

## **ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE**

### **HEAD 173 – STUDENT FINANCIAL ASSISTANCE AGENCY Subhead 000 Operational expenses**

Members are invited to recommend to Finance Committee the creation of the following permanent post in the Student Financial Assistance Agency with effect from 1 July 2012 or the date of approval of the Finance Committee, whichever is later –

1 Principal Executive Officer  
(D1) (\$106,600 - \$116,500)

### **PROBLEM**

The Student Financial Assistance Agency (SFAA) needs to strengthen staffing support at the directorate level to ensure the effective execution of the expanded scope and functions of the Agency, oversee the implementation of improvement measures to the Non-means-tested Loan Schemes (NLS) and means-tested assistance schemes and chart a major organisation restructuring of SFAA arising from a Business Process Review (BPR) exercise.

### **PROPOSAL**

2. We propose to create a permanent Principal Executive Officer (PEXO) (D1) post as the Senior Deputy Controller in SFAA with effect from 1 July 2012 or the date of approval of the Finance Committee, whichever is later.

**/JUSTIFICATION .....**

## JUSTIFICATION

### Expanded scope and functions of SFAA

3. At present, SFAA is headed by a Controller whose post is pitched at the Senior Principal Executive Officer (SPExO) (D2) rank and who is the only directorate officer in the Agency. The duties and responsibilities of the Controller are at Enclosure 1. An organisation chart of the Agency is at Enclosure 2.

Encl. 1  
Encl. 2

4. As compared with the time when the post of the Controller was upgraded from the rank of PExO (D1)<sup>1</sup> to SPExO (D2) in November 1996, the scope and complexity of the activities of SFAA have increased significantly. During the period from 1996-97 to 2010-11, the departmental expenditure of SFAA (excluding grants and loans disbursed) has climbed from \$7.8 million to \$126 million, the number of staff (including civil servants and non-civil service contract staff) has increased from 110 to 935 and the number of officers under the direct supervision of the Controller has increased from two to seven<sup>2</sup>. On the service provision side, from the 1996/97 to 2010/11 school year, the number of financial assistance schemes administered by SFAA has increased from six to 14, the number of applications handled has risen from 568 000 to 952 000, the total amount of grants, loans and awards disbursed has increased from \$2,820 million to \$5,080 million<sup>3</sup> and the number of loan accounts managed has grown from around 58 000 to around 220 000 (also see paragraph 5 below). Additional staffing support at the directorate level is needed to cope with the expanded scope and complexity of the functions of SFAA, particularly with the implementation of the proposed improvement measures to NLS and means-tested assistance schemes as detailed below.

### Implementation of improvement measures to NLS and means-tested assistance schemes

5. As at 31 July 2011, the total outstanding loan balance managed by SFAA has reached \$10,410 million. The management of loan payment and repayment, including timely disbursement of loans, processing requests from borrowers for deferred repayment, loan restructuring, monitoring to prevent fraudulent claims, referral of recovery cases for legal actions, etc., has become one of the fastest-growing and most important functions of SFAA. Among the various

/areas .....

<sup>1</sup> The post of Controller, SFAA was pitched at Principal Executive Officer level (D1) when the Agency was established on 1 August 1990.

<sup>2</sup> Prior to 1996, the Controller of SFAA was deputised by one Chief Executive Officer and one Senior Education Officer. At present, the Controller is deputised by seven division heads, including five Chief Executive Officers, one Senior Treasury Accountant and one Senior Systems Manager.

<sup>3</sup> The amount of funds disbursed has not included those under the Pre-primary Education Voucher Scheme which are disbursed by the Education Bureau.

areas in loan management, defaulted student loans have been an issue of public concern in recent years. The number of defaulted student loan cases has increased sharply in the past few years. As at March 2012, there were 14 550 defaulters involving an amount of \$265 million in arrears. The Director of Audit in his Report No. 53 in September 2009 has made a number of recommendations on the handling of defaulted student loans, especially on the need to step up recovery actions and expedite the referral of default cases to the Department of Justice for taking legal action to recover the outstanding loans.

