



**FROM: UNEMPLOYMENT INSURANCE COMMISSIONER**  
**TO: ALL EMPLOYERS WHO APPLIED FOR COVIDTERS BENEFIT**  
**SUBJECT: POST-VERIFICATION EXERCISE TO BE CONDUCTED BY AUDIT FIRMS**  
**DATE: 11 SEPTEMBER 2024**

Dear Employers,

I would like to take this opportunity to hereby inform you that the Unemployment Insurance fund has decided to carry out post-verification exercise on all the COVID19 TERS benefit payments paid to companies, employers and bargaining council as part of our continued effort to improve transparency in reporting.

As you are aware, the possibility of such audits is foreseen in accordance with MOA clause, signed during the application process.

The following audit firm will conduct the post verification exercise for an envisaged period of 12 months commencing on the 11<sup>th</sup> of September 2024.

#### **1. DITHETO ACCOUNTANTS**

The clause under "UIF Auditing Powers" in the Memorandum of Agreement, which is binding the UIF and the Employer explicitly and forthrightly, stipulates the intent of the Fund to audit employers at any given time by an appointed auditor. The UIF now exercises its right to invoke the clause accordingly.

The clauses under "UIF Auditing Powers" states the following

- The UIF may at any time, at its expense and sole discretion, appoint an auditor to audit suspected
  - breach of the Memorandum of Agreement (MOA); and
  - corruption or fraud related to the implementation of the MOA
- The employer/ bargaining council must
  - allow UIF employee, an auditor or an investigator so appointed, timeous unrestricted access to any records as UIF employees, auditors or investigators may deem necessary to examine, for the purposes of discharging their duties; and
  - without delay, furnish UIF employees, the auditor or investigator with any authority which may be required to enable them to obtain such information as they may reasonably require for such purpose.\





In order to facilitate the performance of the audit, please ensure that the auditors have complete and unhindered access to all necessary premises, persons and data including data stored in electronic formats, in order to efficiently complete their assignment

These audit firms will request all supporting and corroborating information related to the application of the COVIDTERS benefit and such should be made available without delay. It is therefore requested that all applicable companies, employers or bargaining councils immediately prepare and keep at least the following information readily available in either hard or electronic format (please note that this is not an exhaustive list):

• **UIF COVIDTERS application pack:**

- All documents / information provided to the UIF at the time of application for each lockdown period
  - • Bank statements (showing all COVID19TERS money received to date from UIF and money paid to employees by the employer);
  - Payroll reports (January 2020 to the last month of application);
  - Contracts of employment or appointment letter for employment for list we will provide
  - Copy of passport documents for foreign nationals
  - Tax Clearance for the application period
  - Reconciliation of COVID19TERS funds (Total COVID19TERS funds received from UIF against or a comparison to COVID19TERS funds paid to employees);
  - Bank confirmation letter submitted with the claims application/s;
  - Pay slips (Periods January 2020 to the last month of application); *Select sample of 30 employees or less*
  - IRP5 (2020 and 2021)
  - EMPO 201
  - Communication letter of the temporary closure of the business; for the lockdown periods applied for
  - Clocking reports or attendance register; pertaining to the lockdown period applied for
  - Proof of payment of COVID19TERS funds to employees;
  - Proof of any refunds to UIF (*Complete debt confirmation*);



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- Salary increase letter, if applicable;
- Termination letters, if applicable.
- Proof of leave income declared during application

The above information is just minimum of the required documents.



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**T. Maruping**

**Unemployment Insurance Commissioner**

**Date: 11 September 2024**





## PERMIT TO PERFORM POST-VERIFICATION EXERCISE

09<sup>th</sup> SEPTEMBER 2024

Dear Employer,

The clause under “UIF Auditing Powers” in the Memorandum of Agreement, which binds the Unemployment Insurance Fund (the UIF) and the Employer explicitly and forthrightly, stipulates the intent of the Fund to audit employers at any given time by an appointed auditor. The UIF reserves its right to invoke this clause accordingly.

The UIF appointed **DITHETO ACCOUNTANTS** to contact and visit employers who applied and got paid for COVID19 TERS benefit effective from the 1<sup>st</sup> April 2020, for a period of twelve (12) months in terms of the applicable Directives and signed MOA between the employer and the UIF.

Based on the above, you are requested to provide full access and documentation relating to your TERS application to the designated official(s) of **DITHETO ACCOUNTANTS** due to the tight turnaround timelines, your prompt response to the request for access, documentation and you further availing resources to fast track the accessing of the required documents will be highly appreciated.

**DITHETO ACCOUNTANTS** and the UIF in line with the MOA, acknowledge that for the purposes of this post verification auditing process **DITHETO ACCOUNTANTS** may come into contact with, and/or have access to “Personal Information” as defined in the Protection of Personal Information Act, 4 of 2013 and other information that may be classified, and/or deemed as private or confidential and for which the UIF or the Employer is responsible.

Such personal information may also be deemed or considered as private and confidential as it relates to any third party who may be directly or indirectly associated with this post verification exercise. Further, it is acknowledged and agreed by the Employer and the UIF that they have the necessary consent to share or disclose the personal information and that the information may have value.



**DITHETO ACCOUNTANTS** agrees that they will at all material times comply with POPIA's Regulations and Codes of Conduct and that it shall only collect, use and process personal information it comes into contact with, pursuant to this post verification exercise in a lawful manner, and only to the extent required to execute the services and to perform its obligations in terms of this post verification exercise.

Furthermore, should the employer fail to provide information on or before the specified timeframe, this will be deemed as breaching the Memorandum of Agreement (MOA) signed between the affected employer and UIF, through the Director General of the Department of Employment and Labour.

Consequently, if the employer is **not** co-operating with **DITHETO ACCOUNTANTS** as the appointed firm, the UIF will implement its recourse as stated below and in line with the clause 34 of the agreement:

- Refer the matter to the SIU and the Hawks for investigation;
- Recognise the whole COVID19TERS funds as an overpayment and the debt collection process will follow;
- Block the employer from getting a UIF compliance letter;

Yours faithfully,

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**T. Maruping**  
**Unemployment Insurance Commissioner**

11/09/2024