

# Free State college agrees to pay back NSFAS money

The Special Investigating Unit (SIU) has signed an Acknowledgement of Debt (AoD) agreement with Motheo Technical Vocational Education and Training (TVET) college in the Free State.



Source: [Unsplash](#)

This relates to the SIU's National Student Financial Aid Scheme (NSFAS) investigation.

The institution has agreed to pay R38m back to NSFAS. The monies paid by Motheo TVET College are unallocated funds from 2017 to 2022.

The unallocated funds are monies that were meant for students, who qualified for funding but either changed institutions or deregistered. The funds stayed in the institution's possession for a year and were supposed to return to NSFAS at the end of the period.

Motheo TVET College has agreed to a monthly instalment of R855k over a period of 60 months. This is the first AoD the SIU has signed with an institution of higher learning since the inception of the investigation.

The SIU has encouraged other institutions of higher learning to come forward and pay back unallocated funds due to NSFAS. The SIU has so far recovered over R421.3 million from institutions of higher learning.

The SIU's preliminary investigation has revealed that more than R5bn NSFAS money was possibly allocated to students who did not qualify to be funded.

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 civil action in the High Court or a Special Tribunal in its name to correct any wrongdoing uncovered during 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.

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