6. To tackle the default problem and address the public's expectations for more effective administration of NLS, we have launched two rounds of public consultation on a package of improvement measures to NLS with the last round ending at the end of February 2012. In tandem with the improvement proposals for NLS, we have also proposed improvements to the means-tested financial assistance schemes as announced by the Financial Secretary in the 2012-13 Budget Speech. These improvement measures aim to alleviate the repayment burden of loan borrowers through extending the loan repayment period and lowering interest rates, reduce excessive borrowing through setting ceilings on the loan amount, induce enhancement in quality assurance of eligible courses, and tackle the student loan default problem more effectively through stepped-up deterrence and enhanced checking of credit history. Details of the proposed improvement measures to NLS and means-tested assistance schemes are at Enclosure 3.

Encl. 3

7. Taking into account the supportive views from the Panel on Education of the Legislative Council at its meeting on 14 May 2012, we plan to implement most of the proposed measures from the 2012/13 academic year onwards subject to the approval of the Finance Committee on 8 June 2012. These measures, coupled with the continuous development of the self-financing post-secondary sector, are expected to further increase the number of loan borrowers and the amount of loans administered by SFAA over time.

### **Organisation re-structuring arising from a BPR exercise**

8. Having undertaken a BPR exercise and a study on the feasibility of the BPR recommendations, SFAA has obtained funding approval from the Finance Committee vide FCR(2010-11)4 in April 2010 to develop an Integrated Student Financial Assistance System (ISFAST) to replace the seven existing scheme-based computer systems in phases. The contract for ISFAST has been awarded in December 2011. Along with the implementation of ISFAST project, SFAA will also carry out an organisation restructuring to change its service delivery mode

/from .....

from scheme-based to function-based<sup>4</sup>. This is expected to streamline internal operations, strengthen vetting and authenticating functions in processing applications for student financial assistance and improve customer services. New divisions and functional units will be set up<sup>5</sup> to replace existing ones to help meet the public's rising expectations on the quality and efficiency of SFAA's services.

9. The ISFAST project is now undertaken by a dedicated team, namely the Change Management Team, headed by a Chief Executive Officer. The scope of work covers all change management matters, BPR including rationalising and re-assigning the duties and responsibilities of its 900-plus staff, as well as training and communication programmes for SFAA staff and its stakeholders. Because of the large number of stakeholders involved, the project has been classified as high risk by the Office of the Government Chief Information Officer in terms of the level of monitoring and project governance required.

### **Creation of a PExO Post**

10. In view of the above developments, the present management structure of SFAA with only one directorate officer will be inadequate to cope with the additional workload and responsibilities which have a high level of complexity. We therefore propose to create a permanent PExO post in SFAA, designated as Senior Deputy Controller, to assist the Controller in, among others, the following major tasks and responsibilities –

- (a) overseeing the expanded scope and complexity of SFAA's functions, notably the expanded loan management function of SFAA arising from the further increase in the number of loan borrowers and loan amounts as a result of the improvement measures in (b) below and the continuous development of the post-secondary sector, as well as keeping under constant review the need for improvement in loan management of the Agency;

/(b) .....

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<sup>4</sup> Scheme-based service delivery mode refers to division of duties among different sections in SFAA based on the financial assistance schemes. Function-based service delivery mode refers to division of duties based on functions such as initial vetting, further vetting, payment control, etc.

<sup>5</sup> The new divisions include a Customer Relation Division, two Vetting Divisions, a Payment Control Division and a Loan Management Division. The current Office of the Continuing Education Fund and the Information Technology Management Unit will be maintained. The new functional units being planned include an integrated counter service, a central enquiry hotline, a training and communication unit and a central complaint handling team

- (b) providing dedicated leadership and supervision for timely implementation of the proposed improvement measures to NLS and means-tested assistance schemes. In particular, a stronger steer at the directorate level is necessary on various contentious issues which require tactful handling to balance the interests of different stakeholders. These issues include the implementation of a new course registration system which will tighten the course eligibility criteria under the Extended Non-means-tested Loan Scheme to enhance quality assurance of eligible courses, expediting loan recovery action and exploring other measures to deter and tackle the default problem (including continuous deliberation on the proposal of sharing negative data of student loan borrowers to credit reference agency), etc.;
- (c) charting the organisation restructuring exercise arising from the BPR in tandem with the implementation of ISFAST by providing steer and strategic control for the project. A stronger and more dedicated supervision at the directorate level is required in smoothing out different views among internal staff on division of responsibilities under the new organisation structure, soliciting support from stakeholders for migration to ISFAST and the new organisation structure of SFAA, deriving a new performance management system (with review of performance pledges of services rendered to the public and internal pledges of individual functions and processes), and keeping under constant review the risk profile at various stages of applications processing under a more stringent risk management approach of the future ISFAST to better protect public funds from being abused; and
- (d) maintaining effective governance of the Agency and discharging a supervisory role in various housekeeping matters such as information technology, personnel, finance and general administration.

