

MEDIA STATEMENT

TO ALL EDITORS/EDUCATION REPORTS

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NSFAS Board Statement on Labour Court judgement against former senior official of University of Johannesburg

The National Student Financial Aid Scheme (NSFAS) welcomes the labour court judgement ordering a former senior official of the University of Johannesburg (UJ) to payback R18 million which is kickbacks for fraud in the management of NSFAS funded students accommodation. This is a labour court judgement, law enforcement should act swiftly to ensure that criminal charges follow.

Fraud, corruption, abuse of public funds and exploitation of NSFAS-funded students are treated with the utmost seriousness, and those responsible must be held to account where wrongdoing is proven, and recover any funds found to have been improperly obtained.

Based on the information currently available to NSFAS, the properties referred to in the allegations were accredited and leased through UJ and not directly by NSFAS.

Where accommodation is owned, managed or leased by a university, payments are directly made to the institution upon receipt and verification of claims submitted by the university to NSFAS, and the university remains responsible for the accuracy, compliance and contractual arrangements linked to such student accommodation.

NSFAS management has been directed to continue engaging Institutions of Higher Learning and to caution against arrangements that circumvent prescribed accreditation and accommodation processes and to exercise extreme vigilance in the management of state funds ring fenced for students. This further dispels the notion that funds ring fenced for students can simply be handed over to institutions for both allocation and disbursement.

All universities and Technical and Vocational Education and Training (TVET) colleges participating in the student accommodation programme are called upon to comply fully with the prescribed framework and to avoid practices that may expose NSFAS-funded students to exploitation or public funds to fraud, corruption or financial loss.

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National Student Financial Aid Scheme (NSFAS)