board. Appeal applications for those unsuccessful applications during the initial selections are considered between March and April each year.

The Cabinet Decision No.: 17th/23.11.10/002¹⁰ was approved as from 2011 academic year, to allocate 70% of available loans to the poor and disadvantaged students; 20% to the priority areas scholarships and 10% to be awarded on merit based scholarships, with the view of creating a sustainable NSFAP, balancing loans scheme.

Criteria followed by the Selection Committee as per Cabinet Decision:

- The 70% of loans allocated to the poor and disadvantaged students whose parents earn up to N\$ 150 000 [combined parental income (gross salaries)] in different areas as long as they meet the requirements as set out in the NSFAP policy.
- 20% of priority areas of study scholarships, as long as the applicants have been admitted to a high priority field of studies at a recognized institution, the student will be financially assisted although the parents combined salaries are above the threshold.

Priority field of studies as per NSFAP Board resolution of 23/01/2012 are; Medicine and related fields, Humanities and related fields, Education and related fields, Engineering and related fields, Science and related fields, Accounting/Accounting Science and Law.

- 10% of scholarships to best or top performer student per region irrespective of their parents income above the threshold salaries or priority field.

Notices for all successful applicants are issued and displayed at their respective local tertiary institutions' notice boards and also at NSFAP Head Office. All successful loan applicants are required to approach the Fund within two months (60 days) from the date of notice in order to enter into agreements (signing of contract). Students will automatically forfeit their offers if they fail to enter into loan agreements within the prescribed period of time.

Further the Division of NSFAP also make provision for funding scholarships of post-graduate studies offered by friendly governments and/or international organizations (not private scholarships) through co-operate agreements with the Government of Namibia. These scholarships only include loans for students' air tickets and incidentals/pocket monies.

All applications received on time are acknowledged by sending an acknowledgement letter to students. This letter also indicates any outstanding documents that a student must submit to NSFAP, if there are any outstanding documents. Thereafter the applications are presented to the Selection Committee (SC) for initial consideration. According to the policy approved on 05 November 2005, only the recommended applications by SC are thereafter submitted for approval to the PS or

⁹ Selection Committee Guidelines

¹⁰ Annexure 2

responsible official appointed by the Board. The same applies for appeal applications that were unsuccessful during the initial consideration.

Once a student is awarded a loan/grant, he/she is required to approach the NSFAF and enter into agreements within two months from date of the notice. A responsible official appointed by the NSFAF Board must sign off the contract on behalf of the Government.

3.2 Payment procedures

The Division makes payments of loan/grant monies directly to institutions of higher learning or the service provider. No cash payments or cheques are issued to students except in case of an emergency/contingency. Financial assistance is granted to cover tuition, accommodation, meals, transport, textbooks, registration fees and related educational fees to all fields of study.

Beneficiaries are required to submit their semester/annual results to the Division. Students with unsatisfactorily/failure results loans are suspended by the Division and the students must pay for those subjects at their own costs. Those students with satisfactory results, payments are repeated by the Fund until the student has completed his/her studies.

Students must apply in writing if they want to change courses or institution to the PS for approval. Should approval be granted for changes of course, where a year has to be repeated, the loan will be suspended. Payment will only resume if a student registered for the proceeding academic year. Should such a change affect cost, the amount already paid on behalf of the students would be deducted from the new allocation.

Students must submit their proof of registration to NSFAF. Beneficiaries are also obliged to inform NSFAF in writing in case of changes in their surname, ID numbers, first names, addresses, etc. If savings accrue from the monies paid to a student, this savings must be paid back to the Fund and deducted from the beneficiaries' loan.

3.3 Recovery of loans and breach of contract

It's a requirement for the students to pay back the loan monies awarded to them after six months of completing their studies. Interest will be calculated monthly at half the prime rate (currently 4.88%) on the Capital amount.

If the debtor is unable to find employment within six months after completion he/she must notify the Fund in writing in order to get an extension not to start repaying the loan. Failing to do so may result in a breach of contract and interest will be calculated monthly on the capital amount from the date the repayment was due. If the beneficiary in any way fails to honor his or her term of contract, the full commercial interest rate will apply.

Before the grace period lapse, debtors should be reminded about the loan and their obligation. A letter showing the capital amount and banking details should be issued to the debtor. If after 60 days the loan is repayable and the debtor has not responded, he/she should be issued a first demand letter to start paying the loan. A final demand letter should be issued within 60 days after the first demand letter was issued.

The instalment of repaying the loan is calculated at minimum 15% of gross annual income minus tax and pension contribution. The maximum period for repayment may not exceed three times the number of years for which the debtor received the loan. For example; if the course duration is three years to complete, repayment period will be maximum nine years to repay. The debtor can settle the loan in a shorter period if he/she wishes so to reduce interest payable monthly.