Encl. 4 11. The duty list of the proposed PExO post is at Enclosure 4 and the  
Encl. 5 organisation structure of SFAA upon creation of the PExO post is at Enclosure 5. It is necessary to create the proposed PExO post at the earliest opportunity to reinforce the directorate structure of SFAA for smooth implementation of the improvement measures to NLS and means-tested assistance schemes from the 2012/13 academic year onwards and steering the organisation restructuring exercise along with the implementation ISFAST which is already underway.

12. With the creation of the proposed PExO post, the Controller will be able to devote more focused attention to providing strategic steer to the work of SFAA on the whole, and regularly review and improve the effectiveness and efficiency in the administration of various financial assistance schemes from pre-primary to post-secondary levels. The Controller will also be able to provide stronger support to the Education Bureau on matters relating to the formulation and implementation of policies on student finance, enhance dialogue with various stakeholders, and focus on strengthening the complaint handling system and streamlining the procedures for operating various assistance schemes to meet the aspirations of the community.

### **ALTERNATIVES CONSIDERED**

13. The Controller, being the Head of Department to oversee the entire SFAA, is the only directorate officer in SFAA. There is hence no room for redeployment at the directorate level. We have critically examined the options of sharing the extra responsibilities amongst the existing division heads or creating non-directorate posts to manage the tasks. However, owing to the high level of complexity of the additional responsibilities, input at the directorate level is required. We consider the creation of an additional permanent PExO post the only viable option.

### **FINANCIAL IMPLICATIONS**

14. The proposed creation of the permanent PExO post will bring about an additional notional annual salary cost at mid-point of \$1,357,200. The full annual average staff cost of the proposal, including salaries and staff on-cost, is \$1,900,080. We have included the necessary provision in the 2012-13 Estimates and will include sufficient provision in the Estimates of subsequent years to meet the cost of the proposal.

### **PUBLIC CONSULTATION**

15. We consulted the Panel on Education of the Legislative Council at its meeting on 14 May 2012. The Panel agrees that the proposal be submitted to the Establishment Subcommittee.

### **ESTABLISHMENT CHANGES**

16. The establishment changes in SFAA for the past two years are as follows –

/Establishment .....

Establishment (Note)	Number of posts			
	Existing (as at 1 May 2012)	As at 1 April 2012	As at 1 April 2011	As at 1 April 2010
A	1	1	1	1
B	20	20	17	17
C	486	418	306	280
<b>Total</b>	<b>507</b>	<b>439</b>	<b>324</b>	<b>298</b>

Note:

A – ranks in the directorate pay scale or equivalent

B – non-directorate ranks, the maximum pay point of which is above MPS Point 33 or equivalent

C – non-directorate ranks, the maximum pay point of which is at or below MPS Point 33 or equivalent

#### **CIVIL SERVICE BUREAU COMMENTS**

17. The Civil Service Bureau supports the proposed creation of the permanent PExO post. The grading and ranking of the proposed post are considered appropriate having regard to the level and scope of the responsibilities.

#### **ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE**

18. The Standing Committee on Directorate Salaries and Conditions of Service has advised that the grading proposed for the post would be appropriate if the proposal were to be implemented.

