



**Annual Report to the  
Minister of Higher Education and Training  
for the year ending 31 December 2012**

Produced by the Office for Institutional Planning

21 June 2013

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## 1. Chairperson of Council's Report

Nelson Mandela Metropolitan University (NMMU) is constituted of seven faculties spanning across six campuses located in the Eastern and Western Cape, with a student body currently totalling 26 640 and an average permanent staff complement of 1 669. Our nature as a comprehensive university places NMMU at a competitive advantage, both geographically and in relation to the knowledge domains reflected in the diverse range of educational opportunities being offered, ranging from general-formative, professional/vocational and career-oriented academic programmes. These programmes, together with our co-curricular activities, are geared towards unlocking their human potential and providing them with a learning experience, both within and beyond the classroom, which will help them navigate life and work and prepare them for the challenges of the knowledge society.

### **V2020 Strategic Plan – Integrated Transformation Plan**

The core pillars of teaching and learning, research and engagement are underpinned by the institutional values of respect for diversity, excellence, integrity, ubuntu, responsibility and respect for the natural environment. Vision 2020 (V2020) Strategic Plan is the Integrated Transformation Plan (ITP) NMMU setting out a roadmap towards achieving the eight strategic priorities aligned with its mission and vision.

### **Council Performance Objectives: 2012**

At its first meeting of 2012, the following performance objectives for Council were approved for the 2012 financial year:

- **Strategic Plan: Vision 2020**
  - Oversight of management's achievement of the operational alignment to the strategic plan.
- **Academic Excellence**
  - Ensuring Improvement of Average Student Throughput Rates and Research Output in line with National Benchmarks.
- **Improving Quality of Student Life**
  - Ensuring the development of vibrant Culture of Living and Learning on campuses.
- **Improving Quality of Staff Life**
  - Ensuring competitive conditions of service and conducive working conditions of academic and professional staff.
- **Financial Viability**
  - Ensuring NMMU generates a balanced budget for 2012.
  - Ensuring NMMU provides for reserve accumulation of between 5-10%.
- **Operations and Infrastructure**
  - Ensuring efficient operational systems and provision of adequate infrastructure to support NMMU academic programmes
- **Effective and Efficient Management of Council**
  - Ensuring efficient and effective management and execution of Council and Council committee business processes.

Council, via Exco of Council, is provided with comprehensive quarterly review reports from MANCO which the Vice-Chancellor presents to Council, thus enabling Council together with other relevant reports to monitor and evaluate implementation in relation to the performance objectives. The quarterly Vice-Chancellor Reports are informed by a Council-approved Governance Monitoring Evaluation and Reporting Framework which provides alignment with V2020. Council formally assessed the achievement of its performance objectives for the period under review and the outcome of this assessment was positive.

### **Quality of Student Life**

The total student headcount enrolment increased from 26 321 in 2011 to 26 640 in 2012, i.e. growth of 1,2%, year on year. First-time entering student numbers (not including occasional students and non-formal offerings) decreased from 5 287 in 2011 to 5 022 in 2012, i.e. a 5.01% decline, year on year. This decline could partly be attributed to the decline in the national senior certificate results and the challenging prevailing socioeconomic conditions generally, and specifically in the Eastern Cape. Having successfully recruited these students, it is our primary goal to provide the students with a comprehensive suite of support services, while simultaneously fostering a vibrant and creative campus experience, which optimally supports our

differentiated student community with the best possible educational support. This extends to both “hard” services, notably good quality accommodation, reliable and affordable transport, a safe campus, and a well-managed and accessible student financial aid services, and the provision of “soft” services which contribute to the development of well-rounded students, including sport and co-curricular activities, opportunities for community engagement, and health and nutrition services.

Towards this end, NMMU has been reorganizing various aspects of the ‘first contact’ points with students, including marketing, branding and communications, as well as admissions, registration, student housing and related services since 2011 and continued to do so in 2012. Innovative academic support strategies have been implemented to enhance the learning experience of students. One such strategy is the Electronic Peer Assisted Learning (e-PAL), which provides learning support at modular level to students. The online support is facilitated by trained e-PAL facilitators who provide academic support to students in their mother-tongue. Financial support and the provision of sufficient accommodation remain ongoing challenges, with more than 78% of our students coming from the Eastern Cape with its challenging socio-economic environment. Despite the prevailing challenges, there has been an increase in both the financial support and the provision of accommodation to students.

Our commitment to growing and producing responsible and well-rounded citizens is evident in the introduction of a new initiative in the first year orientation programme in 2012. The Nelson Mandela Champion Within (NMCW) dialogue programme, in partnership with Life College. The NMCW programme draws on the legacy of Nelson Mandela, facilitating learning through the Socratic method (teaching by asking instead of by telling) and challenging the students to examine their thinking and mindsets through an with the purpose of discovering and nurturing the champions within themselves and to make a difference in society

NMMU continues to place a great deal of emphasis on the importance of co-curricular activities as part of the educational experience of our students. There are 74 student societies active across our campuses, complemented by 20 sporting codes in which our students participate socially and competitively, at provincial, national and international levels. Our sporting success is growing, with NMMU winning the Eastern Cape Inter-Varsity competition for the fifth consecutive year.

### **Quality of Staff Life**

NMMU is the first university in South Africa that has embarked on an organizational change process to address institutional culture transformation. The Office of the Vice-Chancellor has initiated a process to involve all levels of NMMU in cultivating and nurturing value-guided social relations amongst staff and students. This project, framed as ‘Deepening the Conversations’ – Enlivening Process for Us - Living the Values and V2020, adopts a living systems approach to large-scale institutional change, premised upon an orientation of inquiry, discovery, and openness. In addition to this change process, a review of the conditions of service was undertaken and signed off between the relevant stakeholders.

Employee Wellness at NMMU is designed and implemented to improve employee awareness in respect of making healthy life choices which in turn could lead to enhanced work performance, employee engagement, and a general sense of well-being. The NMMU Employee Wellness Programme provides employee assistance services to address stress-related conditions, financial wellness-related concerns, and personal and work-life matters.

The integrated and comprehensive approach to training and development (T&D) at NMMU supports the development of ‘leaders at all levels’ through the provision of opportunities for lifelong learning and continuous professional development. In the course of 2012, 148 training interventions were provided with a cumulative participation rate of 1 735, with 1 005 individual employees availing themselves of these T&D opportunities. All NMMU training and development interventions are aligned to the NMMU Workplace Skills Plan and are supportive of the NMMU Employment Equity enhancement efforts.

NMMU embrace and enact our value, respect for diversity, through strategically driving the imperative of diversifying our staff complement. Council has approved the 5-year Employment Equity Plan (2012-2017) to

enhance the diversity of staff across all occupational levels. Analysis of the 2012 staff profile in relation to the 2011 profile shows a general improvement in the diversity of staff across all occupational levels, with 26% academic and 59% professional and support services staff emanating from the historically disadvantaged demographic groups, relative to 24% and 58%, respectively, in 2011.

### **Excellence in Teaching & Learning**

Massive investments into the teaching and learning infrastructure at NMMU have been made, all aimed at creating a vibrant, rich and stimulating learning environment for our students and staff. Core baseline academic outputs have shown significant and encouraging growth in key areas such as average graduation, success and throughput rates across many faculties. Graduation outputs for 2012 have increased by 14.2% to 5 973, relative to 5 232 in 2011. Of the total NMMU publications that qualified for subsidy in 2011, 8% had a focus on the Scholarship of Teaching and Learning (SoTL). Various strategic initiatives were implemented to address student success and further information will be provided in the Senate report.

NMMU recognises that student success is intrinsically linked to excellence in teaching and learning, and subsequently expanded our recognitions system to include excellence in teaching and learning to emphasise the importance of enhancing teaching methodologies informed by well-grounded research in teaching and learning.

### **Excellence in Research and Engagement**

Our overall research productivity rates have shown remarkable growth, with increased numbers and levels of rated researchers, publication outputs and research contracts awarded to leading researchers. NMMU has maintained its place among the top 10 South African universities in terms of NRF ratings, with 73 NRF rated researchers in 2012 compared to 66 in 2011, including 2 A- and 7 B-rated researchers. In 2011 there was a 41.11% increase to 283.52 units for journal articles compared to 200.92 units in 2010.

The research output unit allocated by the DHET for research publications and graduating master's and doctoral students represents a crucial benchmark of research excellence and is based on successful doctoral and master's graduates and subsequent academic publications generated. Master's and doctorate output units increased by 8.3% from 440 units in 2011 to 476.5 units in 2012. This was mainly due to 86 doctoral candidates graduating in 2012 (class of 2011).

Thirteen institutional research themes were formally approved in 2012, providing a contextual framework for all research being conducted at NMMU, and contributing towards the establishment of a vibrant research and innovation culture that fosters and enhances multi-/inter-/cross-/ transdisciplinary research.

During 2012 there was a period of consolidation of research entities resulting in 28 registered research entities, two institutes (the highest level), seven centres and nineteen units. The entities fulfilled their mandates successfully during 2012 by producing high level outputs including peer-reviewed journal articles, books and book chapters, conference proceedings, Masters and Doctoral graduates and patents.

NMMU has two Technology Stations funded by the Technology Innovation Agency: eNtsa, previously the Automotive Components Technology Station, headed by Prof Danie Hattingh, and InnoVenton/Downstream Chemicals Technology Station, headed by Prof Ben Zeelie. The Technology Stations aim to assist SMMEs to improve their competitiveness and innovation in a selected technical area. During October 2012, the Technology Innovation Agency (TIA) undertook a national benchmarking exercise associated with management practices and environmental sustainability practices" at the 16 TIA Technology stations across the country. InnoVenton was judged the best performing Station in the country.

In 2012 alone, a total of 11 research-related memoranda of understanding (MOUs) were entered into between the NMMU and various national and international strategic partners. In addition, there are currently 23 active MOUs with strategic partners across the public and private sectors that guide the scope of engagement with these strategic partners.