A debtor, who is not earning a threshold salary (non-taxable), may pay the loan without interest. The same applies to those debtors whose six months grace period has not lapsed. Debtors have the option to repay instalments of the loan via debit order, salary deduction (Government employees), stop orders, Nampost or direct bank deposit to the Fund bank account held at Bank Windhoek.

Loans are repayable to the Fund when:

- A period of six months has lapsed since the student has completed his or her studies;
- He or she has found employment;
- He or she earns a threshold salary and
- He or she has not completed studies and is in breach of contract without negotiating to the Fund on an agreement.

Further, notifications or demand letters are sent to debtors after the students completed their studies in order to remind them of their obligations to repay back the loans. These letters are forwarded to addresses provided by debtors on the NSFAP agreement contract. The initial letter should be sent within the grace period of 6 months, thereafter the first, second, and final demand letter is sent to debtors at the interval of 60 days in between. At the time of the audit, the Fund no longer sends the second demand letter as per the recommendation from the BPR report of 2010 to shorten the amount of letters sent to debtors.

The NSFAP Board may decide to suspend the repayment of loan or the suspension of interest on the following conditions:

- The debtor becomes unemployed;
- The debtor's annual earning falls below the relevant threshold salary (non-taxable income);
- The debtor becomes physically or mentally ill and is declared unfit for work for a period longer than three months by a registered medical practitioner;
- The debtor dies, in which case all liability for refunding of monies would lapse, provided a breach of contract did not occur before the event of death.

When a loan is suspended, interest will not be charged monthly, but if payment resumes, interest will be payable.

Failure to repay the loan

If -

- a) Repayment of financial assistance has become due; or
- b) A borrower has commenced repayment of the financial assistance awarded to him or her, and the borrower fails to repay the financial assistance as stipulated in the agreement, and the borrower has not been awarded in respect of such payment extension or suspension, the Board may, after not less than two reminders in writing to the borrower concerned and given not less than 30 days apart, hand the matter over to the Government Attorney or any other attorney for the necessary action to collect the debt for the benefit of the NSFAP.

CHAPTER 4

4. FINDINGS

4.1 Introduction

This chapter presents the audit findings regarding the awarding of student loans and scholarships, payments to institutions, recovery of loans and breach of contract.

4.1.1 Award sub-division

4.1.1.1 Application process: Closing dates

The auditors found the following deviations:

- The closing date for applications during 2011 for the 2012 academic year, was not adhered to therefore, this caused a delay in the processing and scanning of application forms. The application process is a very lengthy procedure and if there are delays in a certain part of the whole process, further delays occurred.

During the time of the audit, NSFAP introduced a new application form that became available on 20th September 2011.

The new application form was not properly introduced as scholars had difficulty completing these application forms. According to interviews, it was discovered that the scholars were busy writing their final Grade 12 examinations at the time of the introduction of the new application forms therefore, these scholars could not be approached personally to formally introduce or explain the application form, especially with course and institution codes that had to be completed on the form. During interviews it was mentioned that there was no attachment or guidance on how to complete the codes. The applicants that had wrongly completed their application forms were rejected by the computer system. It was also mentioned in the interviews that the staff had to complete the rejected forms individually on behalf of the students to enable the application forms to be processed further and forwarded for selection.

- The auditors further found that some applications forms were distributed late to the Regions on the 30th November 2011, the date applications closed.

The Ministry indicated that the reason for the late distribution of the new application forms was that they were only received at the end of September 2011 from the printers in South Africa.

- According to documents reviewed, the postal box of NSFAP that is used by students to send their application forms was not paid on time during 2011. The effect was that these application forms piled up in the closed post office box at Nampost. 930 applications were removed from the box and were placed in a storeroom at Nampost. Eventually when the post office box was paid during December, the applications that were placed in the storeroom were not collected. These applications were only collected on the 14th February 2012. Staff from NSFAP also stated that students complained that their applications got lost and had to re-apply for a loan. Some of the students who have applied for studies in the SADC Regions' applications could not reach the Selection Committee on time. Those students studying locally also did not receive acknowledgement letters and had to complete new application forms.

4.1.2 Recommendation and approval of applications: Authorization

A sample of 50 files for 2011 academic year was selected out of a total population of 6 330 for audit purposes. The audit found that all 50 applications were not acknowledged by the PS or delegated official. The applications were also not authorized by way of a signature and were therefore not signed on behalf of the Government. Furthermore, the auditors found that all three copies of the agreements were found in the student files as they were not posted or handed back to the students, whereas one copy should have been sent to the students, one copy to be kept at registry and one copy to remain in the students' file.

