



NSFAS

National Student Financial Aid Scheme



2021 PROGRAMME FUNDING STATUS REPORT



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1. INTRODUCTION

This report aims to provide stakeholders with an update on the 2021 National Student Financial Aid Scheme (NSFAS) Funding Programme to support approved students studying at public universities and TVET colleges.

The NSFAS Act no. 56 of 1999 as amended describes NSFAS' mandate amongst other legislated responsibilities, as "to provide bursaries to eligible students, and to develop criteria and conditions for the granting of bursaries to eligible students in consultation with the Minister of Higher Education and Training; as well as administer bursaries for deserving students from poor and disadvantaged backgrounds".

The process of assessing and confirming funding for students is informed by the eligibility criteria developed by NSFAS and approved by the Minister as per the act. The approved funding criteria has two elements; i) income eligibility – students may receive NSFAS funding if the household income is less than R122,000 (for students that entered higher education before 2018) and from 2018 onwards students qualify for NSFAS if the household income is up to R350,000 per annum, disabled students qualify if the household income is up to R600,000 per annum.

Additionally; students must satisfy the Academic Eligibility criteria – in other words; students must succeed in their academic studies and still be within their applicable N+ rule to continue receiving NSFAS bursaries. This is also an important condition of the Department of Higher Education and Training (DHET) Bursary Rules. Students apply once to NSFAS and if approved are funded for the whole qualification.

In administering the bursary, NSFAS works collaboratively with all TVET colleges and public universities. This process is facilitated through data exchange in technology-based platforms. On the one hand, NSFAS has a responsibility to assess students' eligibility for bursary funding and confirm a funding decision to students and institutions, while institutions on the other hand have a responsibility to provide NSFAS with registration data for funded students. NSFAS shall only confirm funding if a student is registered at a public university or TVET college for an approved qualification. A student can only be funded, for one undergraduate qualification. The bursary had in the past covered certain post-graduate studies under conditions of approved pathways. These pathways are under review, and currently, no post-graduate funding is being provided under the current 2021 DHET Bursary Rules and Guidelines(universities).

A critical aspect of this funding process is its dependency on the accurate information that is provided by a prospective bursary holder, to assist in the process efficiency including the accuracy of the funding decision. This remains an important area given the increasing demand for NSFAS funding.

Third-party data is used to confirm the information provided during the application process as only deserving students from poor and disadvantaged backgrounds must benefit from the NSFAS bursary scheme. NSFAS has partnered with other state entities such as the Department of Home Affairs, Department of Social Development, Department of Basic Education, and South African Revenue Services (SARS) among others in ensuring that our funding decisions rely on credible and verified information.

2. BACKGROUND

NSFAS is a statutory body, funded primarily by the South African National Department of Higher Education and Training (DHET). NSFAS provides bursaries to eligible students who wish to study at any of the 26 public universities and 50 Technical and Vocational Education and Training (TVETs) colleges.

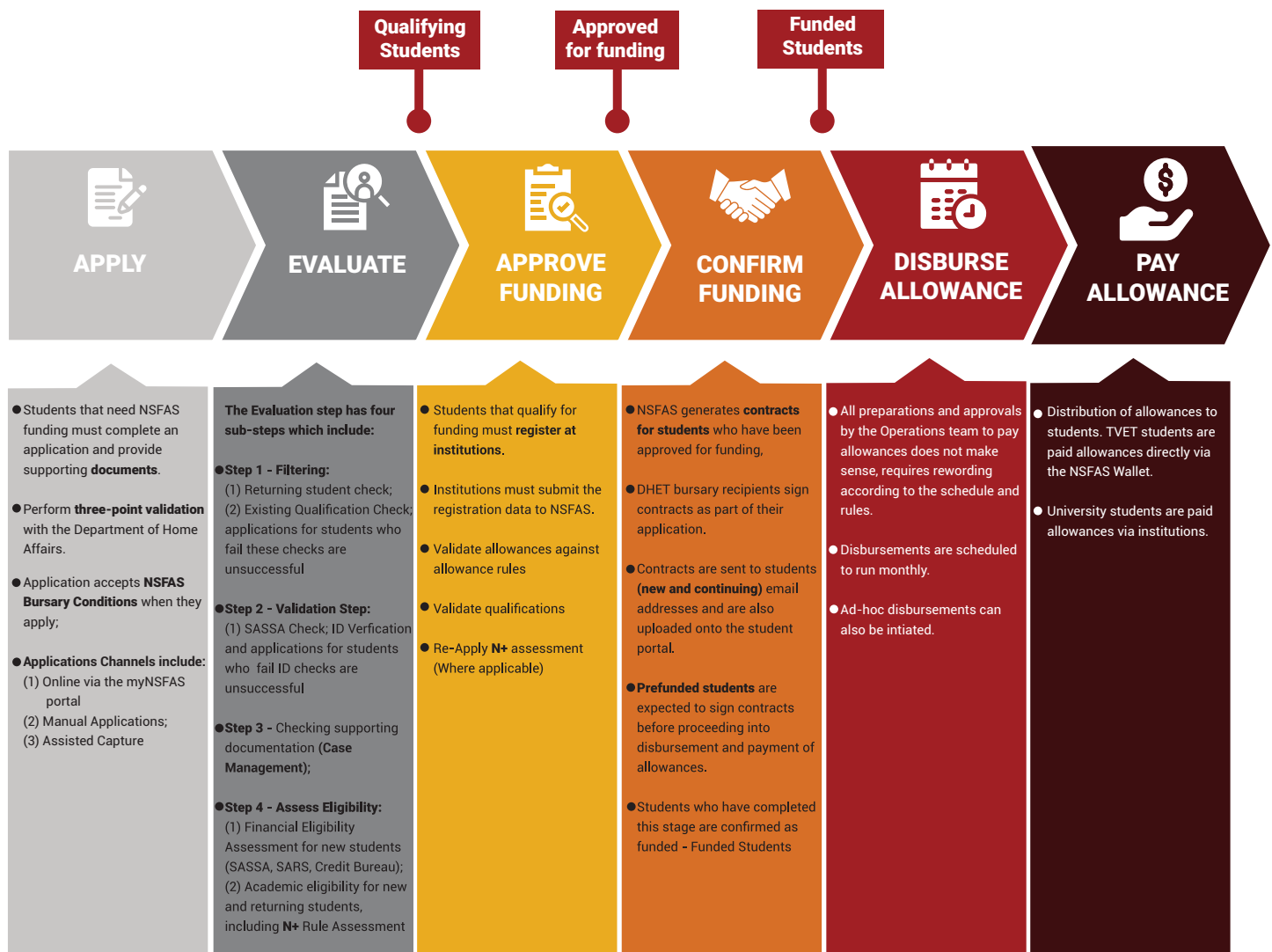
The organisation was established and is governed by the NSFAS Act (Act No. 56 of 1999) which mandates the NSFAS to:

- 1.1.1 Provide bursaries to eligible students.
- 1.1.2 Develop criteria and conditions for the granting of bursaries to eligible students in consultation with the Minister of Higher Education and Training.
- 1.1.3 Raise funds.
- 1.1.4 Recover past loans.
- 1.1.5 Maintain and analyse a database and undertake research for the better utilisation of financial resources.
- 1.1.6 Advise the Minister on matters relating to financial aid for students and undertaking other functions assigned to it by the NSFAS act 56 of 1999 as amended or by the Minister.

Since its inception of NSFAS in 1999, funds allocated to NSFAS have increased substantially from R441million in 1999 to almost R42bn billion in 2021/21 financial year. These funds are allocated for students at public universities and TVET colleges in accordance with the funding conditions for each sector published in the DHET Bursary Rules and Guidelines .

Through the Student Journey Process, NSFAS maps out the stages that students follow from bursary application to funding, disbursements and payments to students directly or through institutions as well as institutional direct payments:

Diagram 1: Illustration of the NSFAS Student Funding Process:



NSFAS Student Journey points of emphasis:

- Qualifying students** – these students meet the financial and academic eligibility criteria.
- Approved for funding** – these students meet financial eligibility criteria and have registered for an approved funded programme at an institution.
- Funded student** – This student may start to receive the due allowances.

3. 2021 FUNDING PROGRAMME UPDATE

3.1 2021 Applications and FTEN Appeals

For the 2021 application cycle, NSFAS received and processed 839 130 applications through the online and manual application channels. Of these applications; 722 252 were found to be funding eligible, 55 945 applications were unsuccessful as they did not meet the funding eligibility criteria, 5 335 could not be finalised owing to the supporting documents to needed to complete the evaluation process and were therefore closed. The balance of applications are mainly constituted of the trimester 2 applications for colleges. These applications were received during May and June 2021 to allow new students who enrol at TVET colleges to also apply for NSFAS funding.

NSFAS has significantly improved its applications evaluation process, this is evident in the number of students whose funding decisions have been confirmed as compared to previous years, as well as students who were able to submit an immediate appeal when their applications were unsuccessful. There were 19 820 appeals received and processed for the First Time Entering Students (FTENs)/New NSFAS students. A total of 6 752 appeals were reviewed and approved as a result of changes in the household income that occurred after the application was submitted to NSFAS. The balance of appeals remains unsuccessful while others do not have enough supporting documents to substantiate the need for a review of the funding decision. Amid the COVID-19 pandemic and the imposed restriction levels, many students were faced with data connectivity problems and were unable to submit documents as required. NSFAS then had to extend the appeals window from May 30, 2021 to June 30, 2021 to test the newly developed Appeals System Based Tools and to accommodate students and institutions who may still want to submit an appeal.

3.2 2021 Funding Allocations for Universities and TVETs

Below is a summary of students funded by NSFAS for the 2021 programme in TVET colleges and universities: The number of students assessed as eligible for the 2021 programme cycle is 1 286 867, with the total allocated for the university sector being 939 934 students and 346 933 students for the TVET Colleges. These include new and continuing students. It is important to highlight that all eligible students may not eventually secure a space at an institution of higher learning; therefore based on registration data received from institutions the following table summarises the actual number of students with confirmed funding for the 2021 academic year:

Table 1 : 2021 Funded Students as at 23 June 2021

Institution Type	New Applicants	Continuing Students	Totals
University	295,380	125,951	421,331
Capped Funding	33,438	14,466	47,904
Full Cost	261,942	111,485	373,427
TVET College	87,602	114,453	202,055
Total	382,982	240,404	623,386

NSFAS can confirm that it has to date disbursed allowances to a total of 623, 386 students as per the data submitted by institutions. This number represents at least 48.5% of the total number of overall eligible students. This number is likely to increase as a result of the TVETs T2 intake, Semester 2 (TVETs and universities) as well as the T3. A further increase is expected from the continuous reconciliation of prior years and students that are being resolved through data remediation processes.