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Education Bureau  
May 2012

**Duties and Responsibilities of  
Controller, Student Financial Assistance Agency**

**Rank** : Senior Principal Executive Officer (D2)

**Responsible to** : Deputy Secretary for Education (6)

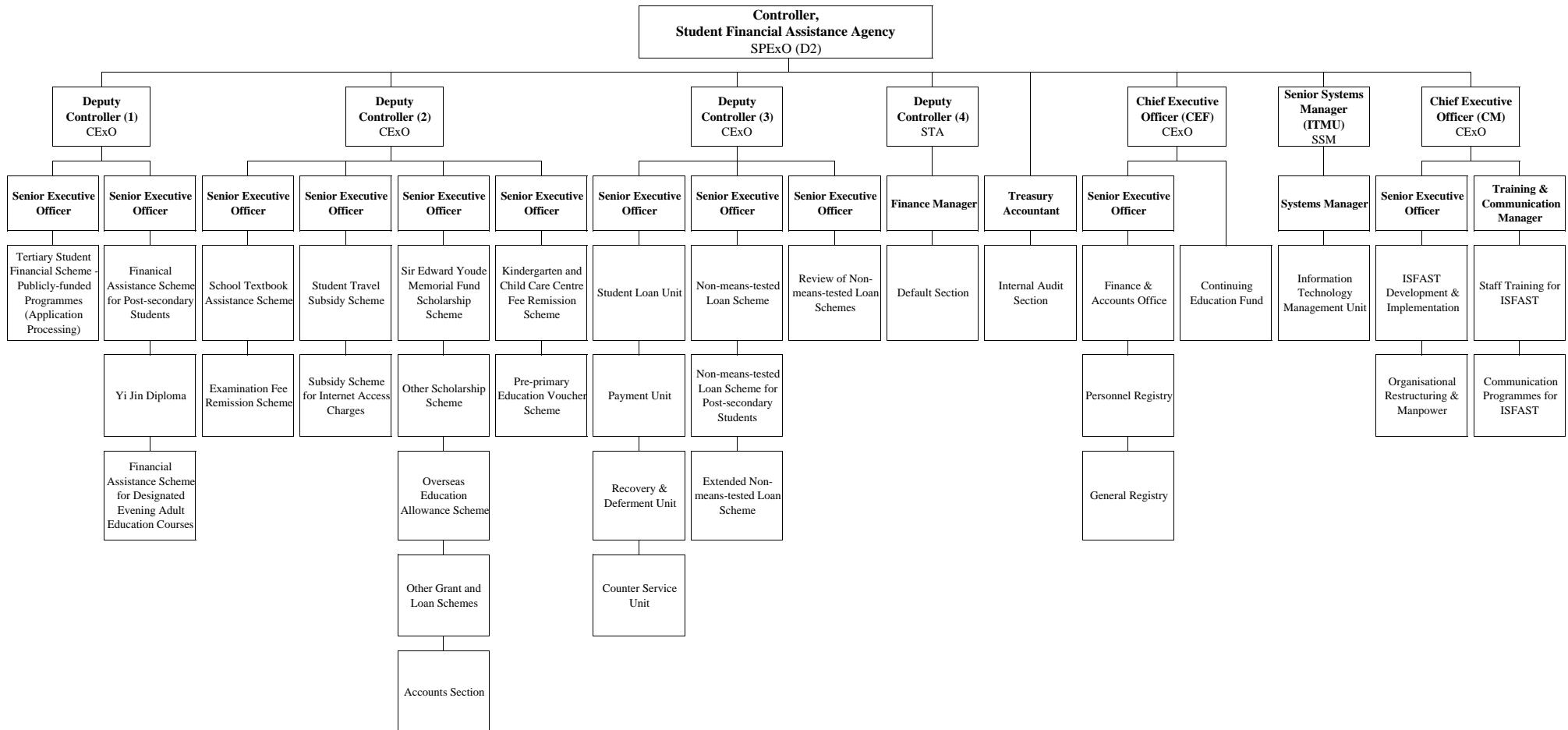
**Main Duties and Responsibilities –**

1. To steer and oversee the implementation and administration of the 14 student financial assistance schemes from pre-primary to tertiary levels, including setting and reviewing targets and priorities, monitoring progress and results, deploying resources, scheduling the roll-out of policies, reviewing the interface amongst various student financial assistance schemes so as to formulate an overall and consistent strategy governing student finance.
2. To assist the Education Bureau in lobbying support for Government policies and maintaining effective dialogue with various stakeholders, including answering media enquiries, handling Ombudsman's complaints, addressing audit queries, attending meetings with Legislative Council members, liaising with and consulting the relevant stakeholders, explaining policies and practices to the public, students and media.
3. To manage and lead a staff force of around 900 staff, including formulating various plans on staff motivation, performance management and training, reviewing the manpower requirement, securing the necessary resources in support of operations; and undertake the responsibilities as Controlling Officer in monitoring the proper disbursement of funds and assessing the Agency's financial requirement in the annual Estimates exercises.
4. To advise and support the Education Bureau on matters relating to the formulation of policies on student financial assistance schemes and to identify and propose areas for improvement.
5. To plan for the implementation of the Integrated Student Financial Assistance System, including chairing the Project Steering Committee for project design and implementation and Change Management Committee to plan the organisation re-structuring activities.
6. To service the Sir Edward Youde Memorial Fund Council, administer 24 scholarships, merit awards and related schemes, provide guidance and advice on the operation of various advisory/executive committees on student finance and scholarship trusts.

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Existing Organisation Chart of the Student Financial Assistance Agency



- Legend:**
- CEF - Continuing Education Fund
  - CExO - Chief Executive Officer
  - CM - Change Management
  - ISFAST - Integrated Student Financial Assistance System
  - ITMU - Information Technology Management Unit
  - SPEXO - Senior Principal Executive Officer
  - SSM - Senior Systems Manager
  - STA - Senior Treasury Accountant

**Summary of proposals  
to improve the Non-means-tested Loan Schemes and  
means-tested assistance schemes  
vis-à-vis the existing arrangements**

Measure	Existing Arrangement	Proposed Arrangement
<b>Non-means-tested Loan Schemes</b>		
1. <i>Reducing risk-adjusted-factor rate</i>	1.5% per annum Effective Interest Rate = 3.174% per annum	0% per annum Effective Interest Rate = 1.674% per annum <i>(subject to review in 3 years' time)</i>
2. <i>Extending standard repayment period</i>	10 years	15 years
3. <i>Relaxing deferment arrangements</i>	<ul style="list-style-type: none"> <li>• Interest charged during the approved deferment period</li> <li>• Upon expiry of deferment period, balance of the loan including the interest accrued has to be repaid within the remaining compressed period of less than 10 years at a higher amount per instalment</li> </ul>	<ul style="list-style-type: none"> <li>• Interest-free during the approved deferment period</li> <li>• Extension of the entire loan repayment period by a maximum of two years</li> </ul>
4. <i>Revising repayment interval</i>	<ul style="list-style-type: none"> <li>• Quarterly payment</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly payment</li> <li>• Implement e-billing and e-enquiry services</li> <li>• To be implemented in the 2013/14 academic year</li> </ul>
5. <i>Aligning loan coverage</i>	<ul style="list-style-type: none"> <li>• Non-means-tested Loan Scheme for Full-time Tertiary Students (Scheme A) and Extended Non-means-tested Loan Scheme (Scheme C): Loan amount of a course capped at tuition fee payable</li> <li>• Non-means-tested Loan Scheme for Post-secondary Students (Scheme B): Maximum loan amount equals to tuition fee payable plus academic expenses and living expenses assistance</li> </ul>	<ul style="list-style-type: none"> <li>• Scheme A, Scheme B and Scheme C: Loan amount of a course capped at tuition fee payable</li> </ul>