According to interviews, it was indicated that this situation is the same for the total population of 6 330 applications. The interviews further revealed that the Agreements to all applications were not mailed or handed to students as there is a lack of manpower at NSFAF. This could lead to students not having a copy of their agreement and thus not be familiar with the content of the agreement.

4.2 Database management

4.2.1 Records management¹¹ and file security

Section 14(2) of the Namibian Student Financial Assistance Fund Act, 2000 (Act 26 of 2000) states that *"the board shall keep or cause to be kept such accounts and records as are necessary to reflect accurately the state of affairs and business of the Fund and to all times give a true reflection of all financial and other transactions and financial position of the Fund."*¹²

For the financial years 2007 to 2011 the auditors found that the Fund had no record management, filing and security system in place. There are also no registers in place of how many files are kept within a certain office. Each student has a file, which is a hard copy, and these files are to be kept in staff offices, but some staff files are on the floors and not kept in a safe environment. Staff members record files on an excel sheet to make their work easier but there are no back-up for the information. Others send this excel sheet to their personal email accounts such as yahoo as a back-up.

Figure 1: Illustration of record management



¹¹ Records management definition – appendix 1

¹² Memorandum of understanding between MOE and computer company



Due to lack of proper record-keeping, students whose loans were suspended due to failure of an academic year at institutions of higher learning or who were in breach of contract re-applied for new loans and were awarded. The audit also found that a non-loan holder's tuition fee to the amount of N\$ 21 102 was paid to one of the institutions. Absence of record-keeping could result in students being paid double or the loss of revenue.

4.2.2 Introduction of computer system

The NSFAF is in the process to computerize the procedures which are currently manually done. It was therefore necessary to change the existing manual capturing of data to improve the current situation. The tender was awarded to a company on 31 July 2010 amounting to N\$ 2 436 750 for the data capturing, maintenance and support for two years as well as a website to add value to the NSFAF Information Management System (NSFAF IMS) according to tender document F1/9-9/2010. The tender document could not state whether the tender amount is inclusive or exclusive of VAT.

However, the audit found through the memorandum of agreement between the NSFAF and the company that the NSFAF agreed to pay the company the tendered amount of N\$ 1 956 750 for the development and implementation of the NSFAF Information Management System as well as for data capturing. An amount of N\$ 1 500 000 is for support and maintenance of the NSFAF Information System per annum for a period of two years. These amounts exclude VAT. The contract was signed on 01 April 2012 and will expire on 31 October 2014. Furthermore, the tender document did not state that an additional fee must be paid for maintenance for N\$ 1 500 000 per annum for two years as is stated in the memorandum of agreement.

The Minister could not explain the difference between the N\$ 480 000 for maintenance and the N\$ 1 500 000 as per the memorandum of agreement.

The audit also found through document review, that the contracted company was operational prior to the signing of the memorandum of agreement between the MOE and the computer company. The table below shows payments made to the contracted computer company before the memorandum of agreement was signed.

Table 3: Payments made to the contracted computer company

No.	Payment date	Amount
		N\$
1.	03/12/2010	299 575.00
2.	15/12/2010	150 477.50
3.	21/01/2011	225 026.25
4.	22/02/2011	230 000.00
5.	28/03/2011	151 798.56
6.	29/04/2011	108 956.75
7.	01/06/2011	315 081.60
8.	27/06/2011	166 270.00
9.	28/07/2011	166 270.00
10.	25/08/2011	166 270.00
11.	30/09/2011	60 030.00
12.	18/10/2011	83 720.00
13.	25/10/2011	17 825.00
14.	12/12/2011	83 720.00
15.	07/02/2012	237 127.13
16.	02/03/2012	177 905.00
17.	16/03/2012	29 618.25
18.	31/03/2012	590 142.63
Total		3 259 813.67

In its comments on the draft report, the Ministry indicated that tender board exemption was further obtained to incur expenditure in respect of the development of the Information System not covered through the tender F1/9-9/2010.

The auditors further observed that data from the award sub-division was processed by employees of the contracted computer company. This includes scanning of application forms, producing of reports for the selection process and printing the list of successful applicants.

According to interviews as well as observations by the auditors, it was revealed that employees of NSFAP do not have access to the system and they are not trained on how to operate the system. At the time of the audit the testing was only done at the awards sub-division. Other sub-divisions operations were not in a test phase. The auditors found the following:

- Reports produced by this system are not in an alphabetical order with the results that it consumes the time of NSFAP employees and other users (Selection Committee) who have to interpret or analyze these reports.
- Application forms scanned were rejected by the system due to code errors in the applications. The applications had errors because students were not trained how to complete the new application form by NSFAP. As a result, rejected application forms were corrected manually by NSFAP employees and re-captured by the contracted computer company employees to an additional cost of N\$ 7.50 per application according to interviews.
- The system fails to pick up changes, amendments or errors processed such as:
 - (a) When a student change a course. The system will produce a payment list for students indicating his/her old course or institution.