3.3 2021 Funding, Registration Data and Disbursements – Universities

According to the data received 47% (444,609) of funding eligible university students have confirmed registration at institutions and this is evidenced through registration data submitted and processed by NSFAS. It is, however, important to highlight that among these 444,609 at least 2% will not have their NSFAS funding confirmed as they fall within the category of registration data non-conformities/exceptions (ie these students are found to be non-compliant based on the information received).

These exceptions come as a result of many reasons including; data exchange challenges; (for these students NSFAS implement change requests for the system to reprocess affected students and address the challenges. These are normally resolved and student keep their funding), however, students lose NSFAS funding where there are exceptions emanating from the violation of funding rules (such as students registered on qualifications that are not funded, or where students no longer qualify because their allowed N+ Rule has been exceeded). These issues are addressed with institutions and oftentimes with the DHET.

Table 2: Institutions' Registration Data Status

Institution Name	Funding Eligible	Registration Recieved	Registration Exceptions	Registration Linked
CAPE PENINSULA UNIVERSITY OF TECHNOLOGY	27,489	17,085	120	16,945
CENTRAL UNIVERSITY OF TECHNOLOGY	19,813	9,069	794	8,275
DURBAN UNIVERSITY OF TECHNOLOGY	47,406	21,335	14	21,321
MANGOSUTHU UNIVERSITY OF TECHNOLOGY	16,851	9,770	488	9,282
NELSON MANDELA METROPOLITAN UNIVERSITY	22,023	15,550	156	15,394
NORTH WEST UNIVERSITY	36,794	23,648	484	23,164
RHODES UNIVERSITY	4,699	3,147	44	3,103
SEFAKO MAKGATHO HEALTH SCIENCE UNIVERSITY	4,781	2,974	20	2,954
SOL PLAATJE UNIVERSITY	2,776	1,447	-	1,447
TSHWANE UNIVERSITY OF TECHNOLOGY	62,730	-	-	-
UNIVERSITY OF CAPE TOWN	10,193	5,912	12	5,900
UNIVERSITY OF FORT HARE	13,794	7,891	800	7,091
UNIVERSITY OF FREE STATE	39,552	23,331	1,537	21,794
UNIVERSITY OF JOHANNESBURG	57,132	14,860	385	14,495
UNIVERSITY OF KWAZULU-NATAL	41,220	22,853	10	22,843
UNIVERSITY OF LIMPOPO	33,706	534	15	519
UNIVERSITY OF MPUMALANGA	6,195	3,950	196	3,754
UNIVERSITY OF PRETORIA	17,656	11,962	14	11,948
UNIVERSITY OF SOUTH AFRICA	330,105	157,185	1,206	155,979
UNIVERSITY OF STELLENBOSCH	5,206	4,026	200	3,826
UNIVERSITY OF THE WESTERN CAPE	19,117	11,447	327	11,120
UNIVERSITY OF THE WITWATERSRAND	14,947	9,927	103	9,824
UNIVERSITY OF VENDA	14,733	9,896	83	9,813
UNIVERSITY OF ZULULAND	22,363	11,342	333	11,009
VAAL UNIVERSITY OF TECHNOLOGY	19,262	13,239	83	13,158
WALTER SISULU UNIVERSITY	35,831	19,441	3,066	16,375
Grand Total	926,354	431,801	10,470	421,331

Table 2: Above demonstrates the status of registration data submitted by higher education institutions as at June 23, 2021. In the context of the extended academic year 2020, and the start of 2021 academic year in March 2021. NSFAS issued a circular to higher education institutions advising them of the submission timelines for 2021 registration data which is a pre-requisite for funding confirmation and subsequent disbursement of tuition to institutions and allowances to students.

According to the issued communication; institutions had up to the 25th April 2021 to submit student registration data to NSFAS. Institutions that experienced challenges due to the ongoing extended academic year processing including completing assessments and resulting for students engaged NSFAS to make arrangements according to the institution's plans and risk management strategies. All affected institutions with lower registration numbers including Walter Sisulu University, University of Venda, Tshwane University of Technology and University of Limpopo have initiated conversations with NSFAS on their processes to finalise and speed up submission of registration data to match the number of funded students in these institutions.

As NSFAS prepares for the 2022 cycle; the entity plans to close all new annual and semester 1 registration by the June 30, 2021.

