



**Attention: Editors, Journalists, Producers and Bloggers**

**Vaal University of Technology (VUT) demonstrates commitment to ethical financial governance through NSFAS refund**

**Vanderbijlpark, 5 December 2024** – The Vaal University of Technology (VUT) proudly announces the completion of the National Student Financial Aid Scheme (NSFAS) Close-Out Project (COP) for the years 2017 to 2022. Following a thorough reconciliation process concluded on 25 November 2024, VUT will refund a net amount of R123.3 million to NSFAS. This refund will be directed to the Special Investigating Unit (SIU) under Proclamation R.88 of 2022, which aims to address and recover financial anomalies within NSFAS.

In August 2022, President Cyril Ramaphosa authorised the SIU to investigate allegations of corruption, fraud, and maladministration within NSFAS operations, as well as to recover financial losses incurred by the State. This directive was part of broader terms of reference, which included the reconciliation of funding decisions, overpayments and underpayments to institutions, unfunded students, and instances of double-dipping and dropouts.

The 2017–2022 COP was a sector-wide exercise characterised by challenges, including frequent leadership changes at NSFAS, outsourcing of the process to multiple external consultants, and delays caused by gaps in information-sharing within NSFAS. As a result, the project had to be restarted multiple times, with universities revisiting data submissions to align with evolving requirements.

Approximately 72% of VUT's student population is funded by NSFAS, underscoring the importance of this reconciliation process to the university community. In addition to the refund, NSFAS and VUT reached a consensus on addressing underpayments for the period 2017–2022. This agreement will benefit 19 096 students, with a collective reduction in student debt amounting to R241,202,312.51.

For many of these students, the underpayment meant they were allowed to register but were unable to obtain their graduation certificates due to outstanding balances. As part of this resolution, graduates from this cohort will now receive their certificates, enabling them to fully realise the value of their academic achievements and pursue opportunities aligned with their qualifications.

For VUT, the COP involved extensive data analysis and collaboration, including a high-level engagement led by its interim Chief Financial Officer, Mr Luyanda Ndeya, to address outstanding reconciliation issues. The process entailed reviewing individual student cases, analysing six years of remittances and registration data, and clarifying discrepancies in student allowances and funding allocations. Following intensive efforts, VUT finalised and re-submitted data, with the final reconciliation concluded in November 2024 through collaborative sessions with NSFAS.

Under the leadership of Vice-Chancellor and Principal, Professor Khehla Ndlovu, VUT is dedicated to upholding the highest standards of financial accountability and transparency.

Professor Ndlovu stated: "This refund reflects our commitment to ethical financial governance and responsible stewardship of public funds. By proactively engaging with NSFAS and the SIU, VUT has demonstrated its dedication to transparency and accountability, aligning with our broader strategic institutional goals outlined in the 'Making VUT Work' initiative and Vision 2033+."

While this refund is not unique to VUT, as institutions such as the University of Pretoria and the University of Fort Hare have also refunded significant amounts, it underscores the sector-wide effort to rectify funding inefficiencies and uphold financial integrity.

The reconciliation process was conducted meticulously, with VUT and NSFAS working collaboratively to ensure accuracy and fairness. The agreed-upon refund will be processed promptly, reaffirming VUT's commitment to responsible stewardship of public funds.

VUT remains steadfast in its mission to support students from disadvantaged backgrounds, ensuring they have access to higher education opportunities. The university continues to work closely with NSFAS to facilitate seamless funding processes, thereby enhancing the student experience and success.

#### **Media Enquiries:**

##### **Nontobeko Moimane**

Email: [e-com@vut.ac.za](mailto:e-com@vut.ac.za)/ [nontobekoz@vut.ac.za](mailto:nontobekoz@vut.ac.za)

Phone: +27 (0)16 950 6722

Cell: 083 630 6185

##### **Sibusiso Nkosi**

Email: [e-com@vut.ac.za](mailto:e-com@vut.ac.za)/ [nontobekoz@vut.ac.za](mailto:nontobekoz@vut.ac.za)

Cell: 076 188 2649

#### **About Vaal University of Technology**

The Vaal University of Technology is one of South Africa's premier universities of technology, offering a wide range of undergraduate and postgraduate programmes. With a focus on excellence in teaching, research, and community engagement, VUT plays a pivotal role in the socio-economic development of the region.

#### **About NSFAS**

The National Student Financial Aid Scheme is a South African government initiative that provides financial assistance to eligible students at public universities and TVET colleges, ensuring access to education for students from disadvantaged and working-class backgrounds.