- (b) When the loan is awarded for a period less than four years the system indicates that a loan is awarded for four years, while the loan is awarded for two years.

This is happening due to the pre-mature stage at which the system is operating and is still not fully operational. If not corrected before it goes live, the system will not operate effectively, efficiently and economically.

4.3 Implementation of Cabinet Decision

The Cabinet through its decision No.: 17th/23.11.10/001 and No.: 17th/23.11.10/002 directed the Ministry to change the existing methods.

The audit found that the following methods as outlined in the afore-mentioned Cabinet Decision were not implemented:

- Review the public outreach of NSFAP to ensure that equitable access for rural-based versus urban-based students is implemented;
- Develop a robust and comprehensive loan recovery and collection system; and
- Assess the issue of bonding.

It was further observed that a consultant was hired to look into the bonding issue. At the time of the audit the assessment was not yet finalized.

The NSFAP will not meet its goals and objectives if the above-mentioned points are not being implemented. The Namibian Nation will not further meet the Vision 2030 goals and objectives which states “*encourage the development of life-long learning in Namibia through institutional and staff development.*”

4.4 Transfer of files from award to payments sub-division

The NSFAP adopted the procedure that all approved applications must be handed over to the payment sub-division for verification, payments and filing purposes. According to the NSFAP Action Plan of 2009/10, transfer of files from the award to the payments sub-division should be done during March/April every year. A register is kept for all the files to be transferred and the payments sub-division staff signs for the files they received.

Documents reviewed for 2007 to 2010 academic years, observed a delay of four months whereby files were only transferred to the payments sub-division during July and August every year. This practice leads to payments made late to institutions of Higher Education.

A total of 132 questionnaires were handed over to students from UNAM, of which 56 experienced late payments which resulted in transportation and accommodation problems. 14 students indicated that they could not write exams due to the late payments.

From the documents reviewed for the 2011 academic year, 6 330 files were not transferred to the payments sub-division during the year 2011. The verification and approval were only done during March 2012 and from there the files were transferred to the payments division.

According to interviews with officials from NSFAP for the 2011 academic year, NSFAP planned that the verification for approval of files would be done by electronic signature, but these never happened, as the computerized system was not yet functional. As a result, the awards sub-division compiled a list of student’s names and rates payable at institutions of Higher Education to the

payment sub-division to make payments without the physical files. It was not to happen as such since payments are to be made with the physical files to verify the correctness thereof. Interviews and documents revealed that the physical files are still with the awards sub-division staff. This has resulted in payments made without verifying the actual approval with the physical files. This led to errors occurring on the payments list as some students' names appeared twice and some rates were incorrect.

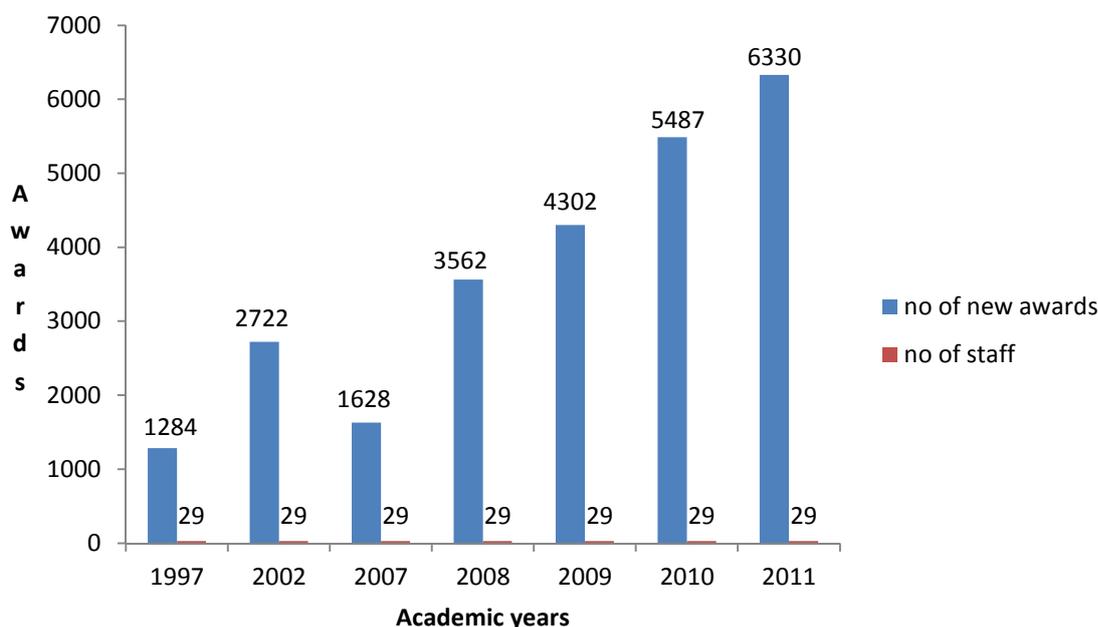
4.5 Increase in loans

Since NSFAF was established in 1997, it had 1 284 new applicants. The number has increased over the years to a total of 6 330 applications in 2011. According to interviews NSFAF receives around 18 000 applications every year. The staff establishment was at 29 employees, which includes 3 Clerical Assistants, 1 Clerk and the Deputy Director.

The audit observed that the staff establishment never increased since 1997 as it remained the same (29 employees) in contrast with the increased number of applicants each year. Vacancies that exist in NSFAF are not filled within a short period and this hampers the operations of NSFAF. There are no norms for staff to work with a specific number of files.

The graph below shows the increase in new awards since 1997 as well as the number of staff employed.

Graph 1: Number of awards versus staff



4.6 Dissemination of information

A recommendation from the Business Process Re-engineering Report dated June 2010 states that the “NSFAF should embark upon activities to disseminate information about the Fund and its objectives. The above will assist the communities to understand the rationale behind the creation of the scheme and who the intended beneficiaries would be. Therefore, vigorous outreach campaigns should be carried out in the regions and more especially at high schools and other institutions of higher learning. The Fund also needs to have its own web site as a strategy of information dissemination and through local media on a quarterly basis.”

According to interviews and documents analysed, outreach services were done at Expo's, shows and trade fairs, but not to high schools and institutions of higher learning. The Fund concentrated to disseminate information at the above-mentioned events.

According to interviews from 2007 to 2010 financial years, NSFAF only visited three local schools in Windhoek as schools in regions were never visited. The auditors further found that 13 Regionals Education Directorates offices were visited during 2011 to introduce the new application forms. Directors of Regional Education directorates and principals were invited to such visits.

According to the interviews, NSFAF does not allow its staff to travel to regions to visit schools and local institutions of higher learning. The auditors were informed that there is a lack of funds to pay travelling allowances to its staff and their request are just being turned down.

Furthermore, the audit could not establish whether clear policies exist for the Fund to communicate to its stakeholders and to its staff members internally. This is evident during the registration of continuing students and awarding process of first year students when students flock the NSFAF offices. The office space provided to NSFAF is already limited and the flocking students create an environment that employees who are already under pressure can't perform their duties as they have to deal with student's queries.

Figure 2:



4.7 Payment sub-division

4.7.1 Payment and continuation of loan/grant

The tables below show payments made to institutions to continuing students and new awards for the financial years under review.

(a) Continuing students

Table 4

Financial year	No of students	Amount
		N\$
2007/08	8 914	89 935 939
2008/09	9 955	112 935 939
2009/10	11 050	225 734 771
2010/11	6 886	111 226 834

The NSFAF would pay student loan/grant monies directly through the institution or provider of services. The NSFAF will continue payment of loans every year as long as the student passes his/her academic year. In terms of the loan contract agreement beneficiaries are required to submit their academic year results and proof of registration to the Fund.

(b) New awards

Table 5

Financial year	No of students	Amount
		N\$
2006/07	1 628	17 289 050
2007/08	3 562	31 162 484
2008/09	4 302	38 649 357
2009/10	5 487	58 946 762
2010/11	6 330	111 226 834

Further the NSFAF regulations states that; a borrower must “within two months from the date he or she has received his or her certificate indicating that he or she is the holder of the qualification for which the loan in question was awarded, furnish the Board with a copy of that certificate, verified by a Commissioner of Oath as a true copy of that certificate”.

The audit found that most students do not submit their academic year results, proof of registration and certificates. The effect of non-submission of documents and not transferring files leads to non-recovery of student loans.

4.7.2 Transfer of files from payments to recovery sub-division

According to the documents reviewed the Payments sub-division transfers files to the Recovery sub-division for those students who has completed their studies. The transfers of files according to the action plan in place at NSFAF are done during December every year. The Recovery sub-division needs these files to issue a letter to debtors informing them about the balance due to NSFAF and their obligation to repay their loans.