All the identified registration data exceptions have been quantified and engagements with institutions are underway to resolve them:

Exception - Descriptions	No. of Students Affected	Remedial Action
First Time Entering Student (FTENS) registration against a qualification that is not Higher Education Qualification Sub framework aligned and is being phased out	3,936	NSFAS has identified all students affected by these issues, shared details with institutions to inform students and or correct the identified exceptions. In addition, NSFAS has exposed this information to Universities South Africa (uSAF) to coordinate an action plan and response from Higher Education Institutions (HEIs)/Universities. Institutions have started to respond, and correct accordingly.
Registration against an expired qualification	3,256	
First time entering registration against a qualification that is Higher Education Qualification Sub framework aligned and has passed its last date for enrolments	1,732	
N+ Rule exceeded	1,339	
Student has already obtained their first undergraduate qualification	14	
Student is registering on a Postgraduate Certificate in Education(PGCE)/ Postgraduate Diploma in Accounting PGDA qualification for the first time and as a result cannot be funded as per the 2021 DHET Guidelines	43	
Student has obtained a higher certificate and is attempting to register on another Higher Certificate	150	

3.3.1 NSFAS Adjusted the disbursement schedule and payment process for universities

To ensure consistency and stability of disbursements to students NSFAS opted to pay institutions two months in advance and in terms of the Memorandum of Understanding (MOU) institutions are required to disburse funds to students within 7 days after receipt of funds from NSFAS. This is an interim measure while NSFAS is improving its disbursement system.

Total payments made to universities to date amount to of R 13,591,914,467.00. This includes R7,903,042,378.14 advance payment that was made in April to cover 2021 March and April Allowances. The disbursement made on the June 9, 2021 covered allowances for May, June and July. All but two institutions have reconciled the upfront payment against the actual registration data – the two outstanding had up to the June 30, 2021 to submit reprocessed data.

On June 9, 2021, NSFAS made a further payment to institutions based on the actual compliant registration information received from institutions, this payment was made to cover 410 211 compliant students.

3.3.2 Year to date university payments made:

There has been two payments made to universities since start of the academic year 2021:

- i) **First payment:** April 9, 2021 NSFAS paid an advance amount of approximately R7,9bn to cover March and April allowances to students at universities.
- ii) **2nd Payment:** June 10, 2021 a further R6,9bn was paid over after a reconciliation was effected based on the value of registration data received, this payment is aimed for May, June and July 2021.
- iii) NSFAS will commence with the adjustment process to enable institutions to reconcile accounts and submit cost reductions where necessary. This process will assist towards the reconciliation of 2021 funding and minimise the risks associated with delays in accounts reconciliations as noted in the past.

3.3.3 The breakdown of payments per institution is detailed in table 4 below.

Table 4: cumulative university disbursements 2021

Institution Name	Number of Students	Sum of Amount paid
UNIVERSITY OF JOHANNESBURG	14587	761,437,587.50
UNIVERSITY OF STELLENBOSCH	3830	241,106,972.00
UNIVERSITY OF CAPE TOWN	5877	407,140,867.00
UNIVERSITY OF ZULULAND	11023	347,848,355.00
UNIVERSITY OF THE WESTERN CAPE	11094	399,204,315.00
UNIVERSITY OF FREE STATE	21701	1,050,077,167.00
UNIVERSITY OF MPUMALANGA	3800	164,467,117.50
NELSON MANDELA METROPOLITAN UNIVERSITY	15447	675,254,837.50
CAPE PENINSULA UNIVERSITY OF TECHNOLOGY	15224	574,325,323.00
MANGOSUTHU UNIVERSITY OF TECHNOLOGY	8317	285,312,282.00
UNIVERSITY OF FORT HARE	7072	333,833,051.50
UNIVERSITY OF PRETORIA	11744	677,016,974.50
UNIVERSITY OF LIMPOPO	519	25,580,697.50
WALTER SISULU UNIVERSITY	15921	679,098,226.50
UNIVERSITY OF KWAZULU NATAL	22465	1,064,282,537.00
SEFAKO MAKGATHO HEALTH SCIENCE UNIVERSITY	2322	125,320,686.50
VAAL UNIVERSITY OF TECHNOLOGY	13162	553,179,266.00
UNIVERSITY OF VENDA	8001	363,209,145.00
DURBAN UNIVERSITY OF TECHNOLOGY	20797	929,771,261.00
UNIVERSITY OF THE WITWATERSRAND	9474	598,524,722.50
NORTH-WEST UNIVERSITY	21624	973,806,639.50
SOL PLAATJE UNIVERSITY	1418	64,047,677.50
RHODES UNIVERSITY	3094	196,865,814.00
CENTRAL UNIVERSITY OF TECHNOLOGY	8276	278,004,460.00
UNIVERSITY OF SOUTH AFRICA	153422	1,824,198,484.00

3.4 2021 Funding, Registration and Disbursements for TVETs

3.4.1 TVET Registration Data Received and Processed

In relation to TVET colleges; NSFAS started making upfront payments to institutions in February 2021. The upfronts made were calculated based on 20 percent of the tuition allocation for 2021. This was meant to assist colleges with cash flow while they await registration-based disbursements only to commence when NSFAS receives the DHET allocation in April. TVET colleges started submitting the registration data to NSFAS in March, upon which NSFAS commenced with disbursements.

