COMMITTEE ON HIGHER EDUCATION CALLS ON NSFAS TO OPEN A NEW CHAPTER ON PERFORMANCE

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The Portfolio Committee on Higher Education, Science and Technology has called for close collaboration between the National Student Financial Aid Scheme (NSFAS), Office of the Auditor-General (AG), Department of Education, Science and Technology and the National Treasury to turn NSFAS from poor to expected and acceptable performance.

The committee received briefings recently from the Auditor-General of South Africa on the audit outcomes of NSFAS, and from NSFAS on their annual report for the 2019/20 financial year. The delegation was led by the Minister of Higher Education, Science and Technology, Dr Blade Nzimande.

The committee heard that NSFAS received a qualified audit opinion with findings in the 2019/20 financial year. The AG explained the reasons for the qualified audit outcome. According to the AG, the reasons included financial statements that were not credible due to lack of appropriate and evidence reporting, poor quality of financial statements, and financial statements that were not prepared according to the Public Financial Management Act.

The AG also highlighted the problem of the failure of NSFAS to consult the Minister in revising the criteria and conditions for loans and bursaries in 2018/19 and in 2019/20, and that resulted in NSFAS carrying irregular expenditure of R50 billion.

The Chairperson of the committee, Mr Philly Mapulane, said the 2018/19 and 2019/20 financial years are the worst years in NSFAS’s administration. He said the entity received qualified audit opinion and lots of material findings. “Year after year from that period the situation worsened. This is the period in which the entity was under an administrator who was supposed to turn it around, but worsened it,” he said.

On the problem of the failure to gazette the new funding criteria, which creates the irregular expenditure problem, Mr Mapulane said there is an opportunity to write a strong motivation to the National Treasury to resolve the matter. On non-compliance to legislation and policy on the determination of benefits for the advisors to the former NSFAS administrator, which is not captured in the audit report, and which the AG said is in the letter sent to NSFAS’s management, Mr Mapulane requested NSFAS to furnish the committee with information related to this irregular expenditure.

The committee welcomed the new NSFAS Board Chairperson, Mr Ernest Khosa and the new CEO, Mr Andile Nongogo. It called on them to turn the entity from the mess it is and position it to be able to meet its mandate of ensuring that eligible students, especially those who come from historically marginalised communities, to access quality education. Furthermore, the committee assured the new leadership of its (committee’s) support.

**By Mava Lukani**
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