**Memorandum from the Parliamentary Office**

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 853**

**DATE OF PUBLICATION OF INTERNAL QUESTION PAPER: 18/03/2016**

**(INTERNAL QUESTION PAPER 09 OF 2016)**

**Mr M S Mbatha (EFF) to ask the Minister of Higher Education and Training:**

(1) Did the North West University Council approve the unauthorised and irregular expenditure of R10 million of university funds that happened under the watch of a certain person (name and details furnished) without investigation;

(2) what are the details which led to the Council approving the specified expenditure in spite of the investigation?

**NW972E**

**REPLY:**

1. Authorisation for the amount in question from the University Council was not required as Dr T Eloff, the former Vice-Chancellor, was authorised in terms of the delegations of authority of the North-West University (NWU), to approve all expenditure up to the value of R10 million. The Vice-Chancellor’s authorisation of the expenditure is therefore not deemed irregular or unauthorised.
2. However, the current Vice-Chancellor, Professor ND Kgwadi, reported in the 2014 Annual Report that the public benefit trust, the North West Higher Education Trust (NWHET), which was established as a mechanism for receiving all philanthropic donations, was scrutinised in order to address a need to clarify the relationship between the NWU and the NWHET.

The University has also provided an update to the Department on the decisions made by Council following the inquiry initiated into alleged fraud by the former Vice-Chancellor.

The Council deliberated extensively on the matter at a meeting held on 19 June 2015 and resolved that:

* The establishment of the North-West Higher Education Trust (NWHET) was an endowment fund with the aim of raising money by commercial investments for the North-West University and other selected higher education institutions in the North West Province;
* Accepted that there had been no improper motive on the part of the former Vice-Chancellor, Dr Eloff, in approving a university donation of R10 million to the Trust;
* Acknowledged that Dr Eloff consulted widely with responsible University officials regarding the viability and feasibility of the NWHET initiative;
* Acknowledge that the Trust had been registered as such in accordance with legal requirements;
* Recommend that all purported projects linked to, or evolving from the Trust, be terminated with immediate effect;
* Steps be taken to recover the full amount of R10 million from the NWHET; and
* The process according to which the amount of R10 million is to be recovered is still underway.

COMPILER/CONTACT PERSONS:

EXT:

DIRECTOR – GENERAL

STATUS:

DATE:

QUESTION 853 APPROVED/NOT APPROVED/AMENDED

Dr BE NZIMANDE, MP

MINISTER OF HIGHER EDUCATION AND TRAINING

STATUS:

DATE: