

# FORENSIC AUDIT REPORT

## OF UNIVERSITY OF GUYANA (STUDENT LOAN AGENCY)

FOR THE PERIOD DECEMBER 2011 TO MAY 2015



### **CONTRACTED BY:**

Ministry of Finance  
49 Main & Urquhart Streets,  
Georgetown,  
Guyana

### **AUDITED BY:**

HLB, R. Seebarran & Co  
Chartered Accountants  
73 Canje Street & Stone Avenue,  
Section K, Campbellville,  
Georgetown

September 5, 2015

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September 5, 2015

Honourable Mr. Winston Jordon  
Minister of Finance  
Ministry of Finance  
49 Main & Urquhart Streets  
Georgetown

Dear Minister,

**Re: Forensic Audits of Students Revolving Funds**

Following our meeting on June 8 and our subsequent engagement to carry out the subject audit, I am pleased to submit our report of the Student Loan Agency (Agency).

**The objectives and Scope of the Audit are:**

- a) To determine the entity's adherence to and fulfillment of principles of corporate governance in all aspects, including its interpretation of its mission, adherence to legal or statutory and policy instruments and good practices;
- b) Assess and test systems and detect any instances of corporate malfeasance and inefficiency for remedy and/or judicial interventions and systems realignment
- c) Determine the authenticity and validity of significant commercial and financial transactions entered into by the entity with related parties, suppliers and customers, and measure the extent of potential prejudice the entity may have suffered through such dealings, if any;
- d) Carry out a comprehensive financial systems review which should look at all systems, decisions and practices which have underpinned the entity's finances, and test and assess financial discipline at all levels. Without limitation, the Consultant should:
  - (a) Review and examine all financial books and records of the entity as required to undertake such review and to obtain such clarifications and explanations as may be required in relation to such books and records;
  - (b) Review all contract administration and approval processes in relationship to the expenditure of funds;
  - (c) Review all material expenditures and contracts made by the entity and obtain all necessary information and explanations relating to such expenditures and contracts;
  - (d) Examine all areas, including budgeting, financing, expenditure, management of revenue inflows, trade terms, procurement or purchase decisions and supply chain management;
  - (e) Examine the entity's assets management system, including its fixed assets, their disposal and management or deployment;

- (f) Examine the entity's marketing, production and commissioning policies, systems and agreements to determine their integrity, efficacy and responsiveness; and
  - (g) Examine the entity's archiving policy both by way of records keeping and as a performing asset that yields revenue for the entity; and
- e) Recommend statutory, legal or organizational changes required to identify and prevent any recurrence of improprieties.

## 1. Background

The Student Loan Agency (refer to as the Agency hereinafter) was established in 1995 to manage the 'Student Loan Account' and **NOT** a 'Student Revolving Fund' Account, as explained by the Agency's Head. The Agency falls under the direct supervision of the Finance Secretary and its day to day affairs are managed by Mr. Rawle Sue-Hu who is currently supported by nine full time staff and additional staff during the registration period. In addition, one staff at Tain Campus provides support throughout the year.

The Agency is housed in a wooden one flat building which also houses two other departments, the Students' Welfare and the University's Personnel departments. The building is in a very poor state and in one particular area within the Agency, the roof leaks heavily when it rains. This was quite evident at least four times during our audit. In addition, the building is not suitable for the Agency because of the lack of space and its poor condition.

## 2. Audit period under review

This audit focuses on activities during the period December 2011 to May 31, 2015 although information and data have been included for earlier periods to enable the intended users to have a more comprehensive understanding of the Agency from the inception to present.

## 3. The Student Loan Agency

The Student Loan Agency (the Agency) was established as an Agency within the Ministry of Finance in 1995 to facilitate the disbursements of student loans as part of cost recovery at the University of Guyana. This coincides with the introduction of charging fees to students attending the University. The Agency is not governed by any statute or legislation. As regards to Principles of Corporate Governance, there are no such principles in effect. The current policies and procedures in use have been implemented by the Agency as directed by Office of the President, Public Service Ministry and the Ministry of Finance and have been modified from time to time. For example, in a letter from the Office of the President dated October 18, 1999, it provided 'principles' for granting loans. In a memorandum from the Permanent Secretary (PS), Public Service Ministry to the All PSs, it explained Cabinet's decision on the conditions for a student loan to be written off. **Copies of some of the directives are attached.**

Mr Rawle Sue-Ho, who is trained in finance, has been the head of the Agency for more than fifteen years. Mr Sue-Ho has advised us that he was never instructed to operate the Student Loan Fund as a revolving one. Students are approved for loans once they are admitted to the University. The current policies and procedures are listed at the end of the section. All

students must enter into contracts which are between the Ministry of Finance acting for and on behalf of the Government of Guyana and the Students. The contracts specify the terms and condition which bind both the Lender (Ministry of Finance) and the Students. Clause 4, among other clauses, of the contract states *“The Student undertakes to repay the Principal Sum and interest thereon, including the interest that accrued before the commencement of the repayment, in one hundred and eighty (180) equal monthly installments, the repayments to commence on the expiry of one year from the date of completion of the Course of Study to which the Principal Sum was lent, or on the expiry of six years from the date on which it was paid to the University by the Lender, whichever is earlier.*

Mr. Sue-Ho explained that because the contracts are between the Government and the Students, and the fact that the Agency was never set up to recover the loans, students have not been honouring their contractual obligations to repay the loans in accordance with their contracts.

Further, he explained that ‘Several attempts to have the MOF/Government address the high level of delinquency did not result in action. In addition, the Agency was/is not suitably staffed to pursue defaulting students. On the other hand, in excess of \$12m is repaid monthly through deduction orders, the vast majority of which were implemented after action was taken by the Agency.’

We have verified that the Agency has made some attempts to recover outstanding amounts through occasional letters of reminder and whenever the students have cause to visit the Agency they are encouraged to settled their liabilities. Each student is reminded of his/her obligation when the loan becomes repayable. We attach a copy of a memorandum dated November 7, 2008 from the Agency Head to the Deputy Finance Secretary on student loan repayments.

### **Students’ requirements to be eligible to apply for loan**

The current policies and procedures being used are as follow:

- a) Any bona fide Guyanese who has been admitted as a student at the University of Guyana is eligible to apply for a loan
- b) Loans are granted to students who are pursuing the certificate/diploma or a degree program including the medical degree.
- c) Loans are issued in annual instalment which is currently \$160,000 for new students; previously the standard instalment was \$127,000. For second year students, the current amount which can be applied for is \$130,000; previously the amount was \$127,000.
- d) Applicants over forty five (45) years of age are not approved by the Agency but must apply to the Finance Secretary for special consideration of their applications.
- e) Each student applying for a loan must provide the following
  - 1) Passport size picture
  - 2) Letter of acceptance from the University of Guyana
  - 3) Original and one copy of birth certificate plus deed poll or marriage certificate where relevant.
  - 4) Proof of address
  - 5) Affidavit from guarantor to serve as collateral

- 6) Job letter or other evidence of occupation from the guarantor
- 7) Guarantor's national registration card or passport
- 8) Letters of recommendation
- 9) National registration card or passport
- 10) Invoice from University of Guyana showing the required amount

#### 4. Approval of loans, repayment periods and interest charge

Once loans have been approved, they are for the duration of the academic years which would normally be for two years for certificate/diplomas and four years for degree programmes. The exception is for those students who are doing the medical degree; the duration is five years or where students take longer than the normal course time but not to exceed six years. A student can continue to apply for an additional loan annually until the course is completed. All he/she needs to submit is evidence of continuation as a student, an invoice from UG which shows the student's registration number and another guarantee along with a job letter from the guarantor.

