

Umbrella body fears student funding disaster

The Financial Aid Practitioners of SA (Fapsa) warns of further unrest and protest at tertiary campuses countrywide if the National Student Financial Aid Scheme (NSFAS) does not sort out its payment issues to institutions and students.



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This came after Fapsa, an umbrella body of all the financial aid practitioners representing higher and further education and training colleges, held a meeting with interested parties last week following complaints from students and institutions.

Pontsho Mosoeu, Fapsa's secretary-general, said the NSFAS had failed to deal with payment issues despite the body having met the student funder earlier in 2017.

"Promises were made but nothing has been done to date," Mosoeu said. "If we don't attend to these issues, we may face a disaster in 2018."

Interested parties stressed that a number of institutions were owed millions of rand for the 2016 academic year.

Fapsa said some institutions disagreed with the current tranche payments by the NSFAS. Members said it created "a mess" in terms of reconciliation and the allocating of funds to students' fees accounts.

Mosoeru said the Durban University of Technology had reported that it was still owed about R18m from 2016. The institution had consequently been struggling to function optimally due to the debt burden.

NSFAS spokesman Kagisho Mamabolo said 62% of funds allocated to first-time students who qualified for NSFAS support and were registered and unfunded had been claimed out of a total R2.1bn. The NSFAS said the funds had been allocated through the Department of Higher Education and Training from the shifting of funds from surpluses declared by institutions and unclaimed funds as at November 2016 from the Kgodiiso and historic debt funds.

However, the claims rate had been low throughout the year as institutions struggled to get students to sign loan agreement forms, according to Mamabolo.

In 2017, the NSFAS started introducing its "student-centred" model, cutting out universities and colleges as middle-men as the scheme took over the processing of applications. It was hoped that it would ease the administrative burden and reduce delays in providing funds to students.

However, the model has come up short, resulting in numerous student protests.

Another key concern raised was about the late payment of student allowances for food, books and transport. While a reported 40% of all university students had signed the necessary NSFAS documentation to receive payments due to them, only 15% of the students had received payment.

Fapsa has requested a meeting with the NSFAS to discuss a solution to the issues.

Source: Business Day

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