<b>Measure</b>	<b>Existing Arrangement</b>	<b>Proposed Arrangement</b>
<p><b>6. <i>Imposing loan limits</i></b></p>	<ul style="list-style-type: none"> <li>• No loan limit over life time under each scheme</li> </ul>	<ul style="list-style-type: none"> <li>• Impose a combined life-time loan limit of \$300,000 under Scheme A and Scheme B</li> <li>• Impose a life-time loan limit of \$300,000 under Scheme C which is in addition to the combined loan limit for Scheme A and Scheme B above.</li> <li>• The life-time loan limits to be adjusted annually in accordance with the movement of Composite Consumer Price Index.</li> <li>• Loan borrowers under Scheme A and Scheme B who have exhausted the \$300,000 loan limit to study programmes for attaining their first degree-level study may apply to the Student Financial Assistance Agency (SFAA) to use up to \$100,000 of their life-time loan limit under Scheme C, on a case-by-case basis.</li> <li>• Grandfather existing students who have enrolled in programmes charging tuition fees above the loan limit by allowing them to borrow a cumulative loan exceeding the proposed ceiling to complete their programmes up to first degree level.</li> </ul>
<p><b>7. <i>Removing age limit of Scheme B</i></b></p>	<ul style="list-style-type: none"> <li>• Age limit of 25</li> </ul>	<ul style="list-style-type: none"> <li>• No age limit</li> </ul>
<p><b>8. <i>Revising the course eligibility criteria of Scheme C</i></b></p>	<ul style="list-style-type: none"> <li>• There are nine categories of eligible courses under Scheme C as follows –</li> <li>(1) courses offered by the Open University of Hong Kong;</li> <li>(2) courses offered by Hong Kong Shue Yan University;</li> <li>(3) part-time publicly-funded programmes or self-financing, local award-bearing programmes (i.e. programmes of study leading to the award of local</li> </ul>	<ul style="list-style-type: none"> <li>• To restrict eligible courses to those with a reasonable degree of quality assurance –</li> <li>(i) courses accredited by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) or institutions by virtue of their self-accreditation status or Programme Area Accreditation status;</li> <li>(ii) courses under Yi Jin Diploma;</li> </ul>

Measure	Existing Arrangement	Proposed Arrangement
	<p>academic qualifications) or training or development courses at the post-secondary level offered by publicly-funded institutions (including their Schools of Professional and Continuing Education);</p> <p>(4) programmes offered under the Project Yi Jin;</p> <p>(5) registered courses and exempted courses under the Non-local Higher and Professional Education (Regulation) Ordinance (Cap. 493);</p> <p>(6) post-secondary courses, adult education courses, continuing and professional education courses offered by a school registered under section 13(a) or exempted from registration under section 9(1) of the Education Ordinance (Cap. 279);</p> <p>(7) courses offered by a Post-secondary College registered under the Post Secondary Colleges Ordinance (Cap. 320);</p> <p>(8) training or development courses provided or funded by statutory bodies; and</p> <p>(9) continuing and professional education courses offered by any institution approved by the Controller, SFAA in accordance with the criteria concerned.</p>	<p>(iii) courses covered by the Financial Assistance Scheme for Designated Evening Adult Education Courses;</p> <p>(iv) training and development courses provided or funded by local statutory bodies; and</p> <p>(v) registered courses and exempted courses under the Non-local Higher and Professional Education (Regulation) Ordinance (Chapter 493).</p> <ul style="list-style-type: none"> <li>• Provide a transitional period for existing non-accredited course providers/courses to obtain accreditation.</li> <li>• Grandfather existing students by allowing them to complete their study programme in case the course being pursued fails to obtain accreditation during the transitional period.</li> </ul>
<p><b>9. <i>Sharing negative credit data of defaulters with credit reference agency</i></b></p>	<ul style="list-style-type: none"> <li>• No such arrangement</li> </ul>	<ul style="list-style-type: none"> <li>• To deliberate and engage the Privacy Commissioner of Personal Data as well as the other relevant parties with a view to identifying an effective way to deter and tackle defaults.</li> </ul>
<p><b>10. <i>Requiring more-mature loan applicants to produce credit reports</i></b></p>	<ul style="list-style-type: none"> <li>• No such requirement</li> </ul>	<ul style="list-style-type: none"> <li>• To monitor the default situation of the loan schemes and the age profile of defaulters before deciding whether, and if so, how to</li> </ul>

