

# FAPSA 2018 – NSFAS Commissions Report

- The following report will cover the following commissions as discussed at the 17<sup>th</sup> and 2018 FAPSA Conference, which was held at Birchwood Hotel, Johannesburg from the 2 – 4 July 2018, namely:
  1. Applications
  2. Better Relations
  3. Data Exchange
  4. Disbursements
  5. Funding Decisions
  6. Contracting
  7. Conclusion

# Commission 1: Applications

- The Applications Commission covered the following topics, namely:
  1. Communication
  2. Applications Forms
  3. NSFAS System for Capturing Applications
  4. Capacity
  5. Simplifying the uploading of documents

# Commission 1: Applications

## 1. Communication

- Marketing
- NSFAS Roadshows
- School Principals, District Meetings
- Career exhibitions
- Media
  - ✓ Social
  - ✓ Radio (Local)
  - ✓ Television (TV)
- Financial Aid Officers
- NYDA
- Municipality Youth Officers
- Local Libraries

# Commission 1: Applications

## 2. Application Forms

- Effect the following changes on the Online Application
  - Last school attended – Other (Students who studied outside SA)
- ID No as a username
- Universities should include NSFAS link (Application) to their admission application

# Commission 1: Applications

## 3. NSFAS System for Capturing Applications

- TVET'S and NSFAS should improve IT system
- NSFAS to improve multiple users on system

# Commission 1: Applications

## 4. Capacity

- NSFAS to deploy staff to assist students @ HEIS
- Capacity @ NYDA to allow for only online applications
- Capacity building workshops for FAO'S
- Mobile NYDA Offices

# Commission 1: Applications

## 5. Simplifying the uploading of documents

- One upload of documents and a checklist
- File name be ID NO on a PDF format

## Commission 2: Better Relations

- **This commission used the following topics as their terms of reference:**
  1. To discuss how NSFAS and Institutions can improve on their relations
  2. To improve communication between Institutions and NSFAS
  3. Maximise the efficacy of the Servicing Team



# Commission 2: Better Relations

- **The following challenges were identified:**
  - No clear stakeholder matrix
  - As is(Current Challenges)
  - There's no clear rules of engagement
  - Communication channels not used effectively
  - Incompetence of servicing team and call centre personnel
  - Poor Management and co-ordination of operations
  - Systems not properly integrated
  - Communication not quality assured
  - Many confusing statements by politicians and VP's

## Commission 2: Better Relations

- **The following recommendations were made:**
  - ❖ Clear outlined stakeholder matrix with roles, responsibility and accountability
  - ❖ Develop MOU's or SOP's with clear rules of engagement
  - ❖ Review the current model
  - ❖ Empower the FAO'S
  - ❖ Have trained and competent teams at the call center
  - ❖ All communication must be quality assured and be sent to the right people
  - ❖ System be integrated to minimize confusion and improve efficiency

## Commission 2: Better Relations

- Recommendations (Cont.):
- Capacity at the institutions be improved – with TVET's being prioritized.
- FAPSA Executive must be consulted at all times if the decisions will affect the operations of the FAO.
- Reviving team work through, i.e. team building, workshops and proper constituted seminars
- A crisis management plan should also be in place.

## Commission 2: Better Relations

- **Conclusion:**

“ALL SUSTAINABLE RELATIONSHIPS ARE BUILT ON -HONESTY, TRUST  
AND TEAM WORK”

## Commission 3: Data Exchange

- This commissions discussed various factors affecting the industry and therefore agreed to only note the recommendations/resolutions for the purpose of this exercise.
- The followings resolutions were presented:
  1. NSFAS must provide a new system
  2. Consistency on services of servicing team
  3. Consultation of the new system end-end before going ahead. Include the provision for supplementary exam results before funding decisions.
  4. Data verification & data clean up

# Commission 3: Data Exchange

- Resolutions (Cont.)
  5. Institutions must verify their data
  6. Consistency of NSFAS template requirements and data format
  7. Establishment of a task team consisting of NSFAS & institutions on the integration processes, consisting of IT specialists, FAO - collaboration of all parties on timelines etc.
  8. NSFAS must develop exception reports when uploading & receiving data
  9. NSFAS must match their application data with the registration data & admission data that institutions submit

# Commission 3: Data Exchange

- Resolutions (Cont.)