Total registration data received to date stands at least 90% of expected registrations from colleges. which is a fair percentage considering that not all eligible students end up registering in a TVET College. TVET colleges were requested to confirm outstanding registration records and very few confirmed with just less than 2000 new registration claims being submitted in April and May after NSFAS intervention.

Table 5 provides the details of registrations received to date from the TVET Colleges, inclusive of Trimester 2 registrations. Out of 365 191 students, there are 202 460 students who are funded for the first academic cycles that NSFAS has made a funding allocation for. While 223 410 students have been claimed for by colleges 20 950 are identified as registration data exceptions which NSFAS categorised as multiple registrations and where students are changing courses which is in contravention of the TVET funding rules.

Table 5: Overview of TVET Registration Data Received and Exceptions Identified

Institution Name	Funding Eligible	Registration Received	Registration Exceptions	Registration Linked
BOLAND COLLEGE	6,605	4,287	158	4,129
BUFFALO CITY COLLEGE	4,615	2,396	42	2,354
CAPRICORN COLLEGE	15,076	7,760	565	7,195
CENTRAL JOHANNESBURG COLLEGE	7,866	3,884	228	3,656
COASTAL KZN FET COLLEGE	12,681	7,140	755	6,385
COLLEGE OF CAPE TOWN	7,581	4,916	482	4,434
EAST CAPE MIDLANDS	5,733	4,121	696	3,425
EHLANZENI FET COLLEGE	9,532	5,046	383	4,663
EKURHULENI EAST COLLEGE	8,433	5,603	486	5,117
EKURHULENI WEST COLLEGE	12,441	7,731	617	7,114
ELANGENI COLLEGE	12,698	6,049	542	5,507
ESYANDI FET COLLEGE	7,799	5,715	703	5,012
FALSE BAY COLLEGE	5,054	3,134	55	3,079
FLAVIUS MAREKA FET COLLEGE	4,457	3,255	925	2,330
GERTS SIBANDE FET COLLEGE	10,500	6,957	289	6,668
GOLDFIELDS FET COLLEGE	3,916	1,570	49	1,521
IKHALA PUBLIC FURTHER ED AND TRAINING	4,615	2,637	292	2,345
INGWE PUBLIC FET COLLEGE	5,318	3,371	172	3,199
KING HINTSA PUBLIC FET COLLEGE	2,422	1,593	197	1,396
KING SABATA DALINDYEBO FET COLLEGE	5,647	3,359	413	2,946
LEPHALALE FET COLLEGE	3,098	1,493	17	1,476
LETABA FET COLLEGE	4,370	2,999	187	2,812
LOVEDALE PUBLIC FET COLLEGE	4,574	2,715	139	2,576
MAJUBA COLLEGE	15,412	9,826	403	9,423
MALUTI FET COLLEGE	7,549	5,721	225	5,496
MNAMBITHI FET COLLEGE	3,583	2,841	162	2,679
MOPANI SOUTH EAST FET COLLEGE	6,096	4,362	48	4,314
MOTHEO FET COLLEGE	9,714	4,214	179	4,035
MTHASHANA FET COLLEGE	4,282	2,872	169	2,703
NKANGALA FET COLLEGE	9,353	6,457	803	5,654
NORTHERN CAPE RURAL FET COLLEGE	2,966	2,125	187	1,938
NORTHERN CAPE URBAN FET COLLEGE	3,396	2,381	511	1,870
NORTHLINK COLLEGE	11,373	7,972	1,674	6,298
ORBIT FET COLLEGE	6,092	4,041	697	3,344
PORT ELIZABETH COLLEGE	5,448	3,387	155	3,232
SEDIBENG COLLEGE	9,152	6,921	852	6,069
SEKHUKHUNE FET COLLEGE	4,847	2,739	44	2,695
SOUTH CAPE COLLEGE	4,107	3,117	258	2,859
SOUTH WEST GAUTENG COLLEGE	11,318	6,572	303	6,269
TALETSO FET COLLEGE	4,816	2,819	122	2,697
THEKWINI FET COLLEGE	6,978	3,286	578	2,708
TSHWANA NORTH COLLEGE	10,701	5,014	750	4,264
TSHWANE SOUTH COLLEGE	7,933	4,554	901	3,653
UMFOLOZI COLLEGE	8,731	6,241	506	5,735
UMGUNGUNNDLOVU FET COLLEGE	9,500	3,607	460	3,147
VHEMBE FET COLLEGE	12,626	9,458	1,242	8,216

Institution Name	Funding Eligible	Registration Recieved	Registration Exceptions	Registration Linked
VUSELELA FET COLLEGE	5,789	3,180	306	2,874
WATERBERG FET COLLEGE	6,114	2,878	13	2,865
WEST COAST COLLEGE	5,789	4,156	209	3,947
WESTERN COLLEGE	6,397	4,938	801	4,137
Grand Total	365,191	223,410	20,950	202,460

NSFAS made provisional funding for 365 191 students to study in colleges for the 2021 programme. Total registration data records received from institutions as at the end of June 2021 inclusive of Annual, Trimester 1, and Trimester 2 students are 223, 410. A total of 202, 460 have been successfully processed and funded with 20 950* exceptions identified. NSFAS embarked on an exercise to confirm funding with institutions and only 17 TVET Colleges responded confirming that they have 7 903 outstanding registrations to be submitted for the first academic cycle ending June 2021.