## **Infrastructure**

Following Council's approval of the Urban Design Framework in November 2011, an Infrastructure Protocol-Prioritization Framework was developed to provide guidelines/criteria for new infrastructure development projects. Council approved nine major infrastructural projects in 2012, supported by earmarked DHET efficiency funding. Five of these projects are listed below with further details discussed in the Report of the Vice-Chancellor:

- Kitchen-Laboratory for Dietetics training valued at R6.2m
- New 200-seater lecture hall at 2<sup>nd</sup> Avenue Campus valued at R8.8m
- A new 75-bed residence of the George Campus valued at R10.6m, with R10.36 spent to date
- A new 312-bed residence on the Summerstrand Campus valued at R117m
- A new business school valued at R116m

Various projects were implemented to enhance efficiency, effectiveness and integrate sustainability principles into the operational processes. The NMMU Green Index was developed to specifically track our performance wrt the integration of sustainability principles into all functional spheres of the university. Infrastructural developments, such as the new business school, are being constructed using green technologies

Continuous adaptation to changing platforms for marketing and communications has seen significant growth during 2012 in the use of social media, with 109% for Facebook and 173% for Twitter. This increase in use could partly be due to the expanded Wi-Fi coverage on campuses, covering most public areas and all lecture venues. In addition, the benefits of ICT are being harnessed to facilitate and enhance the blended teaching and learning modalities and experiences of both staff and students, and giving effect to the concept of living and learning within the institution through the provision of improved and increased technologically-driven accessibility.

Managing existing infrastructure is crucial in ensuring that both staff and students are provided with a supportive and enabling working and learning environment. To this effect a Maintenance Protocol and a Deferred Maintenance Implementation Plan has been developed which seeks to inform rational prioritisation of implementation of maintenance work across our six campuses.

## **Financial Sustainability**

In alignment with the codes of good practice, the procurement policy and other relevant policies were reviewed and replaced by the Supply Chain Management Policy.

Our long-term goal is to develop a comprehensive, differentiated and dynamic programme costing and pricing system that will be based on a careful balancing of the imperative to invest in sustainable growth of the NMMU in line with our V2020, whilst at the same time ensuring that we provide a wide range of access opportunities to prospective students.

Piloting of proposed costing model will be implemented in 2013. It was agreed that the model would be applied and managed within the following guidelines and principles:

- Actual cost of delivering a service to students via its modules, subjects and programs must cover the asking price
- Prices need to be within a competitive range within our environment
- Sustainability of university infrastructure and quality academic staff is a key prerequisite
- Improvement of the quality and content of academic offerings and mode/methods of offering
- Improvement of efficiencies of support functions as to drive down overheads.

## **Social Responsibility and Sustainability**

One of the fundamental purposes of universities is to serve the public good through knowledge production and the provision of highly-skilled graduates that advances socio-economic development. This fundamental purpose is more directly pursued through various engagement projects undertaken by staff and students, taking on the form of community interaction, service and outreach; professional-/discipline-based service

provision; teaching and learning and/or research and scholarship. Two examples of such interactions include the Shale Gas Workshop attended by approximately 50 participants from 15 to 17 February 2012 to discuss the environmental impact of fracking for shale gas deposits in the Karoo. A 5-day Science Discovery Week, attended by 230 grade 11 and 12 learners from all over the region was held from 25 to 29 June 2012 to stimulate interest in the Science, Engineering and Technology fields of study.

Numerous new engagement activities were undertaken in 2012, with the majority of these activities being driven by the centralized and faculty-based research and engagement entities. To enhance the impact of the engagement activities across all campuses, a detailed audit was undertaken of the university's extensive range of outreach programmes to high school learners and teachers. The faculties and the professional support services units provide outreach programmes linked to mathematics, science, engineering, counselling, sport and cultural activities. The data gathered through this process will assist the university with the internal coordination and future planning of these activities aimed at maximizing the reciprocity of the benefits associated with such activities.

The NMMU Business School has been ranked first in the provision of tailored executive development programmes. Relevant short-learning programmes are provided via the NMMU Business School and across faculties, in response to capacity development needs expressed by strategic stakeholders within the private and public sectors, at local, regional, provincial, national and international levels.

### **Conclusion**

It has been 8 years since the incorporation and merger of the three institutions. The operational and administrative systems have been consolidated and improved upon, the conditions of service of staff have been harmonized and the reviewing and consolidation of our programme qualification mix (PQM) is on track. The alignment process with the HEQSF has provided opportunities to engage on curriculum review and renewal, thus providing occasion for NMMU to give expression to its distinctive educational philosophy and knowledge paradigm that draws on its dynamic, African character.



**Judge R Pillay**  
**Chairperson of Council**



## 2. Council's Statement on Corporate Governance

### Status and Role of Council

Council, established in terms of section 27 (4) of the Higher Education Act, 1997 (Act 101 of 1997) as amended, is the highest decision-making body of the University and is responsible for the governance and good order of the university. In practical terms, the above implies that Council is responsible for, *inter alia* -

- governing the University in accordance with the relevant statutory requirements and with due regard to generally accepted governance principles and practices;
- determining the overall strategic direction of the University;
- overseeing the proper management of the financial resources and assets of the University;
- adopting the vision, mission and value statements of the University;
- approving and monitoring the implementation of institutional policies and structures;
- identifying and monitoring the risks relevant to the business of the University;
- monitoring the transformation process at the University; and
- adopting its own rules, including the Code of Conduct for members of Council, in terms of which it conducts its activities.

### Composition of Council

The composition of Council, as contemplated in paragraph 5 of the Statute, provides for membership of external members as well as employees and students of the University. The external members of the Council constitute more than 60% of its membership. The majority of the external members are appointed on account of their competencies in fields such as governance, finance, law, information technology, business and human resource management. However, work is underway to review the present composition, and in particular, how members are selected. This process will be finalized in 2013.

During the period under review, Council consisted of the following members.

*Eleven members appointed on account of their competencies in the following fields:*

Law	Justice R Pillay (Chairperson)
Governance	Mr C Neethling
Governance	Ms BC Williams
Business and Marketing	Mr S Mhlaluka
Organised Labour	Ms SN Nkanyuza
Engineering	Mr D Argyrakis
Health	Prof EMQ Mokhuane
Human Resource Management	Mr R Piyose
Information Technology	Mr V Ramadass
Finance	Mr AL Biggs
Education	Vacant

<i>Three members appointed by Convocation:</i>	Mr C Gawe (Vice-Chairperson)
	Mr R Jonas
	Prof HLT Jeffery

<i>Five members appointed by the Minister of Higher Education and Training:</i>	Ms S Munshi
	Mr KM Riga
	Prof RWK Parsons
	Mr V Tshabalala/VG Lwana *
	Mr AN Mohamed

<i>The Vice-Chancellor:</i>	Prof DI Swartz
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<i>Two Deputy Vice-Chancellors:</i>	
Academic:	Prof P Naude
Research and Engagement:	Prof T Mayekiso
<i>Two members elected by Senate:</i>	
	Prof M Tait
	Prof V Lawack
<i>Two students elected by the SRC:</i>	
	Ms S Beynon
	Mr Y Cassim
<i>Two academic employees of the University elected by the academic employees:</i>	
	Dr M Figg
	Prof ND Kemp
<i>Two employees, other than academic employees of the University, elected by such employees:</i>	
	Ms J Kakembo
	Mr Q Booysen
<i>Co-opted members without voting rights:</i>	
Deputy Vice-Chancellor: Institutional Support	Dr S Muthwa
Chairperson: Institutional Forum	Ms R-A Levendal
<i>[* = As from 1 July 2012]</i>	

### **Meetings of Council**

Council held four ordinary meetings during 2012. Attendance at these meetings averaged at about 78%.

### **Performance of Council**

During the period under review, Council attended to policy matters and matters of strategic importance while ensuring that the relevant measures were introduced to monitor and evaluate their implementation; and considered reports in the above regard from, among others, the Management Committee (MANCO) via the respective Council committees on a regular basis.

In fulfilling its governance role, Council endeavoured to balance compliance with the relevant laws and regulations with the need to act in an entrepreneurial way, and was committed to principles of integrity, accountability, transparency and fairness.

The diverse composition of Council allowed for positive, constructive interactions at its meetings.

Council formally assessed its own performance during the period under review in order to determine how effectively it met its own responsibilities as the governing body of the University. The outcome of this performance assessment was positive.

The roles of the Chairperson of Council and the Vice-Chancellor are, in accordance with generally accepted governance principles, separated.

The Registrar acts as Secretary to the Council and committees of Council.

### **Committees of Council**

Council has established six committees to assist it in the execution of its functions. All committees are formally constituted with terms of reference and the majority of their membership consists of external members of Council. In terms of the Rules of Council, external members of Council with the appropriate skills and experience chaired all committees.

During the period under review, all matters that served at these committees were dealt with in accordance with the University's document on the delegation of decision-making authority. Attendance at the various

committee meetings was satisfactory. The composition and broad functions of these committees are outlined on the following pages:

## **Executive Committee**

### *Composition*

The Committee consists of –

- the Chairperson of Council, who is the chairperson: Judge R Pillay
- the Vice-Chairperson of Council: Mr CM Gawe
- the chairpersons of Council committees contemplated below
- the Vice-Chancellor: Prof DI Swartz

### *Functions and powers*

The Executive Committee –

- makes recommendations to Council on strategic matters, including medium and long-term strategic plans of the University; the Statute and Rules of the University; institutional policy matters falling outside the ambit of the other Council committees; and performs such other functions as determined by the Council;
- may make decisions on behalf of Council on matters of an urgent nature, provided that such decisions are ratified by Council at its next meeting; and
- may advise Council on any matter that it deems expedient for the effective and efficient management of the University.