Measure	Existing Arrangement	Proposed Arrangement
		take forward this proposal.
<b>Financial Assistance Scheme for Post-secondary Students</b>		
1. <i>Relaxing the age limit</i>	Age limit of 25	Age limit of 30
2. <i>Removing the requirements/restrictions on prior academic qualification</i>	<ul style="list-style-type: none"> <li>• For students who have obtained sub-degree/degree level qualification, they are ineligible to pursue a locally-accredited programme leading to the same level of qualification</li> <li>• For students who wish to pursue a degree course, if they possess a sub-degree level qualification, the qualification must be locally accredited</li> <li>• For students who wish to pursue a top-up degree programme, they must have obtained a locally accredited sub-degree level qualification</li> </ul>	<ul style="list-style-type: none"> <li>• No such requirements/restrictions</li> </ul>
3. <i>Removing the repayment requirement of grants</i>	<ul style="list-style-type: none"> <li>• Grant recipients who fail to obtain the intended qualification within a six-year period from the first date of disbursement of assistance have to repay the tuition fee and academic expenses grants</li> </ul>	<ul style="list-style-type: none"> <li>• No such requirements</li> </ul>
<b>Tertiary Student Finance Scheme – Publicly-funded Programmes (TSFS) and Financial Assistance Scheme for Post-secondary Students</b>		
1. <i>Reducing interest rate of living expenses loan</i>	2.5% per annum	1% per annum
2. <i>Extending standard repayment period of living expenses loan</i>	5 years	15 years
3. <i>Relaxing deferment arrangements</i>	<ul style="list-style-type: none"> <li>• Interest-free during the approved deferment period</li> <li>• Extension of the entire loan repayment period by a maximum of five years, i.e. up to ten years</li> </ul>	<ul style="list-style-type: none"> <li>• Interest-free during the approved deferment period</li> <li>• Extension of the entire loan repayment period by a maximum of two years, i.e. up to 17 years</li> </ul>
4. <i>Revising repayment interval</i>	<ul style="list-style-type: none"> <li>• Quarterly payment</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly payment</li> </ul>

Measure	Existing Arrangement	Proposed Arrangement
		<ul style="list-style-type: none"> <li>• Implement e-billing and e-enquiry services</li> <li>• To be implemented in the 2013/14 academic year</li> </ul>
<p>5. <i>Revising the mechanism of setting and adjusting the maximum levels of living expenses loan and academic expenses grant under TSFS</i></p>	<ul style="list-style-type: none"> <li>• Based on the result of a Student Expenditure Survey conducted in 1988 and price-adjusted annually according to the student price index compiled specifically by the Census and Statistics Department (C&amp;SD) with input from institutions covered by TSFS.</li> </ul>	<ul style="list-style-type: none"> <li>• Adopt the median per capital household expenditure (with exclusions of housing, alcoholic drinks and tobacco, transport and education expenditures) obtained from the Household Expenditure Survey conducted every five years by C&amp;SD as the benchmark level.</li> <li>• Adjust the loan levels in the intermediate years by the Consumer Price Index (A) computed with same exclusions.</li> <li>• Conduct a review when the extent of adjustment exceeds 10% in either direction.</li> <li>• Maintain existing levels for academic expenses grant. Make annual adjustment in accordance with changes in the Consumer Price Index (A).</li> </ul>

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**Job Description**  
**Senior Deputy Controller, Student Financial Assistance Agency**

