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**MEDIA STATEMENT
FOR IMMEDIATE RELEASE
18 JULY 2024**

SIU TO COLLECT OVER R112 MILLION FROM UNQUALIFIED NSFAS BENEFICIARIES

The Special Investigating Unit (SIU) has signed Acknowledgement of Debt (AoD) agreements with 421 students who did not qualify to be funded by the National Student Financial Aid Scheme (NSFAS). The total value of these AoDs amounts to R112 174 825,97.

The SIU is pleased with the cooperative attitude of parents and unqualified NSFAS beneficiaries who have signed AoDs agreeing to repay the money over some time. The SIU is urging unqualified NSFAS beneficiaries who have not been in contact with the unit to come forward and arrange for repayment.

In addition to the AoDs, the SIU has made progress in recovering unallocated funds with the University of Fort Hare being the latest university to pay back unallocated funds of R277 666 450. This brings the total of recoveries to R1 165 887 062.

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

West Coast College- R5 057 679.00

Northlink College- R33 369 404.97

Walter Sisulu University- R19 900 174.00

Nkangala TVET- R342 672.50

University of Mpumalanga- R33 668 138.19

University of Zululand- R58 088 144.65

University of Fort Hare- R277 666 450.00

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University of Pretoria- R400 000 000.00

Majuba TVET College- R25 902 309.31

University of Johannesburg- R311 892 088.94

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 appointed a service provider to assist them in performing this reconciliation via a "close-out reporting" process. The reconciliation process is still ongoing.

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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