## **Governance Committee**

### *Composition*

The Committee consists of –

- one member of Council, elected by Council as the chairperson of the Committee: Mr R Jonas
- at least three members elected by Council on account of their knowledge and experience in governance practices:
  - Mr D Argyrakis
  - Ms BC Williams
  - Mr V Tshabalala\*
  - Prof ND Kemp
  - Prof M Tait
- The Vice-Chancellor: Prof DI Swartz

[\* = Until 30 June 2012]

### *Functions and powers*

The Governance Committee –

- makes recommendations to Council on matters such as the appointment of those external members of Council contemplated in the Rules of Council; induction of new members of the Council; Rules of Council; the establishment of Council committees; the assessment of Council's performance; the Code of Conduct applicable to Council; and
- may advise Council on any governance matter that the Committee deems expedient for the effective and efficient performance of Council.

## **Human Resources Committee**

### *Composition*

The Committee consists of –

- one member of Council, elected by Council as the chairperson of the Committee: Mr AN Mohamed
- at least three members elected by Council on account of their expertise and experience in human resource management:
  - Mr R Piyose
  - Mr V Tshabalala\*
  - Ms S Munshi
- the Vice-Chancellor: Prof DI Swartz
- one or more members of the Management Committee on such conditions as determined in the Rules of Council.

[\* = Until 30 June 2012]

#### *Functions and powers*

The Human Resources Committee –

- makes recommendations to Council on human resource policy matters such as recruitment, appointment and promotion of employees; training and development; job evaluation and performance management; employment equity; conditions of service and employee benefits; disciplinary matters; and
- may advise Council on any matter that the Committee deems expedient for the effective and efficient human resource management of the University.

### **Finance and Facilities Committee**

#### *Composition*

The Committee consists of –

- one member of Council, elected by Council as the chairperson of the Committee: Mr AL Biggs
- at least three members elected by Council on account of their knowledge and expertise in financial management and management of physical infrastructure:
  - Mr M Lorgat
  - Mr D Argyrakis
  - Mr S Mhlaluka
  - Mr M Odayar
- the Vice-Chancellor: Prof DI Swartz
- one or more members of the Management Committee on such conditions as determined in the Rules of Council.

#### *Functions and powers*

The Finance and Facilities Committee –

- makes recommendations to Council relating to the financial management of the University, including, *inter alia*, resource allocations; the annual institutional budget; the financial implications of loans, purchases and infrastructural development; tuition and other institutional fees; management accounts, the financial statements of the University; and
- may advise Council on any matter that the Committee deems expedient for the effective and efficient financial and infrastructural management of the University.

### **Audit and Risk Committee**

#### *Composition*

The Committee consists of –

- one member of Council elected by Council as chairperson, provided that the Chairperson of Council is not eligible for election as chairperson of the Committee: Mr KM Riga
- at least three other members elected by the Council on account of their knowledge and experience of the audit function:
  - Ms B Mkuhlu

Ms BC Williams  
Ms A Ludorf  
Prof RWK Parsons  
Mr V Ramadass

- the Vice-Chancellor, the external auditor of the University, the Head of Internal Audit and Risk Management and those members of the Management Committee as determined in the Rules of Council may be invited to attend meetings of the Committee as non-voting members.

#### *Functions and powers*

The Audit and Risk Committee is appointed by Council to assist Council in discharging its oversight responsibilities. The Committee oversees the financial reporting process to ensure the balance, transparency and integrity of reports and published financial information. The Committee performs the functions and exercises the powers prescribed in the Charter of the Audit and Risk Committee. The overall purpose and objectives of the Committee are to review –

- the effectiveness of the university's internal financial control and risk management system(s);
- the effectiveness of the internal audit function;
- the independent audit process including recommending the appointment and assessing the performance of the external auditor;
- the university's process for monitoring compliance with laws and regulations affecting financial reporting; and
- the process for monitoring compliance with the University's Code of Conduct applicable to staff members.

The meetings of the Committee were attended by the internal and external auditors as well as the appropriate members of the Management Committee

### **Remuneration Committee**

#### *Composition*

The Committee consists of –

- the Chairperson of the Human Resources Committee of Council, who is the Chairperson: Mr AN Mohamed;
- one member of each of the Human Resources, Finance and Facilities and Executive Committees of Council, appointed by Council:  
Ms S Munshi  
Mr AL Biggs  
Mr CM Gawe  
Mr S Mhlaluka

The Vice-Chancellor and such other members of the Management Committee, as the Remuneration Committee may determine, may be invited to attend meetings of the Committee in an advisory capacity, provided that such invitees may not participate in any discussion or decision in respect of their own remuneration. The Remuneration Committee may invite independent consultants to its meetings to facilitate the determination of matters of remuneration.

#### *Functions and powers*

The Remuneration Committee –

- advises Council on a general remuneration policy for the university, including a broad framework of senior management's remuneration;
- approves the annual salary increases for employees;
- determines the specific remuneration packages of members of senior management;
- addresses general inequalities in the salary structure of the university; and

- may advise Council on any matter within its mandate which it deems expedient for the effective and efficient management of remuneration matters.

#### **Attendance of Council Committee Meetings by External Consultants**

The following external consultants attended meetings of Council committees to address specific items within the ambit of the respective committees -

- Audit and Risk Committee: Mesdames C Boettger and M Mkau from the Office of the Auditor-General; and Mr D Maluleka from the Department of Higher Education and Training, regarding the alignment of higher education institutions processes with the public sector (2 March 2012)
- Finance and Facilities Committee: Mr D Briechele from Treasury and Advisory Services Analysis, regarding a proposal to invest NMMU funds in income funds (23 August 2012)
- Remuneration Committee: Mr C Baker from Chris Baker and Associates, regarding the equalization of NMMURF and NTRF in respect of the University's contribution (25 May 2012)
- Remuneration Committee: Ms R Wessels from RW Consulting, regarding a proposed new remuneration philosophy, strategy and pay scales (25 May 2012)
- Remuneration Committee: Mr C Lyall-Watson from the Department of Higher Education and Training, regarding the South African higher education leave and remuneration survey findings (24 August 2012)
- Remuneration Committee: Ms R Wessels from RW Consulting, regarding the revised remuneration policy and new market related pay scales (9 November 2012).

#### **Statement on Code of Conduct**

The Rules of Council, including the Code of Conduct for Council members, are primarily based on the Higher Education Act of 1997, the Institutional Statute and the principles enunciated in the *King Report on Corporate Governance for South Africa*, where applicable.

The purpose of the Code of Conduct for Council members is to establish agreement on standards of ethically acceptable behaviour within Council; to guide ethical decision-making; to strengthen commitment to the University; and to enhance the reputation of Council among stakeholders of the University. The Code regulates, *inter alia*, conflicts of interest, prohibited activities and transgressions of the Code. In addition, the University's core values commit all staff and students to act with integrity; requiring ethical, professional behaviour; and acting in an accountable and transparent manner.

#### **Statement on Worker and Student Participation**

NMMU has declared itself to be a people-centred institution and one that supports the establishment of sound relationships with both internal and external stakeholders. The Council and management of the University are committed to co-operative governance. In this regard, staff and students serve on the official structures of the University e.g. Council, Senate, Institutional Forum as well as management and Senate committees.

In accordance with the Recruitment and Selection Policy of the University, appointment committees were inclusive of staff and students during 2012.



**Judge R Pillay**  
**Chairperson of Council**

### 3. Senate Report

In 2012, four (4) quarterly Senate meetings were held.

#### Composition of Senate

The membership of Senate, in terms of paragraph 22 (1) of the Statute, and incorporating changes which occurred during the year, was as follows at the end of 2012:

- (a) The vice-chancellor;
- (b) The deputy vice-chancellors;
- (c) The registrar;
- (d) The head of transformation monitoring and evaluation;
- (e) The executive deans of faculty;
- (f) The campus principal or campus principals;
- (g) The campus director or campus directors;
- (h) The directors of school and the heads of academic department in faculties and at such campuses as determined by the council;
- (i) The head of library services;
- (j) The head of research management;
- (k) The dean of teaching and learning;
- (l) The head of academic planning;
- (m) The professors of the University;
- (n) The head of research capacity development;
- (o) The head of academic administration;
- (p) The head of the office for international education;
- (q) The head of institutional planning;
- (r) Two members of the council who are not employees or students of the University, designated by the council;
- (s) Four members of the students' representative council designated by the students' representative council;
- (t) One academic employee from each faculty, elected by the respective faculty boards;
- (u) One academic employee from each campus as determined by the council, elected by the academic employees concerned;
- (v) One employee, other than an academic employee, from each faculty elected by such employees of each faculty, provided that all such employees who are located within a faculty and render a service to such faculty, irrespective of their reporting lines, are eligible for election;
- (w) One employee, other than an academic employee, from each campus as determined by the council, elected by such employees, provided that all such employees who are located on such campus and render a service to such campus, irrespective of their reporting lines, are eligible for election;
- (x) A black academic employee from each faculty, elected by the academic employees of each faculty;
- (y) The chairperson of the central timetabling committee; and
- (z) Such additional members as determined by the senate on the recommendation of the executive committee of the senate and prescribed in the rules.

#### Admissions

NMMU's Admission Policy is an important instrument through which it strives to achieve national policy objectives as set out in the Higher Education Act of 1997, the White Paper on Education Transformation of 1996 and the Green Paper for Post-School Education and Training of 2012. In particular, NMMU's Admissions Policy aims to respond to the basic principles and goals of higher education policy, which promotes widening of access and success, particularly for previously excluded sections of society, whilst also improving efficiency, effectiveness and social transformation. As continuous improvement and enhancement is central to giving practical effect to NMMU's core value of *Excellence*, and in the light of national debates related to admission to higher education studies, NMMU initiated a process to revisit its Admissions Policy in 2012. This process will be concluded in 2013.

In terms of NMMU's current Admissions Policy, applicants who do not meet the direct admission requirements for their chosen programme may be referred for Access Assessment to gain admission via this route. In 2012 the NMMU Centre for Access Assessment and Research (CAAR) tested 7 497 prospective first-time students, a total that has remained stable from 2011. Of these, 3 657 were accepted, of which 67% (2435) registered to study at NMMU. Of the 67%, 44% registered for a degree, 52% for a diploma and 4% for a higher certificate. These percentages have also stabilised from 2011. Included in the 2012 intake was the third cohort of applicants with a National Certificate Vocational (NCV) qualification. Of the 34 that applied and were tested (an increase of 42% from 2011), 26 were accepted and 12 registered.

In order to increase NMMU's capacity to process the growing number of applicants from diverse backgrounds, the university has developed an Access Testing System using both digital and hard copy formats. The test sessions are also available in multiple locations to provide applicants who may not be living near NMMU with an option that can greatly reduce their travel costs. This facility has increased in popularity to the extent that 51% of applicants are tested at national testing sites. The majority tested at national sites are in Umtata and East London but increasing numbers of applicants are being tested at sites in Gauteng and KwaZulu-Natal.

An integral part of the testing experience is the developmental feedback provided by professional CAAR staff to lecturers and students. An increase in the need for supplemental instruction has been noted since 2011 as well as a steep decline in the percentage of applicants for whom no development has been suggested. The developmental feedback is not only used by academics to tailor the way in which they facilitate learning, but also by staff in the Higher Education Access and Developmental Services (HEADS) to design learner support and development and lecturer capacity development initiatives.

CAAR further researches the academic progress of students that are admitted via the access assessment route. Of the students that graduated in April 2012, 37.5% (n = 1964) were admitted via the access assessment route. More specifically, of the undergraduate students that graduated in 2012, 39% (n = 1635) were admitted via the access assessment route and of the postgraduate graduates, 30% (n = 329) were admitted via this route. These statistics show the value of the access assessment route in enhancing access for success. Without this route, 1964 students that graduated would not have been admitted to undergraduate studies at NMMU.

The number of first time entering undergraduate applications increased by 21.6%, relative to the 2011 applications. However, relative to the 7 049 first time entering undergraduate admissions in 2011, 2012 saw a 1.7% decline to 6 931 being admitted. This decline may in part be due to the poor NSC results as well as the socio-economic challenges within the Eastern Cape. Admissions at undergraduate level, including B Tech and ACE applications as well as students that are changing programmes, showed a 7.9% decline from 11 678 in 2011 to 10 757 in 2012. However, admissions at postgraduate level showed an increase of 5.1% to 2 453 in 2012, relative to 2 335 in 2011. The total number of undergraduate and postgraduate admissions for 2012 decreased by 5.7% to 13 210 in 2012, down from 14 013 in 2011. Overall, 25.6% of the undergraduate applications were admitted, while 51.8% of postgraduate applications were admitted, which translates into a collective 28.2% of all applications being admitted.

## **Enrolment Trends**

### **First-Time Entering Students**

First-time entering student numbers (not including occasional students and non-formal offerings) decreased from 5 287 in 2011 to 5 022 in 2012 or by 5.01%. The Faculty of Engineering, the Built Environment and Information Technology reflected a decrease of 17.09% and decreases also occurred in the Faculties of Health Sciences (11.38%), Science (9.09%) and Arts (4.37%) as well as George Campus (1.54%). These decreases were partly offset by increases in the Faculties of Law (16.46%), Education (2.9%) and Business and Economic Sciences (0.46%).



### **Total Headcount Enrolment**

Total student headcount enrolment increased from 26 321 in 2011 to 26 640 in 2012 or by 1.2%. Contact student numbers increased by 2% but there was a decline of 7.7% in distance student enrolments. The highest growth in contact students took place in the Faculty of Law (6.9%) followed by the Faculties of Health Sciences (4.4%), Education (4.2%), Business and Economic Sciences (3.5%), George Campus (1.1%) and Science (0.6%). Two faculties experienced a drop in student numbers: the Faculty of Arts (1.2%) and the Faculty of Engineering, the Built Environment and Information Technology (1.2%).

### **Extended Programmes**

A total of 1 301 students registered in extended programmes in 2012, of which 553 were in the first year of study, 358 in the second year, 218 in the third year, 151 in the fourth year and 21 in the fifth year. The BCom extended programmes were the most popular with 237 students followed by the BCur with 194, the LLB with 178, the BSc with 109, the Diploma in Electrical Engineering with 90, the Diploma in Analytical Chemistry with 81, the BPharm with 70 and the Diploma in Public Management with 67 students.

### **Postgraduate Enrolment Trends**

Postgraduate headcount enrolments increased from 3 474 in 2011 to 3 704 in 2012 or by 6.6%. The most significant growth occurred at master's level, up from 1 845 to 1 986 or by 7.6%. In 2012, masters' and doctoral qualifications accounted for 9.1% of total headcount enrolments compared with 8.7% in 2011. Overall, 51% of all postgraduates are female, with the Faculties of Arts (51%) and Health Sciences (79%) having females constituting the majority of their postgraduate enrolments.

### **International Students**

The international students enrolled in 2012 amounted to 1 795 and comprised 6.74% of the total student headcount of 26 640. The proportion of postgraduate students at master's and doctoral levels remained constant at 17.5% of international students registered for 2012.

### **Qualification and Success Rates**

The success rate is defined as the completed enrolled Full-Time Equivalents (FTEs) as a percentage of the enrolled FTEs and is an indicator of the success of obtaining credits by students for the awarding of a qualification or the successful completion of a module for occasional students. Only coursework modules are considered in this calculation, since success rates of research module enrolments do not give a meaningful reflection of the rate of completion of research for master's and doctoral students. The success rates of coursework modules are shown separately for contact and distance students in 2012 compared with 2011 in Table 1.

In contact programmes the success rate of students in undergraduate diplomas and certificates were up from 73.7% in 2011 to 75.4% in 2012 while a similar increase (from 76.7% to 78.8%) occurred with degree students. At postgraduate level, the success rate of diploma students improved from 84.4% to 92.7% but the success rate of contact honours students declined very slightly, from 81% to 80.8%. In the case of master's students a 5% increase in success rate was experienced, from 70% to 75%.

In distance programmes the undergraduate diploma and certificate students had higher success rates in 2012 (90.3%) than in 2011 (86.2%) but the success rates of undergraduate degree students dropped from 74.2% in 2011 to 69.1% in 2012. Distance honours students had a success rate of 82.1% in 2012, down from 84.4% in 2011.

The combined success rate for contact and distance students increased from 75.7% in 2011 to 77.6% in 2012.

**Table 1 Success Rates per Qualification Type for 2011 and 2012**

Qualification Type	2011			2012		
	Enrolled FTEs	Completed FTEs	Success Rate	Enrolled FTEs	Completed FTEs	Success Rate
<b>CONTACT</b>						
UG Occasional	456.1	333.4	73.1%	421.5	316.4	75.1%
UG Dipl or Cert	7 635.7	5 630.7	73.7%	7559.2	5699.9	75.4%
UG Degree	8 728.3	6 690.9	76.7%	8918.4	7027.1	78.8%
PG Diploma	143.9	121.4	84.4%	150.4	139.5	92.7%
Honours	537.1	434.9	81.0%	614.7	496.5	80.8%
Masters Coursework	528.7	370.0	70.0%	560.3	420.1	75.0%
<b>Total</b>	<b>18 029.8</b>	<b>13 581.3</b>	<b>75.3%</b>	<b>18 224.4</b>	<b>14 099.5</b>	<b>77.4%</b>
Qualification Type	2011			2012		
	Enrolled FTEs	Completed FTEs	Success Rate	Enrolled FTEs	Completed FTEs	Success Rate
<b>DISTANCE</b>						
UG Occasional	19.4	13.6	70.1%	41.6	32.2	77.4%
UG Dipl or Cert	630.2	543.0	86.2%	435.9	393.7	90.3%
UG Degree	197.9	146.8	74.2%	196.0	135.6	69.1%
Honours	92.4	78.0	84.4%	113.7	93.3	82.1%
Masters Coursework	0.0	0.0	n/a	2.2	0.7	29.6%
<b>Total</b>	<b>939.9</b>	<b>781.3</b>	<b>83.1%</b>	<b>789.5</b>	<b>655.5</b>	<b>83.0%</b>
Qualification Type	2011			2012		
	Enrolled FTEs	Completed FTEs	Success Rate	Enrolled FTEs	Completed FTEs	Success Rate
<b>CONTACT &amp; DISTANCE</b>						
UG Occasional	475.5	347.0	73.0%	463.1	348.6	75.3%
UG Dipl or Cert	8 265.9	6 173.7	74.7%	7995.1	6093.6	76.2%
UG Degree	8 926.2	6 837.6	76.6%	9114.4	7162.7	78.6%
PG Diploma	143.9	121.4	84.4%	150.4	139.5	92.7%
Honours	629.5	512.9	81.5%	728.4	589.8	81.0%
Masters Coursework	528.7	370.0	70.0%	562.5	420.7	74.8%
<b>Total</b>	<b>18 969.6</b>	<b>14 362.6</b>	<b>75.7%</b>	<b>19 013.9</b>	<b>14 755.0</b>	<b>77.6%</b>

A detailed breakdown of qualifications completed in 2012 appears in Appendix 2.

### Financial Aid Matters

A total of 13 702 undergraduate students were financially assisted via various funding sources in 2012, with a total of R316 895 750 spent, compared to R250 974 643 spent in 2011 on 14 242 students, a total increase in financial support of 26.3%. This equates to an average of approximately R23 127 per student in 2012, relative to R17 662 per student in 2011. Table 2 provides an overview of the various funding sources of financial support provided to students in 2011 and 2012. Student financial support from the National Student Financial Aid Scheme of South Africa increased by 18.8%, and NMMU Council funding increased by 9.0%, year on year. A significant increase (7-fold) in student financial support was received from the National Research Foundation (NRF).