Files analyzed for the five financial years 2006/2007 to 2010/2011 have shown that transfer of files of students who have completed their studies, dated back from 1996 to 2007, have not been transferred to the Recovery sub-division. The auditors reviewed a total number of 2 800 files amounting to N\$ 83 655 277.00 that were still with Payment sub-division and not with Recovery. These files should be recovered.

4.8 Findings from recovery of loans and Breach of contract sub-division

4.8.1 Information from auditee

Table 5 below illustrates the total number of debtors at Recovery sub-division, number of debtors that are paying, number of debtors that are not paying, amount recovered, as well as the outstanding amount for the four years under review:

Table 6

Financial year/ period	Total number of debtors at recovery	Debtors paying	Percen- tage	Debtors who are not paying	Percen- tage	Amount recovered	Outstanding amount
			%		%	N\$	N\$
2007/2008	10 468	1 153	11	9 315	89	4 861 936	210 240 597
2008/2009	12 162	1 519	12	10 643	86	5 863 638	249 595 480
2009/2010	14 237	1 744	12	12 493	88	6 172 559	313 886 493
2010/2011	16 690	1 951	12	14 739	88	6 678 204	375 717 569

Source: NSFAP financial statements (not audited) and NSFAP Board minutes of the meetings from 2007-2011.

As indicated in table 5 above, the number of debtors that committed themselves to repayment is below 15% of the total number of debtors submitted to the Recovery sub-division for all the financial years under review. According to the BPR report, the NSFAP have a goal of recovering N\$ 10 million per annum. As indicated in the table above, the amount recovered is far less than N\$ 10 million per annum. However, the outstanding amount is more than N\$ 200 million for the years under review.

4.8.2 Auditors own analysis

Results from student files analyzed for all four years under review were as follows:

Table 7

Financial year	Sample size	Files reviewed	Files not reviewed
2007/08	200	138	62
2008/09	236	172	64
2009/10	212	151	61
2010/11	203	203	-

The division could not provide the remaining 189 students' files. The reason provided, is that the files could not be found due to poor filing system. The results from documents reviewed, for all four financial years under review are illustrated in table 6 below:

Table 8

Financial year	Sample size	Breach of contract	Percentage	Regular payer	Percentage	Redeemed files	Percentage
			%		%		%
2007/08	138	118	86	17	12	3	2
2008/09	170	149	88	19	11	2	1
2009/10	151	141	93	12	8	5	3
2010/11	203	185	91	18	9	0	0

(Source: Student files)

The table above explains those students who are in breach of contract, regular payers and those students who have settled their debts (redeemed). From the review of the table above, more than 80% of the students committed breach of contract, less than 20% of students paid on a regular basis and not more than 5% settled their debts.

Less recovery of loan will result in less money available to fund future students and the NSFAP will continue to depend on Government budget allocation.

4.8.3 Recovery of loans and breach of contract

The auditors found the following:

- Not all files of students who have completed their studies or are in breach of contract are at the Recovery sub-division for recovery purposes
- The officials at Recovery sub-division further have divided the files into two groups, namely non-payers and regular payers. From the 203 files reviewed 33% of the files had no demand letters at all. Those files with the demand letters have exceeded the 60 days intervals which ranges from 365 days to 1 095 days.

From the auditors' observation, processes within the Recovery sub-division are manual and these leads to work piling up which created a situation where staff concentrates on regular payers instead of non-payers. There are scenarios that demand letters were sent to the respective debtors and no response was received or demand letters were posted back to NSFAP due to change in addresses and contact details of debtors.

4.8.4 Calculation of interest on capital amount

Monies payable to the fund are paid at half the current prime rate. Interest will be calculated from the date the loan repayment is due. If the beneficiary in any way fails to honour his or her term of contract, the full commercial interest rate applies.

Based on document reviewed and interviews conducted, interest is calculated on all regular payers' files (20% of debtors) but not on non-payers files (80% of debtors). It was also noted through documents reviewed that once the debtors stop payments due to various reasons, the calculation of interest also stops.

The table below shows results from student files regarding interest calculations as follow

Table 9

Financial year	Sample size	Debtors paying interest	Percentage %
2007/08	138	17	12
2008/09	170	45	26
2009/10	151	25	17
2010/11	203	18	9

Source: debtor's files

From the table above it is evident that on average only 16% of all 662 debtors files reviewed are paying interest for the years under review.

4.8.5 Lack of control

The auditors observed that due to lack of control, the following duties are not being carried out:

- Interest is not calculated on non-payers files;
- Demand letters are not send to non-payers and some demand letters are being send inconsistently;
- Payments to NSFAF bank account received (deposits) are not acknowledged on the 15th of every months as per division agreement;
- No follow-up made on debtors who signed the salary deduction agreement form and no deposits received thereafter; and
- Defaulters list not send to the Government Attorney on time.