The reason for the registration exceptions is due to students changing academic courses which is contrary to the Bursary Rules and Guidelines. NSFAS is engaging with the Department to resolve these matters and find an amicable solution that will be favourable to the students.

3.4.2 TVET Disbursements and Payments:

There are 44 TVET colleges whose allowances are paid directly to the students through the NSFAS Wallet platform. Before any payment is processed NSFAS is dependent on three critical stakeholders namely, DHET (submission of accurate results), institutions (submission of registration data), and students (registering on myNSFAS account).

NSFAS has been able to make payments to 183 422 students. There are 20,950 students who for various reasons Paid or not paid? as indicated above.

These students are in exceptions which largely consists of 13, 276 that were initially incorrectly funded and had subsequently been resolved (to be included in the payment for the week ending June 30, 2021). A total of 4 461 students whose payment failed on the NSFAS wallet largely due to invalid or duplicated cellphone numbers Balance of students in exceptions of cancelled registrations, students de-registered and or late submission of data by institutions.

For all students currently identified under exceptions, NSFAS has communicated the list of failed wallet payments to institutions so that they can contact students given that the contact details are incorrect. Furthermore, there is an automated email that is sent to twice a week to notify them of students who do not have a user profile which is critical in the disbursement process as it ensures that students have a unique cellphone number. NSFAS is aware, and there are ongoing investigations into syndicates that exist to defraud students of their allowances. Students are reminded not to share any of their personal information and password with anyone. For a successful wallet payment, a student must have a unique and valid cellphone number.

3.4.3 NSFAS Wallet Analysis on Locked and Blocked Accounts

There are 20 991 students who have not created user profiles on the myNSFAS student portal. This is the biggest challenge confronting NSFAS which contributes largely to the NSFAS wallet payment failures. Students who have not created myNSFAS portal are urged to do so to receive their allowances.

Table 6: Analysis of NSFAS Wallet Accounts

Wallet Status	Locked Accounts	Open	Grand Total
Active	6345	172116	178461
Blocked	336	1446	1782
Closed	-	50	50
Grand Total	6681	173612	180293

There are 180 293 students whom NSFAS attempted to pay using the NSFAS wallet system, 6 681 of which could not be paid because of locked accounts (which means student may have forgotten their pins) and 336 have blocked accounts, meaning there was a failed attempt to unlock the accounts. Students are unable to retrieve their funds when: i) they share cellphone numbers; or ii) when the cellphone number registered on their myNSFAS profile is not consistent with their myNSFAS Wallet number.

3.4.4 How to create a myNSFAS account

The student must have their own:



Valid **email address** and **cellphone number**.



South African **ID number**.



South African **ID copy**.

The student must subsequently follow three basic steps to access the portal:



Step 1: Log onto [https:// www.nsfas.org.za](https://www.nsfas.org.za) and click on **REGISTER**

Give consent to NSFAS for **verification** of your details with **third party sources** by ticking the appropriate box where consent is required.



(This will enable NSFAS to verify your information against **Home Affairs**. Student must check and verify that information submitted is accurate).



Step 2: Complete all the necessary fields and upload a **copy of the ID**.

Click on **submit** to complete the **registration of the account**. You will receive a message with a **One Time Pin** on the **cellphone** and **email address** that you provided.



Step 3: Enter the **One Time Pin** and click **submit**

A **confirmation message** will be sent to the student to **confirm the profile** have been created.

3.4.5 Process to follow when resolving locked and blocked accounts

Students whose accounts get blocked/locked are required to follow basic recovery steps to access their NSFAS wallet again:

An account will be blocked if there are any suspicious transactions, whereas an account will be locked if the student entered their password incorrectly several times and/or they cannot accurately verify their details through the authentication process

Option 1:

NSFAS has introduced a Wallet Chat to assist students with **locked/blocked** accounts. In order to reset a **myNSFAS Wallet** account, the student must provide a copy of their ID as well as their cellphone number and email address to a NSFAS consultant. The student must subsequently log on to their **myNSFAS** account by going to **www.nsfas.org.za**, clicking on the “**myNSFAS**” tab and supplying their login details when prompted. After which the student must click on the “**Chat**” option, where a consultant will be made available to assist them with resetting their **myNSFAS** wallet account.

Option 2:

A self-service option which enables NSFAS students who receive their allowances through the NSFAS Wallet the ability to unlock their NSFAS Wallet accounts any time and from anywhere has been deployed.

Below are the required steps a student must follow to unlock their NSFAS Wallet account:

Dial ***120*176#** from their cellphone:

1. Click the option ‘**Unlock with OTP**’.
2. A One Time Pin (**OTP**) will be sent via **SMS** to their cellphone.
3. Then type in the **OTP** and press **enter**.
4. They will receive another notification stating that their account is unlocked. They are then able to access their **NSFAS Wallet** account.

Option 3: FAO Assisted Process

1. A student may go to their Financial Aid Office (FAO) a declaration form which they will use to authenticate themselves and put in correct information to unblock their account.
2. The FAO receives the form from the student and certified ID copy. This information is then emailed to the relevant official at NSFAS to ensure resolution.