**Table 2 Financial Support for Undergraduate Students Provided During 2011 and 2012**

Funding Source	2011		2012	
	Amount	Students assisted	Amount	Students assisted
NSFAS Loans/Bursaries	164 673 963	6 037	195 594 720	6 162
University Funds	20 035 464	3 157	21 842 802	3 193
NRF Funds	1 400 000	58	11 179 461	239
Corporate outside Funds	4 347 511	504	1 350 000	44
Government Funds	7 509 288	485	5 926 196	539
<b>Total funds Financial Aid</b>	<b>197 966 225</b>	<b>10 241</b>	<b>235 893 179</b>	<b>10 177</b>
Sponsors/Employee funding	53 008 418	4 001	81 002 571	3525
<b>Total Funding</b>	<b>250 974 643</b>	<b>14 242</b>	<b>316 895 750</b>	<b>13 702</b>

A total of 870 postgraduate students were provided with financial assistance in 2012, relative to 967 in 2011. However, this translated to a year-on-year increase of 6.1% in the total financial support provided to postgraduate students from the various sources listed in Table 3. Despite a reduction in the number of students, there was an average year on year increase of 17.9% per student, from R23 707 in 2011, to R27 952 in 2012.

**Table 3 Financial Support for Postgraduate Students Provided During 2011 and 2012**

Funding Source	2011		2012	
	Amount	Students assisted	Amount	Students assisted
University Funds (NMMU Postgraduate Scholarship)	9 919 700	422	8 989 830	419
Departmental/Faculty Funding	5 201 316	365	6 659 788	288
Joint University & Sponsor Programme Funding	600 000	4	600 000	4
NRF Funds	6 483 000	145	7 148 250	129
External Funding	580 935	28	830 000	28
Government Funds (excluding NRF)	140 000	3	90 000	2
<b>Total Postgraduate Funding</b>	<b>22 924 951</b>	<b>967</b>	<b>24 317 868</b>	<b>870</b>

### Academic Planning

NMMU believes that Academic Planning (AP) is an essential and important aspect of strategic planning to ensure holistic and coherent University offerings, especially taking cognisance of the outcomes associated with V2020, the comprehensive nature of the Institution and alignment with the NMMU size and shape parameters. Through the academic planning process the development of programmes/qualifications should provide opportunities for student mobility and flexible articulation throughout the Higher Education Qualifications Sub-Framework (HEQSF). The AP unit discharges its responsibility through close interaction with academic staff and academic units and coordinates the activities of the Academic Programme Committee, chaired by the Director of Academic Planning.

### HEQSF Alignment

NMMU endorses the HEQSF and has embarked on the alignment process in 2010, which is set to continue until July 2014. NMMU made a submission of 492 programmes/qualifications to the Higher Education Quality Committee (HEQC), categorised in the following manner: 265 category A, 135 category B and 92 category C. In light of the review of the HEQF, all National Diploma and PhD qualifications categorised under the category A were held back and the evaluation results of these will be released in June 2013.

NMMU views curriculum development associated with category B programmes as an opportunity to effect curriculum review and renewal, taking into consideration the desired outcomes of Vision 202 in relation to its comprehensive nature as well as its shape and size. It is envisaged that this process will be completed by the end of 2013.

The bulk of category C qualifications/programmes resulted from the phasing out of Bachelor of Technology and Education qualifications. Replacement programmes/qualifications are in the process of being developed and these should be ready for offering by January 2017.

## **Development of New Programmes/Qualifications**

### **Programmes/Qualifications Approved by the University in 2012**

- Higher Certificate in Criminal Justice
- Higher Certificate in Pharmacy Support
- Higher Certificate in Veldfire Management
- Advanced Certificate in Pharmacy Technical Support
- Bachelor of Environmental Health
- Bachelor of Emergency Medical Care
- Bachelor of Health Sciences in Medical Laboratory Science
- Bachelor of Nursing Science
- Bachelor of Radiography in Diagnostics
- Bachelor of Visual Arts
- Postgraduate Diploma in Criminal Justice Practice
- Bachelor of Arts Honours in Development Studies
- Bachelor of Visual Arts Honours
- Master of Music (Research)

### **Programmes/Qualifications Permanently Deactivated by the University in 2012**

The following programmes have been permanently deactivated:

- Certificates:
  - Certificate in Education: 39000 (A5-V5)
- ACE Certificates and Occasional Studies:
  - Advanced Certificate in Education - Special Educational Needs: ACESEN (5G – 5P)
  - Advanced Certificate in Education (Technology): 37020 (A5 – B5);
  - Advanced Certificate in Education (Special Needs Education : Barriers to Learning): 37050 / 37130 (A1 – V2)
  - Advanced Certificate in Education (Special Needs Education : Remedial): 37060 (A1 – A6)
  - Advanced Certificate in Education (Information and Communication Technology): 37090 (A5 – C5)
  - Advanced Certificate in Education (School Management, Administration and Leadership): 37120 (A1 – V2)
  - Advanced Certificate in Education (FET Band: Life Orientation): 37110 (A2 – V5)
  - Occasional Studies Education: 4000 (01 – 49)
- Diplomas, NPDE and Higher Diplomas:
  - Diploma in Education - Intermediate Phase: 33107 (J2 – ZT)
  - Diploma in Education Foundation Phase - Flexible Learning: 33111 / 33114 (A1 – J2)
  - Higher Diploma in Education - Foundation Phase: 34011 (J2 – ZT)
  - National Professional Diploma in Education:(Further Education and Training): 3884 (20 – 59)
  - National Professional Diploma in Education:(General Education and Training : Intermediate Phase): 3881 (21 – 59)

- B Ed degrees:
  - BEd (Senior Phase - Science and Mathematics): 31220 / 31230 (A2 – V5)
  - BEd (Foundation Phase): 30109 (T1)
  - BEd (Further Education and Training - Science and Mathematics): 31240 (A5 – T5)
  - BEd (Further Education and Training - Physical Science) Upgrading: 31280 (A1 – T2)
  - BEd (Further Education and Training - Life Sciences) Upgrading: 31290 (A1 – T2)
- M Ed and M Phil:
  - MEd (Educational Management) Coursework: 30505 (A1 – A2)
  - MEd Coursework: 30506 (A2 – V2)
  - MEd (Curriculum Planning, Development and Management): 30507 (A1 – A2)
  - MEd (Languages and Arts in Education): 30514 (A1 – A2)
  - MEd (Educational Transformation): 30516 (A1 – A2)
  - M Ed: MED (5F – 5P)
  - M Ed Coursework: MED CW (5F – 5P)
  - MPhil (Education): PHD E (5F – 5P)

### **Programmes/Qualifications Registered by SAQA in 2012**

The following programmes have been registered with the South African Qualifications Authority (SAQA) in the course of 2012, to form part of the institutional Programme Qualification Mix (PQM) in 2013:

- Higher Certificate in Accountancy
- Higher Certificate in Pharmacy Support
- Advanced Certificate in Pharmacy Technical Support
- Bachelor of Human Settlement Development
- Bachelor of Commerce in Hospitality Management
- Bachelor of Science in Dietetics
- Postgraduate Diploma in Business Administration
- Master of Arts in Economics
- Master of Commerce in Economics
- Master of Commerce in Tourism Development

### **Departmental Changes**

- The Faculty of Health Sciences was successfully restructured to re-vitalise the faculty and move from “silos” to a multi-, inter disciplinary ethos in teaching, training, research and innovation, shifting its operating model to an extended clinical training platform (Eastern Cape Department of Health). The restructuring process resulted in the formation of four new schools: School of Behavioural Sciences; School of Medicinal Sciences; School of Clinical Care Sciences and School of Lifestyle Sciences. The appointment of four Directors of School created a second tier of faculty management. Each department was separated out as a distinct professional category with its own legislative autonomy (e.g. HPCSA, SANC, etc), and then clustered together in new cross-cutting schools. The new faculty management committee (FMC) consists of the Dean, four Directors of School, operational manager and faculty administrator, thus freeing up the Heads of Department (HODs) at operational level. The HODs participate in consultations at extended FMC level.
- Within the Faculty of Business and Economic Sciences, the Accounting School was successfully restructured during 2012. The previous structure of the Accounting School provided for four departments, namely the Applied Accounting, Auditing and Tax, Financial Accounting and Management Accounting. The new structure provides for only two departments, namely Accounting Sciences and Applied Accounting. The underlying rationale for the new structure relates to the need to effectively accommodate and manage the different career and professional streams within the School.

### **Establishment of New Units, Centres, Entities**

In March 2012, the Centre for Integrated Post-School Education and Training (CIPSET) was launched on the Missionvale Campus, with the Minister of Higher Education and Training, Dr B. Mzimande, conducting the keynote address. The work of CIPSET is informed by a theory and practice of civic agency that positions higher education as instrumental in the development of substantive democracy, citizenship and social justice through research and social action aimed at inculcating a culture of deepened civic empowerment. Institutional engagement through action-oriented pedagogical programmes and socially-engaged research inform CIPSET's role to contribute incrementally in the different areas that constitute the PSET landscape, including Further Education and Training (FET) Colleges, Community Education and Training Centres (CETCs), Civil Society Organisations (CSOs), trade union and workers' education. Its work concentrates on socially-engaged research and action in both urban and rural settings.

### **Quality Advancement and Enhancement**

#### **Strategic Positioning of Quality Advancement**

In response to the HEQC Audit recommendations, the Quality Advancement Unit (QAU) has been strategically positioned within the Office for Institutional Planning (OIP) situated in the Office of the Vice-Chancellor for the purpose of enhancing effectiveness and promoting an integrated approach to institutional planning and research. Furthermore, the capacity with the QAU was increased with the appointment of two Quality Consultants, thus enabling the unit to actively engage across the university to promote institutional excellence.

#### **QA System Development**

The QAU has a process in place to systematically review programmes and modules to identify good practices and areas for improvement. Since the HEQC audit, the inclusion of external panel members has significantly enhanced the review process. Among the outcomes of these reviews has been the refinement of modules, programmes and instructional delivery. With the promulgation of the revised HEQSF, a plan has been developed to align all NMMU's programmes to it, within the timeframes stipulated by the Council for Higher Education (CHE).