10. Confirmation from NSFAS that the student is funded for the exact amount as the institution needs to do their own top up etc. Award quotient must be built into the data
11. We will build timelines after consultation that is workable
12. The commission admitted but is concerned that NSAFS can't cope and that NSFAS must give a proviso that they will commit to dates, the commission will consider to revert back to the old model / system
13. Consider to revert back to old model/system provided NSFAS can ensure a guarantee in writing that the resolution will be actioned

# Commission 4: Disbursements

- This commission focused on the following points:
- Disbursements through
  - 1. Institutions**
  - 2. NSFAS paying directly**
  - 3. Through 3rd party**



# Commission 4: Disbursements

- 3rd Party Short comings
- Matching Data with NSFAS problematic
- Student disbursements delayed
- Multiple transactions on accounts
- Cell number change challenges
- Institutions cannot help students as there is no access to 3rd party database

# Commission 4: Disbursements

- **RESOLUTION:**
- Institutions to disburse their own allowances using their own systems and Vendors of choice.
- Institutions must take responsibility of their students allowance disbursements

# Commission 4: Disbursements

- **PROCESS OF RECONCILIATION AND FREQUENCY THROUGH THE ACADEMIC YEAR**
- There must be an ongoing reconciliation
- Once student sign NBA / SOP NSFAS should disburse the full amount to the institution.
- We suggest that at least half a claim / full payment when students signed contracts
- No monthly payments in tranches

## **RESOLUTION:**

- Once student sign NBA / SOP NSFAS should disburse the full amount to the institution.

# Commission 4: Disbursements

- **WAYS TO BETTER SUBMIT AND PROCESS TOP-UPS**
- **RESOLUTION:**
- Top up templates to be done after second semester registration and when changes on student accounts can be drawn

# Commission 4: Disbursements

- **REMITTANCE – FORMAT AND FREQUENCY**
- NSFAS – To create a standardized format and be consistent
- Remittance list must go with the signed and unsigned contracts, as to determine which students to pay and who to communicate with for signing.
- Accuracy of Reports

## **RESOLUTION:**

- Remittance should be sent to HEI on a fortnightly (Every two weeks), and TVETs on a monthly basis

# Commission 4: Disbursements

- **Reporting requirements**

- Should be send after all remittances are received and all payments received in full.
- All payments must be in full settlement for all Institutions to enable them to do final credit balances
- Reports from NSFAS must be mirror image with the one of the Institution
- DHET must make sure that academic results are available on-time for final reports ( TVETS)

# Commission 4: Disbursements

- **Reporting requirements Challenges**
  - Lack of capacity to deliver on time-
  - NSFAS – Students being removed from LAFSOP while on Remittance list
  - Duplication of LAF/SOP with different amounts
  - Funding under incorrect Funders and Incorrect Institutions.

# Commission 5: Funding Decisions

- **The commission for funding decisions focused on the following:**

1. Income Threshold
2. FTEN R350K (N+1)
3. Returning R122K (N+2)
4. Quintile 1-3
5. Academic Requirement
6. 50% pass rate



# Commission 5: Funding Decisions

- Criteria (Current Situation)
- 50% pass
- Academic progression (N+2/N+1)
- Income threshold is R350K/R122k
- Returning / continue student not agreeing to different threshold.
- The system has a different target to students (FTEN)
- Suggested Solution 1
- Maintain 50% pass rate
- Change N+1 to N+2
- Suggested Solution 2
- Increase the pass rate 60% & N+2 including
- Consider electives & major subjects enrolled
- Credits weight
- Suggested Solution 3
- Income threshold be standardized in 2019