On completion of their studies, students are allowed a one year grace period; thereafter the loan is repayable over fifteen years or one hundred and eighty (180) months or earlier. Students over age forty five are expected to commence repayment immediately after the first disbursement and must complete repayments before age fifty five (55). Interest is charged at the rate of 5% per annum on the principal balance from the date of the first installment, as stated in the contract.

#### 5. Government Contribution from 1994-to May 2015

During the period 1994 to May 2015, the Government of Guyana approved \$9,489,453,973 through the National Budget or US\$45.5M using the current rate of exchange of G\$210 to US\$1. Please refer to **appendix I** for the annual Government contribution. During the period April 2011 to December 2014, \$1,800,000,000 (US\$8,571,429) was received through a process whereby the Agency Head is informed by the Budget Department that funds have been approved to be released to the Agency. The Agency Head then, at least twice per year, request disbursements equivalent to the approved amount. These amounts are then deposited awaiting request from the University. When the University's requests are received, the Agency Head seeks approval from the Finance Secretary for the requests to be fulfilled.

There was no receipt of funds from the Government in 2015. Loans issued during the audit period (academic years 2011-2012 to 2014-2015) amounted to **\$1,581,422,277 of which \$1,432,669,005 was issued to students at Turkeyen Campus and \$148,753,272 was issued to students at the Tain Campus.** Please see **appendix II** for details of loans as per the faculties for each academic year from the inception.

#### 6. Loans issued annually to the two Campuses -1994/1995-2014/2015

The total number of students who would have obtained loans up to December 31, 2014 was 25,335 and the total value of the loans was \$9,159,644,463. Of the total number of students who have received loans (25,335): 4,713 or 18.6% are recent graduates or are still students, 1,776 or 7% have repaid their loans totalling \$679,918,794 including principal and interest. Five had their loans written off as reported below, 1,278 or 5% have been paying but not all

are up-to-date and 17,561 or 69.4% of the loan portfolio are deemed delinquent because they have not been honouring their indebtedness. This is a clear indication that the Ministry of Finance and by extension the Agency have not pursued the defaulters with a view to recover their indebtedness. The Agency Head confirmed that his department is not equipped to pursue defaulters.

The loans approved and issued during the period was \$9,159,644,463. This amount represents 96.5% of the total Government contributions received by the Agency. It should be noted that loans to students at the Tain Campus started during the academic year 2000/2001. A summary of loans issued to each campus to date is as follows:

<b>Campus</b>	<b>Number of Loans (i)</b>	<b>\$</b>	<b>%</b>
Turkeyen	62,253	8,643,469,096	94
Tain	3,893	516,175,367	6
<b>Total</b>	<b>66,146</b>	<b>9,159,644,463</b>	<b>100</b>

Loans issued during the period under review 2011-2012 to 2014-2015

Turkeyen	9,681	1,432,669,005	91
Tain	1,165	148,753,272	9
	<b>10,754</b>	<b>1,581,422,277</b>	<b>100</b>

(1) These represent the total number of loan issues-66,146. Some students would have taken more than one loan during the period they attended the University. The total number of students who have received loans is 25,335.

#### **Summary of loans and repayments to date**

	<b>\$</b>
Total value of loan issued	9,159,644,463
<b>Principal outstanding at December 31, 2014</b>	<b>8,261,164,554</b>
Installments due including interest at December 31, 2014	5,436,058,344
Interest included in installments due	3,064,677,462
Total repayments including interest over the life of the Agency	1,454,907,244

Please refer to **appendix III** for summary of the loans' portfolio.

At the time of the audit, the interest that would have been earned over the lives of the outstanding loans could not have been determined because the Loans Management &

Control System (LMCS) was not designed to generate such information. However, interest **received** between 1995 and 2014 amounted to **\$554,362,070**. Please refer to **appendix III** for a breakdown of the interest received each year. These amounts have been reported in the Agency's annual financial statements. Interest earned but not received have not been recognised and the amount could not have been determined.

The funds received from the Ministry of Finance and disbursed to the Bursar, University of Guyana, Turkeyen and Tain Campuses for the **audit period** is shown in **appendix IV**. All funds were properly accounted for.

### 7. Loan in excess of \$1m

At the time of the audit, there were 488 loans with balances in excess of G\$1m totalling \$880,100,737 of which \$754,539,289 represents principal. This amount represents 10.6% of the **principal loan balances** outstanding at December 31, 2014.

Summary of the loans	\$	# of Students
Greater than \$1m up to \$2m	351,896,738	295
Greater than \$2m up to \$3m	401,336,713	151
Greater \$3m up to \$4m	122,802,315	41
Greater than \$4m	4,064,971	1
	880,100,737	488

Some of these loans have been coming forward since the inception of the Agency and most of them have been determined to be delinquent. As mentioned in section 3 above, the Agency is not geared to recover loans especially those in default other than sending occasional written reminders and verbal communications when students visit the Agency. Please refer to **appendix V** for the list of loans in excess of \$1m. It appears that many of these individuals are still around and should be pursued to have them settled their indebtedness.

### 8. Special loans and loans written off

We verified that over the years, three 'Special Loans' were issued as follow:

Brenda Anita Linton received a loan in January 2002 for \$1,316,801. The total loan and interest amounted \$1,397,793. This amount was repaid in several installments between 2004 to April 2007.

Vineeta Angela Narine received a loan for \$906,750 in September 2003. No interest was charged; the loan was repaid between 2004 and 2009 in three installments.

Abiola Fayola Augustin, a non-resident Guyanese, received loans totalling \$2,897,450 between 2003 and 2007. A no objection letter from the Office of the President was issued in October, 2003 for the loan. Interest accrued to date is \$619,754 giving a total of \$3,517,204. Ms. Augustin has repaid principal and interest to-date totalling \$1,297,749. The last



repayment was made was on April 8, 2015. The Agency Head reported that she is committed to repay the loans.

On May 20, 2000, the Permanent Secretary (PS), Public Service Ministry had issued a memorandum to all PSs, Heads of Departments/Agencies and Regional Executive Officers advising that ‘students who have studied at the University of Guyana and have entered into agreement with the Ministry of Finance to access Students’ loan can have this loan written off, if the student has worked for five (5) years continuously in identified Hinterland communities following graduation’. There were five students whose loans were approved to be written off over the years. The students are:

- Mr. Ron O’ Donald Jeffery—approved by PS-PSM. He was reported to have served in the hinterland for more than five years
- Ms. Cindy Craig—approval from Ms. Jennifer Webster, M.P. The Minister reported that she did not commence classes
- Ms. Mitradevi Ali—approval from PS-PSM. In her case, the Government took over the liability because she was serving as PS, Ministry of Legal Affairs.
- Ms. Symon Patricia Harry—approval from Dr. Jennifer Webster, M.P.-PSM based on Cabinet’s approval. No reason stated in letter.
- Ms. Basmati Etwaroo-Baboolal—approval from Senior Personal Officer-PSM. Ms. Etwaroo-Baboolal served in the interior as District Education Officer for more than five years.