To assist in this regard, the development of an integrated institutional quality advancement framework (QAF) is underway that will provide for a systematic review of all academic and support functions over a six year cycle. The QAF aims to enhance the level of coordination and cooperation between various units such as QAU, academic and institution planning and research, management information, risk management, organizational development and monitoring and evaluation, and in so doing, improve the richness of the quality enhancement process during future reviews, adopting a holistic approach to ensure alignment with the strategic outcomes reflected in V2020.

#### **Academic Reviews**

NMMU concluded its first cycle of academic programme reviews in 2012 (see Table 4), focussing on all coursework programmes. This process involved peer-reviews of academic programmes in a systematic academic review process. The table above provides a summary of programme reviews that were completed in 2012.

**Table 4 List of Programmes Reviews Completed During 2012**

<b>Programme Reviewed</b>	<b>Month</b>	<b>Professional Body</b>
Diploma in Music	February	NMMU / Peers
ND & BT Art (Studio Arts)	March	NMMU/ Peers
BA Hons (History)	June	NMMU
Bachelor in Social Work	August	SACSSP
BSc Construction Management	August	SACPMP
M Tech Product & Process Development	September	NMMU / Peers
B Ed (FET) – George Campus	November	NMMU
ND & BT Engineering: Electrical (follow-up)	September	ECSA
ND & BT Engineering: Civil (follow-up)	September	ECSA

**New Policies / Frameworks / Charters**

The following new policies / frameworks / charters were approved by Council:

- Policy for Engagement
- Policy for the Establishment, Operation and Review of Engagement Entities
- Commercial Leasing Policy
- Governance Reporting Framework
- Governance Monitoring, Evaluation and Reporting Framework
- Audit and Risk Committee Charter.

**Academic Excellence - Awards, Accolades and Recognition****Academic Achievements**

- The following staff were recognized and promoted to the academic title of Distinguished Professor for their scholarship and contributions in their respective disciplines:
  - Prof R Cowling
  - Prof D Hattingh
  - Prof B Olivier
  - Prof R von Solms
  - Prof M Watson
- The following staff were promoted from Associate Professor to full Professor:
  - Prof JR Botha
  - Prof A Govindjee
  - Prof PJ McGrath
  - Prof WMW Shakantu
  - Prof EE van Dyk
- Recognition for their discipline-specific expertise and academic excellence were received by the following staff members:
  - Prof Richard Cowling was appointed a Fellow of the Ecological Society in the USA (one of only 129 worldwide).
  - Prof Steve Burgess was elected to the advisory board of the Academy of Indian Marketing (AIM), one of India's leading professional marketing organisations that provide a global forum for research, education and perspectives on emerging markets. He is the only AIM board member from an African business school. He also serves on the board of the European Marketing Academy and the advisory board of the Chief Marketing Officers Council in the US.
  - Prof Robin Snelgar received the South African Rewards Association President's Award for his "unique and outstanding contribution to the Rewards profession over the past 30 years". Prof Snelgar has published the largest number of academic papers in the South African rewards fraternity.

- Prof Winston Shakantu was appointed as Director of the Centre of Excellence as established by the Chartered Institute of Building (CIOB) in the School of the Built Environment.
  - Prof Danie Hattingh, of eNtsha, received the Gold Medal Award from the Southern African Institute of Welding (SAIW), recognising his exceptional achievement across a broad spectrum of his field.
  - Professor Danie Hattingh and the eNtsha team won the 2012 Eskom Chairman's award for the "Innovation category" for work done on the WeldCore® Hendrina which will save Eskom billions of rand in the early replacement of HP rotors.
  - Dr Gary Sharp was elected President of the South African Statistical Association (SASA).
  - Prof Thoko Mayekiso was invited to serve on the Academy of Science of South Africa (ASSAf) Study Panel to provide advice to the National Research Foundation (NRF) on the DST/NRF Centres of Excellence (CoE).
  - Prof Mark Watson was appointed as Convenor of the National Research Foundation (NRF) Specialist Committee for Psychology Ratings for the period from 1 March 2012 to 28 February 2013.
  - Prof Cheryl Foxcroft was appointed to serve on HESA's Admissions Committee and Matriculation Board.
  - Mr Sarel Schoombie was reappointed to represent HESA at the ECSA Technology Programme Accreditation Committee.
  - Prof Theo Van Niekerk was reappointed to represent HESA at the ECSA Engineering Programme Accreditation Committee.
  - Prof Graham Kerley was reappointed, by the Minister, to the Board of SANParks for the period 1 April 2012 to 31 March 2015.
- The NMMU annually gives recognition to staff for their excellence in teaching, research, creative and performing arts, and Innovation and Technology Transfer. The following staff are recipients of the respective NMMU awards:
    - NMMU Excellent Teacher Award: Dr L Athiemoolam (Faculty of Education)
    - NMMU Researcher of the Year Award: Prof T Gerber (Faculty of Science)
    - NMMU Creative and Performing Arts Award: Dr R Bower (Music, Faculty of Arts)
    - NMMU Innovation and Technology Transfer Award: Dr F Smith (Faculty of EBEIT)
  - NMMU was awarded four SA Research Chairs Initiative (SARChI) under the auspices of DST/NRF:
    - Law of the Sea and Development in Africa
    - Shallow Water Ecosystems
    - Microfluidic Bio/Chemical Processing
    - Earth Systems Science
  - NMMU Business School received a prestigious international "Business School Leadership Award" at the 3rd annual Asia's Best Business School Awards in Singapore, organised by Chief Marketing Officer (CMO) Asia and the World Brand Congress.
  - NMMU Business School was ranked first out of 15 business schools by the Financial Mail in its Annual Business School Rankings for its executive and executive customized programmes. This was confirmed by Ipsos Markinor indicating that it presented 19% of the South African market share of customized executive programmes and 23% of the executive programmes.
  - InnoVenton was judged by Technology Innovation Agency (TIA) as the best performing technology station out of 16 national technology stations in a benchmarking evaluation on management practices and environmental sustainability practices.

### **Academic Events**

The following regional, national and/or international conferences, symposia, colloquia and workshops were hosted by NMMU during the course of 2012:

- EASA/OVSA Conference: *'Criticality, creativity and connections: In Pursuit of Educational innovations'*, was held on 17 to 20 January and attended by about 120 delegates.



- Positive Organisational Psychology National Conference was held on 26 January and attended by 110 delegates.
- 2<sup>nd</sup> AEON/GFZ/Inkaba yeAfrica Shale Gas Workshop, Think Tank and Field Trip was held on 15-17 February and attended by 80 delegates (50% students) from Germany and South Africa, including 19 from industry and parastatals. The purpose of the workshop was to evaluate shale gas research globally and in the Karoo.
- NMMU's Integrated Media Services hosted a *Symposium on New Learning Culture* in collaboration with Polycom on 2 March and attracted approximately 80 participants. Dr Marci Powell, a world leader in distance and e-learning, was the keynote speaker.
- First regional GeoGebra Maths Conference in South Africa (and Africa) was held on 2 to 3 April and attended by 81 secondary school teachers and tertiary lecturers from Eastern Cape, KwaZulu-Natal, Gauteng and Western Cape on free open-source dynamic mathematics software.
- Anti-Racism Network in Higher Education Annual Colloquium 2012: "Innovative Anti-Racism Initiatives and Interventions in the Classroom" was held on 14 June, attracting 85 delegates.
- 5<sup>th</sup> International Sandy Beach Symposium was held on 23 to 28 June and attended by 70 delegates representing 13 nations (across all continents except Asia).
- Society of Law Teachers of Southern Africa (SLTSA) Conference was held on 10-12 July and attracted approximately 180 delegates.
- Inspiring Teachers and Student Teachers Conference: *Inspiring Teachers for Teaching and Learning* was held on 3 August and attracted approximately 160 delegates.
- South African Chapter of the International Association of Women Judges' (SA IWJ) Conference: *Judicial Leadership* was held on 9 to 12 August and attracted approximately 150 delegates.
- HR Excellence in the Eastern Cape Province Regional Conference, presented by the South African Board of People Practices, was held on 16 August with 110 delegates participating.
- Fourth Annual Private Law and Social Justice Conference: *The Role of Private Law in Promoting Social Justice* was held on 20 to 21 August and attracted approximately 80 delegates.
- HELTASA's Special Interest Group on Professional Development Workshop was held on 26-27 August and attracted 34 participants from all over South Africa who discussed and debated key issues relating to teaching and learning development.
- 3<sup>rd</sup> Anti-corruption Seminar was held on 10 October, in collaboration with St Cloud State University, Minnesota, United States of America, and attended by approximately 40 delegates.
- 8th Fire Management Symposium was hosted on 6 November, in cooperation with the Southern African Institute of Forestry (SAIF), and attracted more than 200 delegates.
- 54th Annual South African Statistical Association (SASA) conference was held from 5 to 9 November, with a total of 213 delegates from 9 different countries (including South Africa) attending. A total of 129 delegates also attended five workshops offered as part of the event.
- The *Developing and Strengthening Industry-Driven Knowledge-Transfer between Developing Countries* (DASIK) Kick-off Workshop was held on 6-7 November which attracted project partners from the collaborating universities including NMMU, University of Oldenburg in Germany and the University of Dar Es Salaam in Tanzania and participating companies including Volkswagen, Syspro, Microsoft, IBM, ICT Incubator, Ovations Group and SAP from South Africa as well as ECCO and IMBC from Germany.
- The Institute for Law in Action (Faculty of Law) hosted a conference: *Issues in Local Government Law* on 19-20 November, which attracted 43 delegates and presenters.

## **Deepening Academic Excellence (Teaching, Research and Engagement)**

### **Academic Excellence: Teaching and Learning**

NMMU continues to make significant progress in its vision to enhance the quality of the learning experience provided and to promote excellence in teaching and learning. The following is a brief account of progress made in 2012.