# Commission 5: Funding Decisions

- Quintile 1-3 & SASSA(Current)
- Q1-3
- SASSA
- If you are a SASSA beneficiary you don't have to apply
- SASSA has been switched off (no longer used for funding decision)
- What is happening to those students?
- Not a correct tool/ model to assess students
- Suggested Solutions:
- Identify Q1-3 but assess the financial eligibility
- Don't eliminate any source
- Use all sources to verify information
- Use Quintiles and SASSA criteria to assess financial eligibility (funding decision)
- Do away with Quintiles, no longer relevant(Income threshold is enough)
- Triangulate (Use all information & sources)

# Commission 5: Funding Decisions

- **What ways can we use to facilitate the funding decision?**
- Speed up decision making & verification
- Universities to provide NSFAS with academic results promptly
- NSFAS must make funding decisions immediately upon receipt of academic results

# Commission 5: Funding Decisions

- **Challenges Faced by NSFAS verification**
- Pronouncement ( 16 December 2017) impacted on what was in place
- Issues of course codes
- Institutional mapping is a problem
- Translating TVET's academic results is a problem
- Process cycle translated better on system
- 2017 LAF/SOP not signed

# Commission 5: Funding Decisions

- **Suggested Solutions**
- Funding decision to be made by Universities/TVETs (institutional level)
- Screening of applicants to be done at NSFAS
- Do a way with different codes and eliminate all patterns regarding course codes
- TVET's to provide results instead of DHET ( this can help with translation of results)

# Commission 5: Funding Decisions

- **Effective communication of funding decisions**
- The funding decisions should not be communicated to the students before the institutions have verified the info/data
- Communication to students must be done by the institutions
- NSFAS to action the funding decision
- Outcome of funding decision (rejected) NSFAS to communicate to the institution first and students thereafter.
- My NSFAS portal to be improved and used effectively
- All communication channel must be in sync
- Empower service team agent assigned to institutions
- Institutions must be informed about students with outstanding application documents
- NSFAS to action the list that have been verified by the institution (Students who do not meet the requirements be removed from NSFAS funded list).

# Commission 5: Funding Decisions

- **Risks and Pertinent Questions**
- Risk (Universities/ TVET's) are incurring debt
- Registration of students not funded by NSFAS ,universities are running at a risk .
- Is registration template a requirement for funding students?
- What has NSFAS done with results they received in Jan that they can not translate. Its July now and we need to know what has been done?
- NSFAS is not capturing the manual forms as was sent to them.
- NSAFS does not provide feedback on status of data (11 May)
- Challenged have been departed and solutions found, why are we still having problems ?

# Commission 6: Contracting

- The commission on contracting focused on the following:
  1. Signing of NBA and SOP
  2. Problems and suggestions



# Commission 6: Contracting

- **No amounts and typing errors on NBA**
- Students should be able to log on the NSFAS portal to submit the typing mistakes on their agreement forms so that new correct agreement forms can be generated
- NSFAS should use the amounts on the registration templates sent by institutions so that the NBA can have the amounts
- A clause should be added on the NBA to indicate that the student will be signing once a year and the NBA are valid for the duration of the qualification, and the following years amounts will be dependant on the registration of that particular year

# Commission 6: Contracting

- **Double Registrations**

- Students register at two institutions and NSFAS can only pay one institution per year for the same student
- Proposal: NSFAS should invest in a system that can track these type of students and notified to be sent to both student and institution before any payment to the institution can be made
- A booklet that entails the risks of double registrations should be implemented in order to educate the students about registering in two institutions
- This booklet can form part of student orientation

## Commission 6: Contracting

- **Senior Students at institutions but new at NSFAS, FTEN's and Senior Students**
- These students should be classified as the same and should sign the similar agreement forms
- All allowances should be the standardized per institutions across these students to avoid students unrest and strikes
- Senior NSFAS student should be given an addendum to sign since the terms and conditions has changed in 2018 from the LAF that they have already signed