Copies of the directives/letters/memorandum are attached as **appendix VI**

### **9. Loan Management Database Interest Computation**

In 1999, the Loan Management & Control System (LMCS), software designed to record each student’s loan record was implemented utilising a network of personal computers. The system is designed to allow the Agency to monitor and report on loans issued, and repayments by individual students. Whilst this system shows the recordings of loans and repayments reporting, enhancements are required to produce more timely reports with details and analysis including interest earned to date. The Agency Head feels that the system should including options for students to apply online and for it to be available to students, using passwords, for them to follow their loans and repayments. In addition, an age analysis of loan balances is required in order to improve on reporting requirements and to follow up on delinquencies.

Interest is charged at the rate of 5% annually, on the principal amount of the loan from the date of the first loan instalment. The LMCS calculates the interest on a daily basis (5% divided by 365/366 days) and accumulates same for each loan in a ‘**Loan Repayment Schedule**’. **Interest chargeable before the repayment date (pre-repayment interest) is accumulated separately and shown as accrued interest on the repayment Schedule.**

At the start of the repayment date, an instalment is calculated which when paid monthly will clear the loan in fifteen years (180 instalments). Added to the instalment is the pre-repayment interest for the one year grace period before repayment commences.

The LMCS updates loan balances except that the interest is only up-dated when a payment is received from a student. This is a flaw in the LCMS which needs to be addressed. Because of this weakness, the interest earned cannot be determined at the time of the audit. To determine the interest balance, it would require management to open each loan file in the LCMS and this would take a very long time as there are over 25,000 loan files in the system. This why only interest received is reported in the financial statements. It is estimated that earned and unpaid interest could amount to over \$1b.

**Appendix VII** provides a sample of 200 loan balances extracted from the LMCS from which adjustments were made to those balances to include the interest eared to date. This schedule shows that there are differences between the LMCS's extract and manual adjustments to the balances for interest when there are no movements to the accounts. The LMCS's extract shows interest of \$19,520,487 whereas when adjustments are made manually based on the same information the interest amounted to \$67,720,913 a difference of \$48,200,426.

Based on our examination of a sample of loans from the data base where there had been movements to the loan accounts, we found that management ensures that the interest is computed correctly at the time of payment. The LMCS does, at that point, calculate the interest correctly when payment is received.

#### **10. Records Maintained**

The Agency maintains a physical file for each student who has received a loan or loans. We have examined a sample of two hundred files to determine whether they have been properly maintained. The files included students' application forms, bio-data form, contracts, students' pictures, and guarantors' affidavits and ID among other documents required by the Agency. What the files do not include is a loan balance or the history of the loan, which is maintained in the LMCS.

We were advised and subsequently verified a sample of files with were damaged during the 2005 floods when the bottom drawers of filing cabinets were inundated. The estimated number of files which were affected by the flood and still in use is approximately 2,700. The documents, although dried are not all legible and some have been damaged which make them difficult to be used. Attempts to re-construct the damaged files depended on the Agency ability to get the students to re-submit the damaged documents, which was not successful. In addition, the files do not include up-to-date information on the loan balances, interest charged and receipts from the students.

The Agency's Head has advised us that the files are updated continuously with loan documents but it was never considered feasible to continuously update the physical files with repayment data. He has advised that the LCMS is a complementary record which maintains loan balances, interest charged (when up dated) and repayment receipts. When a loan is fully repaid a loan schedule, detailing disbursements, interest and repayments, is placed in the file.

## 11. Financial Statements

The Agency is audited by the Audit Office of Guyana. The last audited financial statements was for the year ended December 31, 2011. We understand that the audit for the financial year 2012 is in progress and draft financial statements for 2012, 2013 and 2014 were made available to us.

These financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) instead of International Financial Reporting Standards (IFRS) which have been adopted to be used in Guyana. Unfortunately, these financial statements cannot be considered as being fully in compliant with GAAP as their presentations do not include adequate policies and narratives that are requirements of GAAPs. Example, loans are classified as Non-current assets instead of performing and non-performing. Fixed assets although recorded in the financial statements are not depreciated because they are described as 'property of the Government'. They should be depreciated in accordance with GAAP as they are being used by the Agency to perform its mandate. In any case most have been acquired by the Agency.

The financial statements do not include the Agency's policies in relation to the application and disclosure of key components including loan receivables and payables; no provision has been made for non-performing loans and no mention of this was made in the auditor's report. Finally, only interest received is reported in the financial statements because it is Agency's policy to report interest only when received.

Mr. Sue-Ho has advised that given that there is a high level of loans in default, it may not be prudent for the Agency to recognize interest on an accruals basis.

Please refer to **appendix VIII** for a summary of the balances sheets and the income statements for the last four years 2011-2014.

## 12. Petty Cash

A surprised cash count of the petty cash float of \$50,000 was done and found to be in order. The 'daily petty cash summary', is maintained daily and balanced to the cash on hand, payment vouchers and advances. The daily petty cash summary sheets are filed and stored in the office.

## 13. Receipts

Receipts represent monies collected from students toward their loan balances. They are received in two forms: cash/cheque received at the Agency's office or deductions from salaries paid over by third parties including employers.

Pre-numbered receipts are prepared in duplicates in the name of the Student Loan Agency, Ministry of Finance. The originals go to the students or the third parties making the payments and the duplicates are kept by the Agency. The duplicate receipts and un-used receipts are kept by the Agency Head in his office for security reasons.

Receipts of cash/cheques are kept in a small safe at the Agency's office and deposited once per week by the Ministry of Finance using the Police as security. Samples of receipts for the last four years were verified to the deposits and the bank account.

We have verified a fifty percent sample of deposits from four months for the last four years to the 'receipt reports' prepared by the cashier and checked by the supervisor. The deposits amounts matched the receipts issued and the deposits to the bank statements. We also checked that the receipts were posted to the students' account in the management system. Usually, the postings are done by the cashier the same day of the receipt of the cash/cheques. These were found to be in order.

#### **14. Cheque payments including payrolls**

A sample of payments made during the review period including payrolls were examined in detail. There was no abnormalities or unusual transactions that that we would consider unrelated to the Agency's nature of business. Payrolls were properly prepared and computed in accordance with employees' contracts.

#### **15. Bank reconciliation**

There are two bank accounts: the repayment account #1004 and general bank account #993. Both are held at the Bank of Guyana. Bank reconciliations are prepared on time and have been prepared up to July, 2015. Based on verification of a sample of bank reconciliations examined, there were no abnormal transactions recorded in the cash book and bank statements. The bank reconciliations balances agreed to the bank statements and we also received confirmation from the bank to confirm balances at May 12, 2015 and for each year end from 2011 to 2014. At the end of May, 2015 the bank balances were:

	\$
Repayment account	1,546,571,667
General account	592,240,491

#### **16. Recommendations**

The Minister of Finance should consider the following

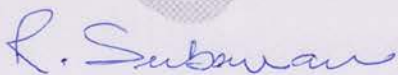
- a) Appoint an oversight Board of Trustees including a Secretary to the Board of about six (6) persons to oversee the Student Loan Agency. Board members should include a representative from the Minister's office, the University Bursar, the President or a designate from Students Society at University, an Attorney-at-Law and a Qualified Accountant.
- b) The Trustees should report to the Minister of Finance or his designate and minutes of all meeting should be maintained.
- c) The Trustees should approve governance practices and in addition meet monthly to ensure that the Agency is managed effectively and efficiently. Further, they should ensure that student loans are disbursed consistently with improved policies and procedures and recovered on a timely basis.
- d) The Trustees must then ensure the following:
  - 1) The Agency must be adequately staffed and equipped to carry out their responsibilities.