4. OTHER ISSUES AFFECTING REGISTRATION DATA AND IMPACT ON ALLOWANCES**4.1 Registration data issues**

A student may be eligible for funding but is only funded when NSFAS receives a valid registration record from an institution and is able to link that record successfully. This is crucial for many reasons:

- NSFAS cannot release funds for students it has not received a registration record for as it needs the confirmation that the student is indeed registered at a public university or college. This information is also necessary for the entity to know whether it is a TVET or university student, what the tuition costs are and which allowances will be applicable. The scheme also needs this information to validate the qualification. This is one of the most significant dependencies NSFAS has on institutions.
- NSFAS does not always receive registration records for students on time. In some cases, NSFAS receives registration records for students as late as November or December in an academic year. This practice will no longer be allowed as NSFAS has communicated closing dates for registration data submission to all institutions. Any institution submitting after the closing date will have to request permission from NSFAS to do so. NSFAS is blind to this as it cannot detect which students are registered at institutions but for whom a registration record has not yet been received. The impact on the student is devastating, with many students having to go without allowances for an extended part of the year. This is often time blamed on NSFAS when in fact it is not at fault.
- NSFAS sometimes receives inaccurate or poor-quality registration data. The NSFAS integration system has data validation capabilities in order to limit erroneous processing. If institutions submit data that does not meet the data quality requirements or validation rules, the affected records (which represent students) are rejected and returned to the institution with detailed reasons why each record failed the upload process. The submission of poor-quality registration data is another source of funding delays.

- As indicated earlier if a student is eligible, but registered on an unfunded qualification, then this record is rejected with clear reasons. Institutions do not always explain this to students and simply refer them to NSFAS, when the issue is the qualification the student is registered for. This exacerbates student confusion and dis-content. As a result of this issue, a student may be eligible, but not funded and/or not receive allowances.

4.2 Registration data impact on allowances

For a student to receive allowances, they must be funded – i.e. the student must be eligible and a valid registration record received from an institution. Without this, no allowances can be released.

NSFAS allowances are disbursed in one of two ways:

- Directly from NSFAS to the student – this applies to TVET students only where the college has opted for this model
- To the institution who then pays the allowances

Both models have inherent limitations;

- In the direct model, student need to confirm their payment details (in this case a mobile number to which the payments need to be made). To do this, students need to register on the MyNSFAS portal and update their details. There are many cases where this does not happen, or happens late, despite numerous campaigns to students. Without these details, NSFAS cannot make a payment.

The direct channel has experienced high instances of fraud with scammers targeting students for their PIN details. To protect students, additional security features have been implemented, which blocks or locks accounts. The process for unlocking and unblocking student accounts is a known source of frustration and is being reviewed in order to streamline the process. This will be an interim solution.

NSFAS will be going out on tender for a more improved and payment system.

- In the institution model, NSFAS is dependent on the institutions to pay the allowances to students on time. NSFAS is aware of instances where this is not the case. As a result of this, and many other instances of institutional non-compliance, NSFAS is initiating an institutional audit process to detect such instances and enforce compliance requirements more stringently.

The factors stated above do not in anyway remove the burden on NSFAS to ensure that there is funding to the right student and in a timely manner. There are still system and process issues that NSFAS still needs to address but highlight there fact that there are a number of dependencies that NSFAS has from students, institutions and in some instances the DHET is important.

5. CONTINUING STUDENT APPEALS

Continuing students' appeals process was reviewed during this academic year, NSFAS is now directly involved in the processing of continuing student appeals. To this end, a system-based functionality has been developed to enable institutions to upload appeals onto the portal and NSFAS to review as necessary. This process enables students to obtain an appeal decision real-time. Students should log onto the myNSFAS portal to track their appeal status. The next phase of the tool is to develop a reporting tool to be able to track and the institutional appeals report on the NSFAS portal.

Below is the summary of appeals received and processed to date:

5.1 Universities:

A few challenges were experienced in the processing of continuing student appeals. The system functionality was not available immediately when the appeals process opened. It therefore meant NSFAS has had to extend appeals to accommodate institutional submissions. Submission of appeals was extended from 31 May to 30 June 2021. At this point there are 2 086 appeals have been received and are in different stages of processing, 830 are approved with a funded status, 1246 are in various stages of processing, including assessing appeals supporting documents, requesting of additional information and or appeals that were received late by NSFAS. NSFAS intends to finalise and close the appeals process on the June 30, 2021.