**Rank** : Principal Executive Officer (D1)

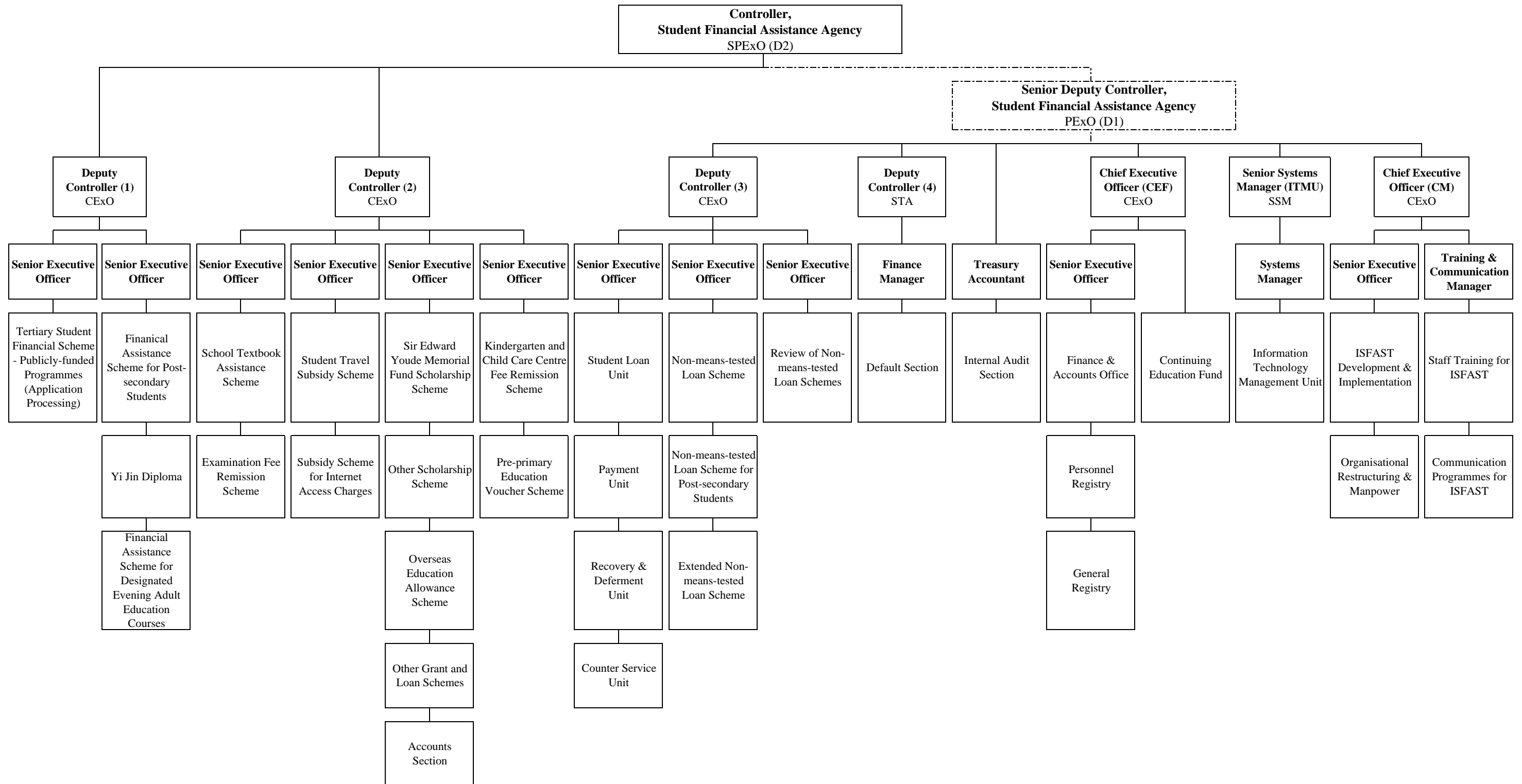
**Responsible to** : Controller, Student Financial Assistance Agency (SFAA)

**Main Duties and Responsibilities –**

1. To assist Controller, SFAA in supervising and overseeing the delivery of loan management functions, including reviewing and streamlining the loan recovery procedures, payment controls and vetting procedures with a view to enhancing cost-effectiveness and operational efficiency.
2. To be responsible for the review on and implementation of the improvement measures to the Non-means-tested Loan Schemes and Means-tested Assistance Schemes, particularly in relation to loan scheme revamping, loan application processing and loan accounts management.
3. To formulate action plans to monitor and speed up the recovery of default cases, including exploring new ways to recover outstanding debts and reducing the loan default rate.
4. To oversee policies and administration of recovery of overpaid financial assistance and deferment of loan repayment.
5. To oversee policies and administration of payment, repayment and loan administration matters related to various financial assistance schemes.
6. To take up delegated authority from Controller, SFAA on various issues relating to personnel, financial and accounting, general administration, stores and procurement, and complaints handling.
7. To take charge of the change management matters in relation to the implementation of the Integrated Student Financial Assistance System and the organisation restructuring.
8. To oversee the Internal Audit team to strengthen the Agency's internal control mechanism and guard against any irregularities and loopholes in carrying out SFAA's roles and functions.

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**Proposed Organisation Chart of the Student Financial Assistance Agency**



- Legend:**
- CEF - Continuing Education Fund
  - CExO - Chief Executive Officer
  - CM - Change Management
  - ISFAST - Integrated Student Financial Assistance System
  - ITMU - Information Technology Management Unit
  - PExO - Principal Executive Officer
  - SPExO - Senior Principal Executive Officer
  - SSM - Senior System Manager
  - STA - Senior Treasury Accountant
  - Proposed creation of the PExO post