- 2) Employees must be issued with contracts of employment and these must be kept up-dated. Their employment should be consistent with the Public Service rules and regulations and not as contract employees.
- 3) Ensure that all loan files are maintained up-to-date including those that have been damaged in the floods.
- 4) The Student Loans should be managed as “Student Revolving Loans” with immediate effect. This will allow outstanding loans to be collected and used for future loans without the Government having to provide additional amounts. Based on the current bank balances and loans outstanding, there is no need for the Government to budget for any further funds for the Agency.
- 5) A formal letter should be sent to students showing their loan balances and request that they visit the Agency with a view to honour their obligations to repay the loans. Failing which, legal proceeding should be instituted.
- 6) Where students cannot be located or have failed to respond to written and oral communication the guarantors should be pursued.
- 7) The Ministry of Finance should include on its website a page referred to as the ‘Student Loan Agency’ and include the names of the defaulters. This approach could cause them to follow up with the Agency to settle their debts. Or the Agency can set up such a website which can also facilitate students to follow their loans.
- 8) The student loan application form and the guarantor’s affidavit must be reviewed to ensure that they can be used in a Court of Law. Guarantors must be resident in Guyana, be between the ages of 25-55 and earn sufficiently to guarantee the loans which should not exceed 25% of their net income and provide proper evidence of employment and annual earnings.
- 9) Consideration should be given to endorse the passport of students so that they cannot leave the country without making provision to repay their loans if they fail to return. Or students should not be allowed to travel abroad unless the guarantors undertake to repay the loan in full and immediately, if the students do not return.
- 10) Each year, students should be made to have their guarantors’ affidavits up-dated to ensure that they are still committed and capable to repay the loans if they default.
- 11) The Agency may want to consider whether students should insure their loan balances.
- 12) The format and security for the issuance of loans must be reviewed to strengthen the existing systems and to put in place mechanism for the prompt repayment of loans.
- 13) The student loan form should include the name of an alternative guarantor in the event of the death of the guarantor. That person should give a written commitment annually.
- 14) The criteria for the issuing of student loans should also be reviewed to ensure that only Guyanese are eligible instead of those holding national ID cards.
- 15) Students should be made to start repayment on or before the one year grace period once they would have been employed.

- 16) Review the current interest charge consistent with the interest earned on savings at commercial banks. The current 5% maybe high
- 17) The existing Loans Management & Control System (LMCS) should be up-graded immediately to generate timely information on each loan and to show the current balance including interest. Currently, it does not.
- 18) The Agency's financial statements must be brought up-to-date and in future be audited on or before April 30 the following year for the preceding year. The financial statements must be prepared in accordance with International Financial Reporting Standards.
- 19) The Agency should use an up to date accounting software to post its financial transactions on a timely basis and to extract financial statements for the Board of Trustees to review and approve monthly.
- 20) Ensure that the Agency is housed in a suitable building to safeguard the students' loan files and to have all files brought up-to-date. Currently, about 2,700 files have been damaged because of the floods in 2005.
- 21) Follow-up letters must be sent to students and their guarantors when they lapse on their repayments.
- 22) Guarantors must be financially sound to serve as guarantors. They must provide third party confirmation of their financial status including employment letters and tax returns.
- 23) Students should be made to have their loans repaid through the banks or employers as far as is possible as this has worked reasonable well to date. This will ensure that repayments are made on time.
- 24) The current mechanism in place to safeguard the integrity of the students' loan data is inadequate and unreliable. The data must be 'backed-up' and secured off-sight. The back-up device should **not** be on flash drive but perhaps using 'CLOUD' or a portable hard-drive to be stored of site and independent of the Agency's personnel.

This report was sent in draft format to the Head of the Agency and he has responded to our findings. Based on his response and subsequent meetings with him, further clarifications have been included and added in the report.

Yours sincerely,



R. Seebarran

## Appendix 1

### Government Contribution to Students Loans

for the years 1994 to 2014

1994	500,000,000	5%	
1995	-		No contribution was budgeted
1996	400,000,000	4%	
1997	400,000,000	4%	
1998	350,000,000	4%	
1999	350,000,000	4%	
2000	535,000,000	6%	
2001	792,453,973	8%	
2002	490,000,000	5%	
2003	535,000,000	6%	
2004	340,000,000	4%	
2005	450,000,000	5%	
2006	450,000,000	5%	
2007	747,000,000	8%	
2008	450,000,000	5%	agreed to budget allocation
2009	450,000,000	5%	agreed to budget allocation
2010	450,000,000	5%	agreed to budget allocation
2011	450,000,000	5%	agreed to budget allocation
2012	450,000,000	5%	agreed to budget allocation
2013	450,000,000	5%	agreed to budget allocation
2014	450,000,000	5%	agreed to budget allocation
2015	-	0%	
	<u>9,489,453,973</u>		

**Appendix II**  
**Student Loan Agency**  
**Loans Issued 1994-1995**

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	93	11,466,895			93	11,466,895	3%
Education & Humanities	376	45,750,985			376	45,750,985	14%
Health Sciences	189	26,553,011			189	26,553,011	8%
Arts	191	22,718,489			191	22,718,489	7%
Institute of Distance & Continuing Education	12	1,159,476			12	1,159,476	0.3%
Natural Sciences	180	21,769,553			180	21,769,553	7%
Social Sciences	1,336	177,529,831			1,336	177,529,831	53%
Technology	232	26,556,882			232	26,556,882	8%
	2,609	333,505,122			2,609	333,505,122	100%

**Loans Issued 1995-1996**

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	87	10,362,340			87	10,362,340	3%
Education & Humanities	340	40,733,331			340	40,733,331	12%
Health Sciences	193	34,440,132			193	34,440,132	10%
Arts	180	20,936,418			180	20,936,418	6%
Institute of Distance & Continuing Education	11	682,846			11	682,846	0.2%
Natural Sciences	214	26,462,004			214	26,462,004	8%
Social Sciences	1,307	172,458,718			1,307	172,458,718	52%
Technology	216	22,568,930			216	22,568,930	7%
					-	-	



2,548	328,644,719	2,548	328,644,719	100%
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**Appendix II**  
**Loans Issued 1996-1997**

Faculty/School	Turkemen		Tajik		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	125	15,155,376			125	15,155,376	4%
Education & Humanities	337	40,425,251			337	40,425,251	11%
Health Sciences	214	40,232,232			214	40,232,232	11%
Arts	186	22,532,586			186	22,532,586	6%
Institute of Distance & Continuing Education	9	502,133			9	502,133	0.1%
Natural Sciences	310	38,196,975			310	38,196,975	10%
Social Sciences	1,423	189,555,894			1,423	189,555,894	51%
Technology	243	28,004,655			243	28,004,655	7%
					-	-	
	2,847	374,605,102			2,847	374,605,102	100%

**Loans Issued 1997-1998**

Faculty/School	Turkemen		Tajik		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	142	17,458,053			142	17,458,053	4%
Education & Humanities	354	43,262,984			354	43,262,984	11%
Health Sciences	248	47,351,799			248	47,351,799	12%
Arts	200	25,602,217			200	25,602,217	6%
Institute of Distance & Continuing Education	14	864,978			14	864,978	0.2%
Natural Sciences	344	43,044,884			344	43,044,884	11%

Social Sciences	1,526	192,390,212	-	1,526	192,390,212	48%
Technology	272	29,002,684	-	272	29,002,684	7%
	3,100	398,977,811	-	3,100	398,977,811	100%