4.8.6 Breach of contract cases at Government Attorney

The NSFAF Policy states that if the repayment of financial assistance has become due or a borrower has recommence payment of financial assistance awarded to him/her and that the borrower fails to repay such financial assistance as stipulated in the agreement, and the borrower has not been awarded extension, or suspension, the Board may, after not less than 2 reminders in writing to the borrower concerned and given not less than 30 days apart, hand the matter over to the Government Attorney or any other attorney for the necessary action to collect the debt for the benefit of the NSFAF. According to the NSFAF's Action Plan of 2009/2010 the defaulter list should be forwarded to the Government Attorney quarterly. The Board must provide the Government Attorney or other attorney with the relevant information and record of repayment of the borrower concerned, and such other documents or information as the Government Attorney may require.

According to document review as well as interviews with the staff members from the NSFAF, the auditors found that the defaulters list was not forwarded from the NSFAF to the Government Attorney every quarter but it was forwarded once a year rather. It was also noticed that not all debtors who failed to repay the loans were forwarded to the Government Attorney. Further, the Government Attorney as well as documents reviewed revealed that, NSFAF does not provide the Government Attorney with the information on a quarterly basis per the action plan that they need in order to recover the loan monies. These are information such as:

- Most current postal and physical addresses of defaulters;
- Detailed calculations of debts, showing how interest was accrued;
- Sufficient personal information (IDs) of defaulters; and

➤ Contracts.

Furthermore, Government Attorney complained that the NSFAP take long to respond to enquiries such as to provide them with debts calculations and defaulters addresses. Sometimes no response is received at all, which was also confirmed by documents reviewed.

Table 10 below shows the amount of debt recovered on behalf of NSFA via the Government Attorney for 2009/2010 and 2010/2011 financial years:

Table 10

Financial year	Amount recovered
	N\$
2009/2010	93 298
2010/2011	41 719

Source: Annual report and Board meeting minutes

The table above shows a decrease in the amount recovered through the Government Attorney. Amount recovered by the Government Attorney for other financial years are not provided.

According to the staff members at the Government Attorney, 249 files of defaulters were received by the Government Attorney's office during the period 2007 to 2010. A total sample size of 102 from 249 files for the total debt amounting to N\$ 1 890 608 due to the Fund were selected randomly for analyses in order to assess the cases handed over to the Government Attorney, and the results from the defaulters files analysed were as follows:

- 79% of debtors' files had no contracts, latest debt calculation and contact details. (81 of 102 files);
- 7% debtors were regular payers (7 of 102 files);
- 12% debtors stop payments due to various reasons (12 of 102 files);
- One debtor settled the loan (1 of 102 files); and
- One debtor was not in breach of contract, but was handed over to the Government Attorney (1 of 102 files)

The defaulters list for 2011 was forwarded to the Government Attorney on 12/03/2012. At the time of the audit, no recovery was done on these files.

As illustrated above, it is evident that the Government Attorney may not have been provided with sufficient information needed in order to effectively recover the loans on behalf of NSFAP.

CHAPTER 5

5. CONCLUSIONS

General conclusion

Poor records management and ineffective planning hinders the effective and efficient operations of the Fund.

Specific conclusions:

Due dates of application dates not adhered

The audit concluded that closing dates for application forms are not being adhered to. Applications that are received late are also considered, contradictory to NSFAP policies.

Records management and security

Without a proper records management the NSFAP could not function orderly and efficient flow of information which would enables the NSFAP to perform its functions successfully and efficiently. The audit concludes that no controls are in place to ensure that only authorized persons have access to the relevant information, in order to prevent information and/or the records from being stolen or damaged.

Transfer of files between divisions

The audit concludes that there are no guidelines on transfer of files and without these guidelines NSFAP will fail to make effective and efficient payments and recovery of loans.

Increase in number of awarded loans

The loans awarded increased annually but the staff establishment remained unchanged or stagnant. This is further worsened by the fact that vacancies are not filled timely.

Dissemination of information

The audit concludes that NSFAP failed to disseminate information to its stakeholders. Based on the audit findings the auditors conclude that the public is not well informed about the functions and roles of the NSFAP

Ineffective loan recovery process

There is little or no assurance that the debtors' profiles and information contained in the files within the recovery division is complete, correct, accurate and up to date because the division is unable to effectively track debtors and monitor changes in their information (i.e. The exact whereabouts and existence of some of the debtors, addresses, contact details and surnames that sometimes change when debtors get married.).

Hence for all the financial years under review, the division has not yet met the objective it sets for itself to recover at least N\$10 million from the debtors each year.