## **Strategic Focus**

To create and sustain a responsive environment conducive to fostering learning and student success at NMMU the following has been prioritized:

- Adopting a humanising pedagogical approach.
- Fostering active and collaborative engagement of students in learning, with technology enhanced and blended learning being a key strategy in this regard.
- Fostering holistic student development through both in-class and out-of-class formal and co-curricular learning activities, which contribute to academic success and the development of the desired graduate attributes in our students.
- Promoting the professionalization of teaching practice through the adoption of a scholarly approach to teaching and learning.

## **Teaching and Learning Governance**

A range of committees oversee the quality and management of the academic project at NMMU – such as Senate, the NMMU and Faculty Teaching and Learning Committees, Faculty Boards, the Academic Planning Committee, and the Quality Committee. Furthermore, there are a number of policies, general and faculty rules as well as administrative procedures that provide guidelines for the consistency and regulation of teaching and learning, assessment, and instructional delivery.

The NMMU Teaching and Learning Committee plays a pivotal role in providing direction regarding key teaching and learning issues. To this end, at a strategic breakaway in May 2012 topics such as the role of language and multilingualism in teaching and learning, blended learning, and a cross-faculty module related to sustainability and global citizenship were discussed and debated.

## **Enhancing Student Learning**

NMMU provides a range of student and learning development and support services to the general student body and, in collaboration with faculties, through the Centre for Access Assessment and Research (CAAR), the Centre for Teaching, Learning and Media (CTLM) and the Student Counselling, Career and Development Centre (SCCDC) that fall under the Higher Education Access and Development Services (HEADS). This includes the work done by CAAR related to the admission of students who do not meet the direct entry admission requirements and also supporting the offering of extended curriculum programmes – both of which were reported on above in the sections on “Admissions” and “Enrolment trends” respectively.

To create a welcoming environment and to assist our students to adapt to the demands of academic life, NMMU offers a two-week orientation programme before lectures start for first-years. Attended by 69% of the first-time entering students in 2012, a key feature of the programme is that it is peer-led, with the academic component in particular being offered largely by 227 How2 buddies. The number of faculties and departments that offer social activities during orientation is also showing encouraging growth. Senior students mentoring and supporting first years and students in our residences has been an excellent innovation too. A new initiative introduced in the orientation programme in 2012 was to offer the Nelson Mandela Champion Within dialogue programme to our first-years, in partnership with Life College. Twenty-three NMMU staff members were trained to co-facilitate the programme with facilitators from Life College. About 2100 NMMU students attended these dialogues over the period of a week. The Champion Within focuses on learning from Nelson Mandela’s legacy and challenges students to examine their thinking and mindsets with the purpose of discovering and nurturing the champions within themselves and to make a difference in society.

Our SCCDC continues to guide students in terms of their career development and provides support for students in coping with the challenges of university life, academic adjustment and personal/emotional issues. In 2012, 5732 students were seen for individual counselling at SCCDC. A further 2947 students participated in 188 group counselling sessions. About 40 trained Peer Helpers assist SCCDC to extend their reach by assisting with the SCCDC helpdesk and offering peer support related to an HIV/Aids outreach programme in the residences, academic skills training and career workshops as well as career outreach workshops to schools and prospective students in collaboration with SCCDC staff. To be able to address student needs it is

often necessary for student counsellors to assess students. NMMU is particularly proud of the fact that SCCDC has developed the Wellness Questionnaire for Higher Education (which was evaluated and classified as a psychological test by the Professional Board for Psychology in 2012) and the Learning Enhancement Checklist (LEC) – both of which have been commercialised and are now also being used by other universities and FET Colleges in South Africa.

Furthermore, Supplemental Instruction (SI) involving 96 trained senior student facilitators provided 202 SI sessions per week for mainly first year students in 101 high risk modules. Tutorials and mentor sessions offered by academic departments provide students with the opportunity for small group learning. SI, tutor programmes and mentoring are impacting positively on student success. For example, since introducing a mentoring programme in the School of Engineering, success rates have grown from 64% in 2007 to 72% in 2012. A range of Keys to Success workshops, online resources and writing development activities in the CTLM assist students to enhance their academic literacies.

In keeping with the drive towards adopting a more blended approach, student support and development initiatives are increasingly being made available online. An example of this is the e-PAL programme in which senior students facilitate interactive learning sessions online in 41 modules via the Moodle-based Learn@NMMU. About a third of the students in these modules participated in e-PAL, which is similar to the number of students in a module that participate in face-to-face SI sessions. Modules in which e-PAL is offered showed increased success rates and in 56% of the modules the increase in success rate was higher than NMMU's general 2% increase in success rates over the past few years.

One of NMMU's V2020 priorities related to student access is to enrol and support more students from rural areas. NMMU collaborates with the Rural Education Access Programme (REAP) to reach and assist rural students. The mission of REAP, which is a national community-based programme, is to provide both opportunities for marginalised rural youth to access higher education studies and targeted, holistic developmental support to assist them to realise their potential. All REAP students stay in NMMU residences so that they can access a range of support and development opportunities. The student development and success section of CTLM is involved in overseeing the developmental support NMMU provides to REAP students in collaboration with SCCDC and Student Affairs. Furthermore, SCCDC provided Career Guidance training to 20 REAP students to assist them in providing Career Guidance support to Grade 11 learners in rural communities. This in turn assists NMMU to recruit and enrol talented students from rural areas.

### **Co-curricular Record (CCR)**

A highlight of 2012 was the completion of the development phase and the pilot launch of the NMMU Co-Curricular Record (CCR), an official institutional record to recognise involvement in NMMU co-curricular activities and awards and recognitions per academic year of study. The initiative's aim is to assist students to develop themselves holistically, develop the attributes required of NMMU graduates and pursue their career and personal goals throughout their university experience. This innovative approach to formally recognising co-curricular learning is the first of its kind in South Africa and serves as a benchmark for other universities to consider. The CCR piloted in 2012 with 4 Co-Curricular Involvements and 470 students.

### **Professionalizing and Enhancing Teaching Practice**

One of the V2020 strategic priorities is to create and sustain a responsive learning environment conducive to excellence in teaching and learning and holistic student success. To empower academics in this regard, the Scholarship of Teaching and Learning Certificate (SoTLC) was introduced and offered by the Centre for Teaching, Learning and Media (CTLM) in 2011. The purpose of the SoTLC is to raise the level of professionalism in teaching at NMMU through enhancing the status of teaching, the development of teaching practices, promoting the construction of positive teaching identities and supporting innovation in all facets of teaching and learning. Seven topics were presented and 164 academics, of whom 37 were new lecturers, attended SoTLC sessions. The largest numbers of participants were from the Faculty of Science, followed by the Faculty of Business and Economic Sciences and staff in HEADS. Fifteen staff participated in all the topics and submitted a portfolio and became the first cohort to successfully complete and be awarded the SoTLC.

An important feature of the SoTLC is that it is presented in a blended way, that is, face-to-face sessions are combined with e-learning activities, which further familiarises participants with Learn@NMMU (the university's Moodle-based learning management system). Two academics successfully completed the Postgraduate Certificate in Higher Education (PGCHE), which will be awarded at a graduation ceremony in 2013. The PGCHE is a formal higher education teaching qualification that NMMU offers. Other teaching development offerings are normally linked to short learning programmes (e.g. the SoTLC).

### Blended Learning

A key aspect of V2020 is that teaching and learning at NMMU will increasingly be characterised by engaging students actively and collaboratively in learning, especially through using a blend of face-to-face teaching and technology enhanced learning (TEL) opportunities. Encouraging progress was made in 2012. For example, from 2011 to 2012, the number of logins and postings to Learn@NMMU grew by 292% and 490% respectively. The number of courses/modules on Learn@nmmu grew by 42% from 2011 to 2012. Furthermore, the Blended Learning Gateway site was launched on 1 March 2012 to the NMMU Teaching and Learning Committee and all staff. This Gateway provides an invaluable resource for staff.

For blended learning to be implemented in a pedagogically-focused way, a wide range of support needs to be provided to students and staff. In this regard, NMMU continued to enhance the access that students have to computers, explore the type of laptop or tablet that would best serve NMMU students' needs, and provided opportunities to enhance their computer and information literacies both in formal programmes and via co-curricular activities, such as the Orientation Programme. NMMU has also established a Student Information Technology Service (SITS). This one-stop service means all students' technological devices (cellphones, smartphones, laptops, etc.) can be setup to access Learn@NMMU, their emails, and so on.

Increased capacity development opportunities related to blended learning and TEL were provided for academics. In the SoTLC, for example, one of the topics is: *Technologically-supported teaching & learning in a blended framework*. Four sessions on this topic were attended by 30 academics and professional support staff. Furthermore, 34 blended learning workshops were presented across all the campuses and attended by 199 participants and 15 blended learning presentations were made to 226 staff. These workshops not only raised awareness and built capacity but also provided the basis for the development of the online Blended Learning Gateway, launched in 2012.

On 2 March 2012 Integrated Media Services located within HEADS hosted a *Symposium on New Learning Culture*, in collaboration with Polycom. Dr Marci Powell, a world leader in distance and e-learning, was the guest speaker and approximately 80 participants, both internal and external, attended. This symposium resulted in Dr Marci Powell conducting video conferences with HEADS's Dean of Teaching and Learning and the Blended Learning Committee. These interactions contributed to a position paper on NMMU's approach to and the academic case for blended learning.

