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**MEDIA STATEMENT  
FOR IMMEDIATE RELEASE  
12 MARCH 2024**

**UNIVERSITY OF PRETORIA SETTLES R 400 MILLION DUE TO NSFAS IN UNALLOCATED FUNDS**

The University of Pretoria (UP) has fully paid **R 400 million** that is due to the National Student Financial Aid Scheme (NSFAS) in unallocated funds. The money was paid in four instalments of R100 million into the Special Investigating Unit's (SIU) Trust account, bringing the total number of recoveries to **R 937 926 351** received from institutions of higher learning since the inception of the SIU's NSFAS investigation in September 2022.

The monies paid by UP are unallocated funds from 2016 to 2021. The unallocated funds are monies for students who qualified for funding but either changed institutions or deregistered. The funds stay in the possession of the institution for a year. The unallocated funds are due to poor control systems and a lack of reconciliation processes by the NSFAS and were not collected from institutions of higher learning. When approached by the SIU, the institutions cooperated, which led to a quick recovery process.

**The SIU has so far recovered the following funds from institutions of Higher Learning:**

• West Coast College-	R 5 057 679.00
• NorthLink College-	R 33 369 404.97
• Walter Sisulu-	R 19 900 174.00
• Nkangala TVET-	R 342 672.50
• University of Johannesburg-	R 311 892 088.94
• University of Zululand-	R 58 088 144.65
• University of Pretoria-	R 400 000 000.00
• Majuba TVET College-	R 25 902 309.31
• University of Mpumalanga-	R 33 668 138.56

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The SIU has also signed an acknowledgement of the debt agreement (AoD) of **R 38 707 884.10** with Motheo Technical Vocational Education and Training (TVET) College in the Free State. Furthermore, the SIU signed AoDs worth **R 10 997 855,50** with parents and students who did not meet the NSFAS funding criteria.

The SIU investigation has revealed that NSFAS failed to design and implement controls to ensure that there is an annual reconciliation between the funds disbursed to the institutions and the allocation of those funds to the students. These control weaknesses have led to overpayments and underpayments of funds to the different institutions over the period 2017 to date. NSFAS has recently appointed a service provider to assist them in performing this reconciliation via a process called "close-out reporting". The reconciliation process is still ongoing.

Furthermore, the SIU found that Celbux – the e-wallet/voucher payment system- had many "dormant" accounts lying active on the Celbux system dating back to 2018 amounting to an estimated value of R320 million. Regarding NSFAS-funded accommodation, the SIU found that details of the accommodation such as physical addresses and details of the landlord or owner of the accommodation were not captured on the NSFAS system. The physical address of the accommodation and landlord or owner was not vetted by the NSFAS.

The SIU is in terms of Proclamation R88 of 2022 authorised to investigate allegations of corruption and maladministration in the affairs of NSFAS and to recover any financial losses suffered by the State through corruption and negligence.

The SIU is empowered to institute a civil action in the High Court or a Special Tribunal in its name, to correct any wrongdoing uncovered during both investigations caused by acts of corruption, fraud, or maladministration. In line with the Special Investigating Units and Special Tribunals Act 74 of 1996, the SIU will refer any evidence pointing to criminal conduct it uncovers to the National Prosecuting Authority (NPA) for further action.

**END.**

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