Completion of studies

There is no mechanism in place for the NSFAP to determine when students complete their studies in order to transfer their files to the Recovery sub-division; in addition to that students also do not submit their qualifications as required. As a result, files are not transferred to recovery on time, and it makes it difficult to determine the grace period of 6 months and also the calculation of interest.

Government Attorney

Debtors in breach of contract are not being referred to the Government Attorneys on a regular basis. NSFAP provides the Government Attorney with incomplete records which makes it difficult for the Government Attorneys to effectively and efficiently recover the loans.

Sustainability

The sustainability of the Fund is therefore jeopardized due to the ineffectiveness of the recovery process which was supposed to enable the continuous flow of income to and from the Fund instead of depending entirely on the annual government budget allocation to meet the escalating demand for educational financial assistance.

Computer system

The computer system was developed to significantly improve the NSFAP operations and to enable the NSFAP staff to perform their functions effectively and economically. However, the auditors conclude that the system is having flaws. Furthermore, the contents and amounts payable in the tender document and the memorandum of agreement between NSFAP and the computer company do not correspond.

CHAPTER 6

6. RECOMMENDATIONS

General recommendation

There is an urgent need for change and improvement at the NSFAF. The recommendations given below should be taken seriously and be implemented. The Office of the Auditor-General will carry out a follow-up audit in the future to ascertain if the recommendations by the Government Attorneys has been implemented and that there is a change in the administration at NSFAF.

Specific recommendations

Application process

NSFAF must attach a reference number to application forms to make enquiries easy.

Application forms must be dispatched to all Regions within a reasonable time prior to the closing date of applications. Closing dates for applications must be strictly adhered to as per NSFAF policies. NSFAF must further ensure that the new application forms are easily understandable and must be marketed to scholars, teachers and other stakeholders.

NSFAF must plan when the application process starts to handle the pressure from students to speed up the awarding and timely payments. Further NSFAF must come up with an action/annual plan every year. This plan must be monitored by Management.

Acknowledgement letters must be sent to scholars before registration starts every year.

Records management and file security

NSFAF must develop a disaster management plan, approved filing system, file security and back-up for files to be stored at a remote, safe and secure site.

Transfer of files between sub-divisions

Files must be transferred within the respective sub-divisions as per deadlines stipulated in the action plan of the Fund.

Increase in number of awarded loans

Vacancies must be filled as soon as possible from the date positions became vacant.

While NSFAF is waiting for the approval of a proposed staff establishment, management should ensure that there is maximum supervision of staff members in order to ensure that they are doing their jobs accordingly.

Dissemination of information

The NSFAF must embark on aggressive dissemination campaigns about the Fund especially the recovery of loans and to educate the beneficiaries about their obligations and benefits from repayments.

The NSFAF should consider establishing a Help Desk counter to ease their operations during peak periods and to attend promptly to student enquiries.

Computer system

Reports produced by the new computer system must be in an alphabetical order to reduce time spent on searching for student names.

The NSFAF should ensure that the new computer system is operating effectively and efficiently to eliminate the problems NSFAF is already experiencing.

Ineffective loan recovery process

NSFAF should be mandated to deduct loan monies from defaulter's salaries and to blacklist defaulters in order to recover the Government loans.

The NSFAF should come up with monitoring tools to identify student progress for possible drop out or breach of contract.

The NSFAF should ensure that their system be linked to the IFMS system, Inland Revenue system and any other relevant system to debtors.

NSFAF should consider reviewing the contract agreement to accommodate necessary changes to ensure effective recovery of loans.

Completion of studies

A new document must be drafted for students to sign on the final year of studies to inform them about their obligation to pay back loans and also to give latest personal information like addresses if it has changed. Further the NSFAF must create a link with local institutions to request students' results, proof of registration and status of students' qualifications to ensure effective payments and transfer of files.

Lack of controls

All files must be authorized by responsible official or official delegated to. Agreements must also be signed by a responsible official and sent to students before December every year.

Payments sub-division must have the physical files before payments are done. The payment list and the physical files must be reconciled to avoid double payments. Thus, after payments, the payment history in the physical files must be updated.

Government Attorney

The NSFAF must compile a register of all files with the Recovery and Breach of contract sub-division and forward the complete information to the Government Attorney for recovery.

Computer system

The NSFAF must consider that the report produced by the new computer system must be in an alphabetical order to reduce time spent on searching for student names.

The NSFAF should ensure that the new computer system is operating effectively and efficiently to eliminate the problems NSFAF is already experiencing.

Definition of records management

Records management is a process of ensuring the proper creation, maintenance, use and disposal of records to achieve efficient, transparent and accountable governance. Sound records management implies that records are managed in terms of an organizational records management programme governed by an organizational records management policy.