**Appendix II**  
**Loans Issued 1998-1999**

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture	143	15,314,676			143	15,314,676	3%
Education and Humanities	417	50,436,860			417	50,436,860	10%
Health Sciences	272	53,578,249			272	53,578,249	11%
Arts	243	31,869,349			243	31,869,349	7%
Institute of Distance & Continuing Education	23	1,690,473			23	1,690,473	0.3%
Natural Sciences	473	58,770,739			473	58,770,739	12%
Social Science	1,878	240,998,150			1,878	240,998,150	50%
Technology	317	32,828,011			317	32,828,011	7%
	3,766	485,486,507			3,766	485,486,507	100%

**Loans Issued 1999-2000**

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	115	12,759,619			115	12,759,619	3%
Education & Humanities	421	50,653,553			421	50,653,553	10%
Health Sciences	252	56,680,078			252	56,680,078	11%
Arts	227	29,702,220			227	29,702,220	6%

Institute of Distance & Continuing Education	12	861,546	12	861,546	0.2%
Natural Sciences	521	66,027,328	521	66,027,328	13%
Social Sciences	1,997	252,171,404	-	252,171,404	50%
Technology	330	38,259,440	330	38,259,440	8%
			-	-	
	3,875	507,115,188	3,875	507,115,188	100%

## Appendix II Loans Issued 2000-2001

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	94	10,545,632	-	-	94	10,545,632	2%
Education & Humanities	413	50,714,875	52	6,604,000	465	57,318,875	12%
Health Sciences	215	52,422,542			215	52,422,542	11%
Arts	209	27,519,374	7	889,000	216	28,408,374	6%
Institute of Distance & Continuing Education	5	353,543			5	353,543	0.1%
Natural Sciences	512	63,985,608			512	63,985,608	13%
Social Sciences	1,843	235,819,618	57	7,159,625	1,900	242,979,243	50%
Technology	296	34,253,504			296	34,253,504	7%
					-	-	
	3,587	475,614,696	116	14,652,625	3,703	490,267,321	100%

## Loans Issued 2001-2002

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	85	8,941,375	3	381,000	88	9,322,375	2%
Education & Humanities	444	55,255,612	82	11,177,075	526	66,432,687	14%

Health Sciences	198	50,768,821	-	-	198	50,768,821	10%
Arts	207	27,614,228	8	1,016,000	215	28,630,228	6%
Institute of Distance & Continuing Education	4	205,948	-	-	4	205,948	0.04%
Natural Sciences	497	61,943,574	29	3,648,767	526	65,592,341	13%
Social Sciences	1,727	219,571,906	115	14,746,578	1,842	234,318,484	48%
Technology	302	34,470,723	-	-	302	34,470,723	7%
					-	-	
	3,464	458,772,187	237	30,969,420	3,701	489,741,607	100%

## Appendix II

### Loans Issued 2002-2003

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	66	6,940,730	2	239,485	68	7,180,215	1%
Education & Humanities	470	59,190,544	103	12,969,303	573	72,159,847	14%
Health Sciences	201	51,074,345	-	-	201	51,074,345	10%
Arts	248	31,039,572	7	889,000	255	31,928,572	6%
Institute of Distance & Continuing Education	3	226,542	-	-	3	226,542	0.04%
Natural Sciences	490	60,709,349	54	7,074,218	544	67,783,567	13%
Social Sciences	1,755	223,366,697	123	15,238,077	1,878	238,604,774	47%
Technology	329	37,767,186	-	-	329	37,767,186	7%
					-	-	
	3,562	470,314,965	289	36,410,083	3,851	506,725,048	100%

### Loans Issued 2003-2004

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	

Agriculture & Forestry	70	7,689,021	3	272,143	73	7,961,164	1%
Education & Humanities	527	66,374,436	131	16,968,646	658	83,343,082	16%
Health Sciences	229	54,759,674	-	-	229	54,759,674	10%
Arts	245	30,915,732	11	1,428,750	256	32,344,482	6%
Institute of Distance & Continuing Education	-	-	-	-	-	-	
Natural Sciences	525	62,984,986	50	6,121,046	575	69,106,032	13%
Social Sciences	1,835	235,307,367	154	18,770,678	1,989	254,078,045	48%
Technology	293	32,413,740	-	-	293	32,413,740	6%
					-	-	
	3,724	490,444,956	349	43,561,263	4,073	534,006,219	100%

**Appendix II**  
**Loans Issued 2004-2005**  
**Faculty/School**

	Turkeyen		Tain		Total	%	
	No of Students	Amount	No of Students	Amount			
Agriculture & Forestry	74	8,554,432	6	725,059	80	9,279,491	2%
Education & Humanities	518	64,811,568	115	14,676,673	633	79,488,241	15%
Health Sciences	229	53,230,025	-	-	229	53,230,025	10%
Arts	245	30,374,875	6	711,200	251	31,086,075	6%
Institute of Distance & Continuing Education	-	-	-	-	-	-	
Natural Sciences	458	55,003,730	47	5,720,491	505	60,724,221	12%
Social Sciences	1,958	244,401,637	147	18,177,576	2,105	262,579,213	50%
Technology	275	30,360,785	-	-	275	30,360,785	6%
					-	-	
	3,757	486,737,052	321	40,010,999	4,078	526,748,051	100%

**Loans Issued 2005-2006**

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	74	8,396,790	9	1,116,944	83	9,513,734	2%
Education & Humanities	679	84,144,138	112	14,224,000	791	98,368,138	20%
Health Sciences	210	50,303,596	-	-	210	50,303,596	10%
Institute of Distance & Continuing Education	-	-	-	-	-	-	-
Natural Sciences	450	51,649,562	52	5,986,841	502	57,636,403	12%
Scocial Sciences	1,883	233,804,168	130	15,729,698	2,013	249,533,866	51%
Technology	260	27,793,653	-	-	260	27,793,653	6%
	3,556	456,091,907	303	37,057,483	3,859	493,149,390	100%

**Appendix II****Loans Issued 2006-2007**

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	74	8,252,937	7	813,743	81	9,066,680	2%
Education & Humanities	651	80,374,271	118	14,916,443	769	95,290,714	20%
Health Sciences	223	57,020,290	-	-	223	57,020,290	12%
Institute of Distance & Continuing Education	-	-	-	-	-	-	-
Natural Sciences	393	45,353,205	31	3,534,127	424	48,887,332	10%
Scocial Sciences	1,825	225,123,276	135	15,668,774	1,960	240,792,050	51%
Technology	229	25,259,305	-	-	229	25,259,305	5%
	3,395	441,383,284	291	34,933,087	3,686	476,316,371	100%

**Appendix II**  
**Loans Issued 2007-2008**

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	71	7,829,438	5	505,520	76	8,334,958	2%
Education & Humanities	551	66,721,086	97	12,268,200	648	78,989,286	18%
Health Sciences	253	66,859,478	-	-	253	66,859,478	16%
Earth & Environmental Sciences	49	5,700,366	-	-	49	5,700,366	1%
Natural Sciences	347	41,967,621	23	2,880,330	370	44,847,951	10%
Scocial Sciences	1,510	185,931,202	108	12,679,316	1,618	198,610,518	46%
Technology	244	26,638,286	-	-	244	26,638,286	6%
					-	-	
	3,025	401,647,477	233	28,333,366	3,258	429,980,843	100%