## Commission 6: Contracting

- **Signing of SOP's at TVET Colleges**
- We are proposing that the student sign every trimester or semester looking at the issue of the student can change to 3 different institutions in a year
- This will assist to know where is the student staying that particular trimester and to ensure that NSFAS pays the right institution

## Commission 6: Contracting

- **Incorrect contact numbers causing delays in signing the NBA and 2017 LAF**
- Previously the system used to show the number which the OTP is sent to, the system does not show the contact numbers anymore. NSFAS can assist by bringing that option back
- After signing the system should sent student an SMS to notify them that agreement is signed
- If the student has signed and then enter the ID number the system should give a pop up message to say that the student already signed

## Commission 6: Contracting

- **Report for student that did not sign agreement forms**
- The reports does not reflect the correct number of unsigned contracts, the students are duplicated making the list to be more than the actual students
- Students still receive SMS's to ask the student to sign even thought they already signed
- Proposal: NSFAS should double check the reports and lists before communicating the information with relevant parties. Duplicates should be removed
- NSFAS should action the request from institutions when asked to un fund the student, this will also reduce the list for the unsigned

## Commission 6: Contracting

- **Non Qualifying students' agreement forms generated and students already signed and SBUX is received**
- Students do not qualify due to the following reasons:
  - Academic Performance
  - N+2
  - Student studying second qualification not approved in terms of the NSFAS Act 56 of 1999
  - Post graduate students
  - Students who never applied
  - No institution has been sent the registration template for those students

# Commission 6: Contracting

- **PROPOSAL**

- Proper evaluations from NSFAS is required
- A Proper system is required to ensure accurate and correct outcomes
- Adequate resources and staff is required
- Additional & Adequate Training should be given
- Over and above it will be advisable for NSFAS to bring the application back at the institutions. The processes, staff, and resources are available at the institution and easier for students to access



## Commission 6: Contracting

- **Responsibilities with regards to the deadline of 31 July 2018 signing for agreements forms**
- The parties involved to ensure the already generated agreement forms lies on students, NSFAS as well as the institutions
- The actual numbers for the unsigned agreement forms are as follow:
- TVET Colleges 61 000
- Universities 26 000
- We propose that NSFAS sent us the numbers of unsigned agreements per institutions to see the possibility of meeting the deadline due to the fact that students are currently on recess and it might be a challenge to for them to sign agreement form

# Commission 6: Contracting

- **Responsibilities continued**
- NSFAS should first notify the students about the signing of the agreement forms
- NSFAS should sent the list or report for the unsigned to the institutions so the institutions can try to contact the students using all media platforms available at the institutions
- Institutions can assist with blocking these students with the aim of getting the attention from the students

# Conclusion:

- We as FAPSA EXCO therefore wish to propose the following:
  1. The Financial Aid Office once again becomes the face of the NSFAS whereby the process is given back to the FAO's and we deal directly with all students concerned.
  2. The process referred to in point above refers to FAO's dealing with the capturing of applications for new and returning students to the approval process, with the submission of claims being the final process to NSFAS.
  3. NSFAS in the interim has to develop a proper IT system that can perform adequately and generate what is required to meet the full requirements as was done in the past.
  4. As FAPSA EXCO we have seen enough and are tired of all the inefficiencies that we faced with the current NSFAS System to date.
  5. Institutions are becoming more frustrated with NSFAS and to date we have not seen how their system works in real time and are tired of resubmitting data that is requested whenever specific enquiries arise.

## Conclusion:

- NSFAS Call Centre remains a huge concern as it seems that staff are not being trained adequately enough to deal with enquiries on a daily basis
- NSFAS continues to work with spreadsheets and this remains a huge.
- In general all problems faced lead back to the NSFAS System which is affecting all Institutions in general.

# Conclusion:

# THE END