Table 8: University Continuing Students' Appeals

Institution Name	Funded	Not Funded	Grand Total
CAPE PENINSULA UNIVERSITY OF TECHNOLOGY	172	85	257
DURBAN UNIVERSITY OF TECHNOLOGY	28	56	84
NELSON MANDELA METROPOLITAN UNIVERSITY	179	311	490
RHODES UNIVERSITY	41	1	42
SEFAKO MAKGATHO HEALTH SCIENCE UNIVERSITY	11	41	52
SOL PLAATJIE UNIVERSITY	4	-	4
UNIVERSITY OF CAPE TOWN	34	5	39
UNIVERSITY OF FORT HARE	17	17	34
UNIVERSITY OF FREE STATE	51		51
UNIVERSITY OF KWAZULU NATAL	104	128	232
UNIVERSITY OF LIMPOPO	9	2	11
UNIVERSITY OF MPUMALANGA	12	2	14
UNIVERSITY OF PRETORIA	24	26	50
UNIVERSITY OF STELLENBOSCH	28	1	29
UNIVERSITY OF THE WESTERN CAPE	11	17	28
UNIVERSITY OF WITWATERSRAND	61	16	77
UNIVERSITY OF VENDA		1	1
UNIVERSITY OF ZULULAND	14	408	422
WALTER SISULU UNIVERSITY	30	139	169
Grand Total	830	1256	2086

5.2 TVET Colleges:

There have been 8 253 appeals submitted to date by 38 Colleges of which 5 988 have been approved for funding. There are 2265 students who are not funded based on the appeals received and processed.

Table 9: TVET Colleges continuing student appeals processed

Institution Name	Funded	Not Funded	Grand Total
BOLAND COLLEGE	9	5	14
CAPRICORN COLLEGE	35	7	42
CENTRAL JOHANNESBURG COLLEGE	37	3	40
EAST CAPE MIDLANDS	18	12	30
EHLANZENI FET COLLEGE	476	20	496
EKURHULENI WEST COLLEGE	3	-	3
ELANGENI COLLEGE	21	3	24
ESAYIDI FET COLLEGE	77	12	89
FALSE BAY COLLEGE	8	3	11
FLAVIUS MAREKA FET COLLEGE	31	150	181
GERT SIBANDE FET COLLEGE	64	36	100
GOLDFIELDS FET COLLEGE	16	37	53
IKHALA PUBLIC FURTHER ED AND TRAINING	91	2	93
KING SABATA DALINDYEBO FET COLLEGE	2608	467	3075
LETABA FET COLLEGE	243	346	589
LOVEDALE PUBLIC FET COLLEGE	251	164	415
MAJUBA COLLEGE	298	145	443
MALUTI FET COLLEGE	35	-	35
MNAMBITHI FET COLLEGE	30	-	30
MTHASHANA FET COLLEGE	60	2	62
NKANGALA FET COLLEGE	187	19	206
NORTHERN CAPE RURAL FET COLLEGE	4	-	4
NORTHERN CAPE URBAN FET COLLEGE	6	91	97
NORTHLINK COLLEGE	12	184	196
ORBIT FET COLLEGE	88	18	106
PORT ELIZABETH COLLEGE	6	-	6
SEDIBENG COLLEGE	33	-	33
SOUTH CAPE COLLEGE	6	-	6
SOUTH WEST GAUTENG COLLEGE	48	5	53
TALETSO FET COLLEGE	42	11	53
TSHWANE SOUTH COLLEGE	146	-	146
UMFOLOZI COLLEGE	29	1	30
UMGUNGUNDLOVU FET COLLEGE	44	7	51
VHEMBE FET COLLEGE	127	5	132
VUSELELA FET COLLEGE	53	6	59
WATERBERG FET COLLEGE	15	2	17
WEST COAST COLLEGE	173	39	212
WESTERN COLLEGE	558	265	823
Grand Total	5988	2265	8253

6. CONCLUSION

Despite the many challenges experienced at the start of the 2021 academic year, due to expected higher demand for NSFAS funding and the need to ensure budget adequacy before finalising the allocations, the DHET response has addressed the anticipated shortfall, and NSFAS is confident that all students who are deserving of NSFAS Funding will be funded.

To this end, significant progress was made in funding allocations to universities and TVET Colleges. The 2020 COVID-19 pandemic has had a negative impact on the start of the academic year, as most students are studying remotely, issues of access to technology and data have presented many challenges, and some students are not able to submit all supporting documents to enable NSFAS and institutions to complete the funding processes. However, all sectors adjusted plans to ensure stability at institutions as the 2021 programme started.

To date, NSFAS received and processed registration data from both colleges and universities and is continually making payments for students that have been confirmed as funding eligible. NSFAS has identified a few exceptions related to non-compliance to the DHET Rules and Guidelines in as far registration data that is not aligned to funded qualifications. For these, NSFAS is engaging institutions to rectify and ensure that students are registered on funded qualifications. Additionally, where results are outstanding to complete funding of students; NSFAS was granted permission to obtain results directly from the colleges to speed up funding for the college students. Despite this progress, there are still challenges around the NSFAS wallet blockages product. Fraudulent activities have been noted and NSFAS continues to make students aware of the importance of profile management to manage this risk and report any abnormal activities on the accounts.

NSFAS has put a process in place to manage exceptions across the funding value chain. These exceptions are categorised and communicated with affected institutions. Institutions are advised to work very closely with their assigned NSFAS Service Agent to resolve the identified exceptions. NSFAS intends to resolve any exceptions within the programme cycle.





NSFAS

National Student Financial Aid Scheme

info@nsfas.org.za | www.nsfas.org.za

Postal Address: Private Bag X1, Plumstead 7801, South Africa

Physical Address: 10 Brodie Road, House Vincent 2nd Floor, Wynberg, Cape Town 7700