**Appendix II**  
**Loans Issued 2008-2009**

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	51	5,516,159	6	749,096	57	6,265,255	2%
Education & Humanities	543	66,658,702	106	13,440,833	649	80,099,535	20%
Health Sciences	284	71,269,867	-	-	284	71,269,867	18%
Earth & Environmental Sciences	37	4,104,307	-	-	37	4,104,307	1%
Institute of Distance & Continuing Education	4	272,877	-	-	4	272,877	0.1%
Natural Sciences	296	35,080,139	45	5,278,094	341	40,358,233	10%

Social Sciences	1,301	161,989,060	96	11,729,462	-	1,397	173,718,522	43%
Technology	207	23,857,341	-	-	207	-	23,857,341	6%
	2,723	368,748,452	253	31,197,485	2,976	-	399,945,937	100%

#### Loans Issued 2009-2010

Faculty/School	Turkeyen		Tain		Total		%
	No of Students	Amount	No of Students	Amount	No of Students	Amount	
Agriculture & Forestry	66	7,406,210	8	1,016,000	74	8,422,210	2%
Education & Humanities	513	61,605,070	123	15,449,864	636	77,054,934	19%
Health Sciences	272	72,389,586	-	-	272	72,389,586	18%
Earth & Environmental Sciences	34	3,831,141	-	-	34	3,831,141	1%
Institute of Distance & Continuing Education	8	954,217	-	-	8	954,217	
Natural Sciences	278	32,909,707	46	5,554,485	324	38,464,192	10%
Social Sciences	1,328	167,706,281	86	10,696,335	1,414	178,402,616	44%
Technology	211	23,622,561	-	-	211	23,622,561	6%
	2,710	370,424,773	263	32,716,684	2,973	403,141,457	100%

#### Appendix II

#### Loans Issued 2010-2011

Faculty/School	Turkeyen		Tain		Total		%
	No of students		No of students				
Agriculture & Forestry	68	7,981,423	13	1,630,663	81	9,612,086	2%
Education & Humanities	462	56,010,924	145	18,079,306	607	74,090,230	19%
Health Sciences	264	74,058,659	-	-	264	74,058,659	19%
Earth & Environmental Sciences	38	4,461,976	-	-	38	4,461,976	1%



Institute of Distance & Continuing Education	5	635,000	-	-	5	635,000	
Natural Sciences	295	34,286,329	49	5,865,937	344	40,152,266	10%
Social Sciences	1,276	161,922,343	101	12,003,694	1,377	173,926,037	43%
Technology	205	22,929,239	-	-	205	22,929,239	6%
					-	-	
	2,613	362,285,893	308	37,579,600	2,921	399,865,493	100%

### Loans Issued 2011-2012

Faculty/School	Turkeyen		Tain		Total	%
	No of students		No of students			
Agriculture & Forestry	65	7,319,749	17	2,096,788	82	9,416,537 2%
Education & Humanities	469	57,103,934	151	19,020,705	620	76,124,639 19%
Health Sciences	268	79,289,918	-	-	268	79,289,918 19%
Earth & Environment Sciences	36	4,133,098	-	-	36	4,133,098 1%
Institute of Distance & Continuing Education	-	-	-	-	-	-
Natural Sciences	307	35,832,455	55	6,665,231	362	42,497,686 10%
Social Sciences	1,255	161,200,150	128	15,339,478	1,383	176,539,628 43%
Technology	178	19,656,567	-	-	178	19,656,567 5%
					-	-
	2,578	364,535,871	351	43,122,202	2,929	407,658,073 100%

### Appendix II

#### Loans Issued 2012/2013

Faculty/School	Turkeyen		Tain		Total	%
	No of students		No of students			
Agriculture & Forestry	56	6,246,869	21	2,563,839	77	8,810,708 2%
Education & Humanities	385	45,953,237	127	15,778,646	512	61,731,883 16%
Health Sciences	282	85,463,546	-	-	282	85,463,546 22%

Earth & Environment Sciences	51	5,736,481	-		51	5,736,481	1%
Institute of Distance & Continuing Education	3	381,000	-		3	381,000	
					-	-	
Natural Sciences	286	33,524,774	41	5,102,073	327	38,626,847	10%
					-	-	
Social Sciences	1,189	151,037,318	113	13,999,411	1,302	165,036,729	43%
					-	-	
Technology	168	19,536,017	-		168	19,536,017	5%
					-	-	
	2,420	347,879,242	302	37,443,969	2,722	385,323,211	100%

### Loans Issued 2013/2014

Faculty/School	Turkeyen		Tain		Total	%	
	No of students		No of students				
Agriculture & Forestry	63	7,312,155	16	1,867,231	79	9,179,386	2%
Education & Humanities	343	40,676,162	111	13,883,629	454	54,559,791	14%
Health Sciences	323	96,125,874	-		323	96,125,874	25%
Earth & Environment Sciences	61	7,195,041	-		61	7,195,041	2%
Institute of Distance & Continuing Education	-	-	-		-	-	
					-	-	
Natural Sciences	255	30,064,519	34	4,171,318	289	34,235,837	9%
					-	-	
Social Sciences	1,168	149,795,015	116	14,489,476	1,284	164,284,491	43%
					-	-	
Technology	181	20,432,501	-		181	20,432,501	5%
					-	-	
	2,394	351,601,267	277	34,411,654	2,671	386,012,921	100%

### Appendix II

#### Loans Issued 2014/2015

Faculty/School	Turkeyen		Tain		Total	%	
	No of students		No of students				
Agriculture & Forestry	57	7,315,366	16	1,995,580	73	9,310,946	2%
Education & Humanities	365	51,445,235	104	15,247,560	469	66,692,795	17%

Health Sciences	326	99,393,070	-		326	99,393,070	25%
Earth & Environment Sciences	63	7,810,362	-		63	7,810,362	2%
Institute of Distance & Continuing Education	-	-	-		-	-	
Natural Sciences	203	26,826,806	23	3,281,285	226	30,108,091	7%
Social Sciences	1,094	153,748,947	99	13,251,022	1,193	166,999,969	41%
Technology	181	22,112,839	-	-	181	22,112,839	5%
	2,289	368,652,625	242	33,775,447	2,531	402,428,072	100%
<b>Total loan</b>	<b>62,253</b>	<b>8,643,469,096</b>	<b>3,893</b>	<b>516,175,367</b>	<b>66,146</b>	<b>9,159,644,463</b>	
<b>Issued between 2011-2015</b>	<b>9,681</b>	<b>1,432,669,005</b>	<b>1,172</b>	<b>148,753,272</b>	<b>10,853</b>	<b>1,581,422,277</b>	
		94%		6%			

**Appendix III**  
**LOAN PORTFOLIO SUMMARY AS AT 31/12/2014**

	\$	\$
# of students who rec'd loans	25,335	
Loans Not Due for Payment: recent graduates and current students	4,713	
Loans in Process of Payment (Up to date)	1,278	
Loans Fully Repaid with interest	1,776	679,918,794
Loans Written Off	5	
Total Loans Delinquent	17,563	
Value of Loans Issued (Principal)	9,159,644,463	
Total Installments Due:	5,436,058,344	
Total repayment to date including those who had paid off	1,454,907,244	
Total Principal Repaid including those who had paid off	898,479,909	
Principal Outstanding at December 31, 2014	8,261,164,554	
Principal Due at December 31, 2014	3,064,677,462	

Loan interest received over the years to December 31, 2014

<b>Year</b>	<b>Loan Interest</b>
1994	-
1995	199,130
1996	471,232
1997	835,521
1998	1,033,288
1999	6,034,470
2000	9,914,318
2001	10,157,275
2002	11,313,249
2003	15,491,581
2004	30,668,488
2005	24,136,029
2006	24,996,647
2007	40,341,329
2008	34,902,471
2009	42,779,679
2010	55,296,761
2011	59,323,032
2012	61,644,056
2013	59,182,769
2014	65,640,745

Total

554,362,070

**Apendix IV**  
**Student Loan Agency**  
**Receipts and Remittances as per Bank Statement**  
**Academic Year 2011/2012 to 2014 /2015**

	\$	\$	
Advance received 29/04/2011	200,000,000		
Payment made to UG 29/04/2011		(200,000,000)	
Advance received 22/07/2011	250,000,000		
Payment made to UG 05/08/2011			
Payment made to UG 12/08/2011		(50,000,000)	
Payment made to UG 20/12/2011		(27,000,000)	
Payment made to UG 20/12/2011-Berbice		(25,000,000)	
Payment made to UG 22/12/2011		(60,000,000)	
Payment made to UG 07/03/2012		(20,000,000)	
Payment made to UG 07/03/2012-Berbice		(7,500,000)	
Advance received 28/05/2012	250,000,000		2012/2013
Payment made to UG 28/05/2012		(250,000,000)	
Payment made to UG 15/06/2012-Berbice in respect of prior yrs. 2001/2002 & 2002/2003.		(16,000,000)	
Payment made to UG 31/07/2012		(6,500,000)	
Payment made to UG 31/07/2012-Berbice		(8,000,000)	
<b>2012/2013</b>			
Received 23/11/2012	200,000,000		
Payment made to UG 23/12/2012		(50,000,000)	
Payment made to UG 31/01/2013-Berbice		(20,000,000)	
Payment made to UG 11/03/2013		(40,000,000)	
Payment made to UG 24/05/2013		(8,000,000)	
Payment made to UG 24/05/2013		(3,967,118)	
Received 23/05/2013	110,000,000		2013/2014
Payment made to UG 21/05/2013		(110,000,000)	
2013/2014			
Advance 24/06/2013	50,000,000		
Payment made to UG 08/08/2013		(50,000,000)	
Payment made to UG 19/09/2013			
Received 31/12/2013	290,000,000		
Payment made to UG 07/05/2014		(120,000,000)	
Payment made to UG 11/07/2014		(70,000,000)	
Payment made to UG 17/07/2014		(30,000,000)	
Received 24/07/2014	225,000,000		
Received 11/12/2014	225,000,000		
Payment made to UG 02/05/2015		(180,000,000)	
	<b>1,800,000,000</b>	<b>(1,351,967,118)</b>	448,032,882

Objective: to form an opinion as to whether all transactions represent bonafide transactions of the agency.

Source of Information: Bank reconciliation, general ledger and bank statements for the years 2011, 2012, 2013 and 2014 and the Remittance file.

Work done: The receipts from the Ministry were matched to the bank statements to ensure all the monies were received and the disbursements were matched against the remittance letter from the University of Guyana and to the loan reconciliations to ensure that the monies disbursed were consistent with the letters of request. In addition the controls through out the years 2011-2014 were also examined to ensure that they were consistent.

Conclusion: based on the audit tests carried out, we are satisfied that the transactions represent bona fide transactions of the agency.

2012/2013

1. To obtain supporting evidence for 200M received on 23rd November 2012.
2. Payment made to UG 19/09/2014 \$10,151,973 information to be obtained.
3. Received 31/12/2013 \$290,000,000
4. Received 24/07/2014 \$225,000,000
5. Payments made to the University chq# 922873 \$150,000,000 & 922874 \$20,000,000.



From: Permanent Secretary  
Public Service Ministry

Subject: Waiver of Student  
Loan in Hinterland  
Communities

To: All Permanent Secretaries/  
Heads of Departments/Agencies  
Regional Executive Officers

Ref: TD: 7/8/92

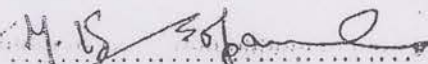
Date: May 20, 2000

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Cabinet has approved that students who have studied at the University of Guyana and have entered an agreement with the Ministry of Finance to access the Students' Loan can have this loan written off, if the student has worked for five (5) years continuously in identified Hinterland communities, following graduation.

As a consequence, you are requested to notify all officers who are serving in those aforementioned communities of this decision. You should request that they enter into an agreement with the Public Service Ministry if they are currently in employment, so that a contract could be worked out.

For those who have completed five (5) years after graduation in the hinterland location, they are required to obtain a letter from you which will verify that the individual has worked in the said location for the specified number of years. The Public Service Ministry will then take the necessary steps to inform the Ministry of Finance that it should free the student of any indebtedness to the Government of Guyana.

  
.....  
Dr. Nanda K. Gopaul  
Permanent Secretary



Office of the Permanent Secretary and Head of the Public Service

PUBLIC SERVICE MINISTRY 164 Waterloo Street, Georgetown, Guyana. Tel: (592) 226-6528 Fax: (592) 225-7899  
E-mail: nkgopaul@yahoo.com

Ms. Loraine Baird  
Secretary to the Treasury  
Ministry of Finance  
Main Street  
Georgetown.

16<sup>th</sup> November, 2004

Dear Colleague,


**Re: Student Loan Write Off**

I write to inform you that Cabinet has agreed to write off students' loan for those who served in the hinterland locations for five continuous years or more.

Mr. Ron O' Donald Jeffrey, who is attached to a hinterland location for in excess of five years, qualifies for that loan write off.

Accordingly, this letter is to authorize the writing off of the student loan for Mr. Jeffrey, Student # 95/0839/9836 via Loan Agreement dated 1<sup>st</sup> September, 1995.

Yours Sincerely,

  
Dr. N. K. Gopaul  
Permanent Secretary  
Public Service Ministry

IN REPLYING QUOTE DATE  
HEREOF AND No.....



**MINISTRY OF FINANCE**  
Main & Urquhart Streets,  
Georgetown,  
Guyana.

April 15<sup>th</sup> 2009

Mr. R. Sue-Ho  
Head  
Student Loan Agency  
University of Guyana  
Turkeyen Campus  
Georgetown

Dear Sir,

**Re: Student Loan Application – Ms. Cindy Craig Registration #07/0201/1675**

Please be advised that the Ministry of Finance hereby supports the request made for the cancellation of student loan granted to Ms. Cindy Craig who was registered to pursue studies on the B.A. programme in English with the Department of Language/Cultural Studies for the academic year 2007/2008. However, Ms. Craig did not commence classes on that programme during the said period since time off was not granted by her employer for her to attend. Please see the attached documentation which was issued by the School of Education & Humanities to attest to this.

As such, the Ministry of Finance now hereby supports the request made to the Student Loan Agency to consider the application made by Ms. Craig for the grant of a new loan to pursue studies for the academic year 2008/2009.

Yours sincerely,

*J. Webster*

Ms. Jennifer Webster, M.P  
Hon. Minister in the Ministry of Finance



Office of the Permanent Secretary and Head of the Public Service

PUBLIC SERVICE MINISTRY

164 Waterloo Street, Georgetown, Guyana. Tel: (592) 226-6528 Fax: (592) 225-7899  
E-mail: nkgopaul@yahoo.com

12a

*in line - to  
Student Loan Agency  
fine pl.  
DB  
27/9/03*

The Coordinator  
Ministry of Finance  
Student Loan Department  
University of Guyana  
Campus  
Turkeyen

September 19, 2003

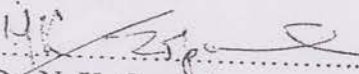
Dear Sir/Madam

Please be informed that Ms. Mitradevi Ali, student number 003903-08-06152, has had her cost training taken over by the Government of Guyana and is now contractually obligated to serve the Government of Guyana. She is currently serving as Permanent Secretary in the Ministry of Legal Affairs.

Kindly therefore remove her name from the Student Loan Agreement and clear her from any indebtedness to the Government of Guyana.

Thank you.

Yours sincerely,

  
.....  
Dr. N. K. Gopaul  
Permanent Secretary

Copy: Ms. Mitra Devi Ali  
Permanent Secretary  
Ministry of Legal Affairs

Registrar  
University of Guyana ✓

RECEIVED 06 FEB 2008

53



REPUBLIC OF GUYANA

Public Service Ministry  
Training Division  
Vlissengen Road & Durban Street,  
Georgetown

Our Reference:

TD: 7/8/92

January 30, 2008

Mr. N. Rekha  
Finance Secretary  
Ministry of Finance  
Main Street  
Georgetown.

Dear Mr. Rekha,

Re: Student Loan Write Off

I write to inform you that Cabinet has agreed to write off student Loan for Ms. Symon Patricia Harry.

Accordingly, this letter is to authorise the writing off of the student loan for Ms. Symon Patricia Harry student #04/0321/2022 via Loan Agreement dated September 1, 2004.

Yours sincerely,

  
.....  
Dr. Jennifer Westford, M. D.  
Hon. Minister  
Public Service Ministry

Tel. Nos: 226-6528 Permanent Secretary  
225-7350 Chief Training Officer

Fax No. 225-0714

FINANCE SECRETARY  
MAY 09 2011  
RECEIVED

# MEMORANDUM

**FROM:** Permanent Secretary,  
Public Service Ministry

**Our Ref. #: PS: 25/0/1<sup>XIV</sup>**

**TO:** Finance Secretary,  
Ministry of Finance

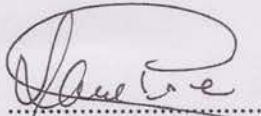
**SUBJECT**  
**Waiver of student Loan in  
Hinterland Communities**

**DATE:** 6<sup>th</sup> May, 2011

---

Reference is made to our circular memorandum no. TD/7/8/92 dated 2000-05-20 on the above subject.

Please be informed that approval has been given for Ms. Basmati Etwaroo-Baboolal, District Education Officer I to be granted a waiver of student loan, having served the Government for five (5) years in the hinterland of Guyana.



Carol Sam-Moe  
Senior Personnel Officer  
For Permanent Secretary  
Public Service Ministry

Copy: Regional Executive Officer  
Region # 9

*1) W. Sue-Ho SA  
D.R. Call - H Baboolal  
D. Fil.*

**Appendix VIII**  
**Student Loan Agency**  
**Income Statements for the years 2010-2014**

	Notes	Draft 2014 \$	Draft 2013 \$	Draft 2012 \$	Audited 2011 \$	Audited 2010 \$
Income						
Loan interest	1	65,640,745	59,182,769	61,644,056	59,323,032	55,296,761
Other income		868,389	715,337	917,934	373,400	756,467
		<u>66,509,134</u>	<u>59,898,106</u>	<u>62,561,990</u>	<u>59,696,432</u>	<u>56,053,228</u>
Expenses						
Employment costs	2	11,331,859	10,306,031	9,908,371	9,291,582	5,375,874
Benefits	2	2,314,482	2,262,950	2,316,582	1,336,723	1,079,026
Other expenses	3	1,052,005	800,117	1,169,231	1,376,221	941,893
Disposal of assets		-	-	-	3,875,118	-
Loans written off		-	-	-	-	2,392,698
		<u>14,698,346</u>	<u>13,369,098</u>	<u>13,394,184</u>	<u>15,879,644</u>	<u>9,789,491</u>
Net surplus		<u>51,810,788</u>	<u>46,529,008</u>	<u>49,167,806</u>	<u>43,816,788</u>	<u>46,263,737</u>
Accumulated surplus at Jan 1,		451,958,273	405,429,265	356,261,459	312,444,671	266,180,934
Accumulated surplus at Dec 31,		<u>503,769,061</u>	<u>451,958,273</u>	<u>405,429,265</u>	<u>356,261,459</u>	<u>312,444,671</u>

**Student Loan Agency**  
**Balance Sheets as at December 31, 2010-2014**

	Notes	2014 \$	2013 \$	2012 \$	2011 \$	2010 \$
Equipment, office furniture etc	4	9,285,449	9,015,697	8,384,307	7,265,417	10,843,015
Current assets						
Students' loans	5	8,261,164,554	7,957,878,514	7,659,099,640	7,364,137,695	7,040,995,509
Students' special loans		2,239,720	2,630,640	2,897,450	2,897,450	2,897,450
Other receivables		-	75,904	49,504	-	-
Cash and bank balances	6	2,266,396,286	1,885,271,388	1,533,793,444	1,303,450,261	1,144,693,847
		<u>10,529,800,560</u>	<u>9,845,856,446</u>	<u>9,195,840,038</u>	<u>8,670,485,406</u>	<u>8,188,586,806</u>
Total assets		<u>10,539,086,009</u>	<u>9,854,872,143</u>	<u>9,204,224,345</u>	<u>8,677,750,823</u>	<u>8,199,429,821</u>
Equity & liabilities						
Government contributions	7	9,489,453,973	9,039,453,973	8,589,453,973	8,139,453,973	7,689,453,973
Accumulated surplus		503,769,061	451,958,273	405,429,265	356,261,459	312,444,671
		<u>9,993,223,034</u>	<u>9,491,412,246</u>	<u>8,994,883,238</u>	<u>8,495,715,432</u>	<u>8,001,898,644</u>
Current liabilities						
Trade and other payables	8	545,862,975	363,459,897	209,341,107	182,035,391	197,531,177
		<u>10,539,086,009</u>	<u>9,854,872,143</u>	<u>9,204,224,345</u>	<u>8,677,750,823</u>	<u>8,199,429,821</u>

## **Student Loan Agency**

### **Explanatory notes to the financial statements**

1. The notes to the financial statements explained that loan interest is recognised when received not when earned. In effect, interest earned but not received has not be reported. Therefore, we were unable to determine the amount of interest that has been earned and not received because the Loan Management & Control System does not provide the information.
2. Employment costs represent salaries and related benefits.
3. Other expenses relate to those for the day-to-day management of the Agency including postage, travelling, stationery and office supplies, telephone and internet and repairs to the building
4. Assets are the Agency's computers, equipment and office furniture which are reported to be owned by the Government and not the Agency and therefore they are not depreciated.
5. This balance represents the balance owed by students at year end. The balance does not include interest earned and does not agree with the balance extracted from the Loan Management & Control System which was \$9,142,160,081.
6. Cash at bank include two bank accounts held at the Bank of Guyana. They are the General Account and the Repayment Bank Account
7. Government contribution is the total of the annual subvention received through the budget. The amount is correctly reported up-to 2014
8. Trade and other payables comprised of monies payable to the University of Guyana which was cleared in 2015