### Recognising Teaching and Learning Excellence

To recognise and celebrate teaching and learning excellence, a range of Teaching and Learning Excellence Awards are presented annually. The following staff received awards in 2012:

- **NMMU Excellent Teacher Award** - Dr L Athiemoolam (Faculty of Education)
- **Teaching and Learning Excellence Team Award** - Dr A Lourens & Team (Faculty of Engineering, the Built Environment & Information Technology)

FACULTY	Faculty Excellent Teachers	Faculty Emerging Excellent Teachers
Arts	Ms J. Vermaak	-
BES	Ms N. Oosthuizen	-
Education	Dr L. Athiemoolam	-
EBEIT	Ms A. du Preez	-
Law	-	Ms R. Denson
Science	Prof. J. Engelbrecht	Mr T. Pittaway

### **Scholarship of Teaching and Learning (SoTL)**

As one of the strategies to enhance the quality of teaching and learning, NMMU is encouraging greater participation in SoTL, which entails systematic research into teaching and learning and student success factors. While a variety of outputs ensue from such research, there has been an encouraging growth in the percentage of NMMU's SoTL-related subsidy-generating research publications. Of the total NMMU publications that qualified for subsidy in 2011, 8% had a SoTL focus. Breaking this into the various subsidy-earning categories, 5% of the published articles, 21% of the book chapters and 12% of the published conference proceedings that gained subsidy at NMMU in 2011 had a SoTL focus.

### **Academic Excellence: Research and Engagement**

One of the key priorities within the V2020 Strategic Plan is to create and sustain an environment that encourages, supports and rewards a vibrant research, scholarship and innovation culture. This strategic priority is underpinned by four strategic goals:

- To promote research and innovation that contributes to local, regional, national and global sustainability.
- To create and support an environment that fosters research quality and productivity.
- To develop and sustain the research capacity of staff and students.
- To promote a broad conceptualization of research, scholarship and innovation.

Implementation of operational plans aligned to the abovementioned strategic goals has resulted in significant progress being made on a continual basis by NMMU. The following is a brief account of progress made in 2012.

### **Research Governance**

The Research, Technology and Innovation (RTI) division is headed by a DVC: Research and Engagement (RE). The DVC: RE is assisted by three directors who head the following departments: Research Management (RM), Research Capacity Development (RCD) and Innovation Support and Technology Transfer (IS & TT).

### **Institutional Research Themes**

The following thirteen institutional research themes were formally approved in 2012:

- Science, mathematics and technology education for society (SMTE)
- Sustainable local economic development
- Cyber citizenship
- Manufacturing technology and engineering
- Nanoscale materials characterization, new materials and processes
- Strategic energy technologies
- Sustainable human settlements
- Coastal marine and shallow water ecosystems
- Humanizing pedagogies
- Democratization, conflict and poverty
- Biodiversity conservation and restoration
- Health and wellbeing
- Earth stewardship science

### **Research Entities**

Research entities are intended to position NMMU at the forefront of national and international research in relation to the institutional research themes. Research entities contribute towards the establishment of a vibrant research and innovation culture by creating a research environment that fosters and enhances multi-/inter-/cross-/transdisciplinary research.

In 2012 the policy governing research entities was revised and approved by relevant structures. The revised policy makes provision for the review of research entities every five years. Subsequently, the NMMU RTI Committee approved a proposal to review all research institutes and some centres in 2013.

During 2012 there was a period of consolidation of research entities resulting in 28 registered research entities. By the end of 2012 there were two institutes (the highest level), seven centres and nineteen units. The entities fulfilled their mandates successfully during 2012 by producing high level outputs including peer-reviewed journal articles, books and book chapters, conference proceedings, masters and doctoral graduates and patents.

### **Technology Stations**

NMMU has two Technology Stations funded by the Technology Innovation Agency: eNtsa, previously the Automotive Components Technology Station, headed by Prof Danie Hattingh, and InnoVenton/Downstream Chemicals Technology Station, headed by Prof Ben Zeelie. The Technology Stations aim to assist SMMEs to improve their competitiveness and innovation in a selected technical area.

During October 2012, the Technology Innovation Agency undertook a benchmarking of management practices and environmental sustainability practices at the 16 TIA Technology stations across the country. InnoVenton was judged the best performing Station in the country.

### **NRF Evaluation and Rating of Researchers**

NMMU recognizes the rating of researchers as an important benchmark of research excellence in South Africa. The number of NRF rated researchers was 73 in 2012 compared to 66 in 2011, ensuring that NMMU retained its place among the top 10 South African universities in terms of NRF ratings.

The following eight staff members were successfully rated for the first time: Profs A Calitz, A Venter, T Mayekiso, and Drs PH John, SM Farrington, M Ocran, R Anandjiwala and J Measey. Fourteen staff members were successfully re-evaluated.

NMMU has programs in place to increase the number of A and B-rated researchers, currently 2 and 7 respectively. In addition there are specific interventions to increase the number of black (10) and female (24) rated researchers.

### **Research Chairs**

NMMU has the following research chairs:

- Chair in Nanophotonics allocated to Prof Reinhardt Botha of the Physics Department established under the SA Research Chairs Initiative (SARChI).
- FirstRand Foundation South African Mathematics Education Chair, established under the SA Research Chairs Initiative (SARChI). The incumbent is Prof Werner Olivier.
- Chair in HIV/Aids Education funded by the Faculty of Education. The incumbent is Prof Naydene de Lange.
- GMSA Chair of Mechatronics in the Faculty of Engineering, the Built Environment and Information Technology (EBEIT). The incumbent is Prof Igor Gorlach.
- VWSA-DAAD International Chair in Automotive Engineering in EBEIT is headed by Prof Theo van Niekerk.

In addition to the abovementioned research chairs, the following incumbents were appointed to fill the four DST/NRF SA SARChI research chairs awarded to NMMU:

- Prof David Bell - Chair in Earth Systems Science, Faculty of Science
- Prof Paul Watts - Chair in Microfluidic Bio/Chemical Processing, Faculty of Science
- Prof Renzo Perissinotto - Chair in Shallow Water Ecosystems, Faculty of Science
- Prof Patrick Vrancken - Chair in Law of the Sea and Development in Africa, Faculty of Law.

### **Internal Research Funding**

The internal NMMU research budget (excluding student bursaries, scholarships and the Khulisa/Phulisa staff development programme) increased from R16 984 855 in 2011 to R19 275 161 (+13.48%) in 2012. This is mainly due to the creation of new strategic programs and increased research productivity by staff members.

The main internal funding categories are: research incentives, top-up of NRF grants, payment of page fees, scholarships and bursaries, Research Development Fund (RDF), Teaching Replacement Grant (TRG), Research Themes Grants (RTG), and the Transformation and Equity Research Grant (TERG).

### **Postdoctoral Fellowships**

Twenty-three Postdoctoral Fellowships were hosted by the NMMU during the period under review. Fellowships were funded by the NMMU Council, internal departments or units, and twelve fellowships were funded or co-funded by external funders including the NRF, Claude Leon Foundation and the MRC. The NMMU contribution in respect of fellowships totalled R1 4748 166.

### **NMMU Masters and Doctoral Bursaries**

During 2012, the total sum of R9.919 million was allocated by the NMMU Council and Trust for bursaries to Master's and Doctoral students. An additional amount of R1.326 million was allocated to senior postgraduate students from faculty, department or individual researchers' accounts. NRF scholarships (grant holder-linked and free-standing) to the value of R5.903 million were also managed by the Research Office. Other external postgraduate scholarships amounted to R1.449 million.

In 2012 the NMMU participated in the Erasmus Mundus Scholarship Programme (ema2sa) as part of a consortium with four South African Higher Education Institutions and eight European Partner Institutions. Through this programme mobilities ranging from three months to ten months were made possible for 3 early career NMMU staff members, 4 PhD and 6 master's candidates.

Three NMMU Master's students were selected for the prestigious Mandela Rhodes Foundation Scholarship in 2012.

### **Research Capacity Development Initiatives**

The NMMU has continued to make substantial investments in initiatives aimed at realising its strategic vision around increasing the research capacity of emerging researchers. These initiatives have included:

- The intervention for Early Career Academics piloted in 2011 was continued in 2012 with 8 participants;
- The NMMU's Next Generation Initiative which saw the appointment of 4 candidates aligned to succession planning in scarce skills areas;
- The Research Capacity Development Workshops included topics on research project management, research career development, research supervision, and research methodology.
- Writing Retreats which are aimed at increasing the research outputs especially amongst emerging researchers (staff and postgraduate students).

In 2012 the inaugural Doctoral Dissemination Series took place. Doctoral graduates were provided with the opportunity to present their research results to the university community. Following the presentations, the graduates participated in a Writing Retreat facilitated by an experienced presenter to give valuable guidance in respect to manuscripts developed for submission to DHET accredited journals.

### **DHET Research Output Units**

The research output unit allocated by the DHET for research publications and graduating master's and doctoral students represents a crucial benchmark of research excellence and is based on successful doctoral and master's graduates and subsidies generated through academic publications.

In 2011 there have been 282.52 units for journal articles, while in 2012, 268.7 units were generated for journal articles - a 5.0% year on year decrease. The total however does not include books and conference proceedings.

Master's and doctorate output units increased by 8.3% from 440 units in 2001 to 476.5 units in 2012. This is mainly due to 86 doctoral candidates graduating in 2012 (class of 2011).

## **External Funding**

### **National Research Foundation (NRF)**

The NRF remains by far the largest external funder of research at NMMU and awarded R42 688 908 in 27 programmes during the 2012/13 financial year compared to R84 024 928 in the previous year. The main reason for this decrease was that the funding of equipment for the new HRTEM Centre at NMMU was included in last years' allocation.

Included in the NRF allocation is the Technology and Human Resources for Industry Programme (THRIP) in which 6 staff members participated in 7 projects. The total amount awarded by NRF was R2 629 266 and from industry partners R8 280 000.

In 2012 the following four Research Niche Areas were allocated a budget of R813 100 by the National Research Foundation (NRF) and via NMMU top-up funding to support 6 staff members and their students:

- Innovative Batch Chemical Technology for Downstream Chemical Products and Processes: Prof Ben Zeelie (team leader)
- Business Information Risk and Security: Prof Rossouw von Solms (team leader)
- Manufacturing Technology: Prof Danie Hattingh (team leader)
- Bio-diversity-based economy in the Eastern Cape: Prof Graham Kerley (team leader).

This highly successful programme to build research capacity is being phased out by NRF and no new awards will be made.

There were 17 successful applicants received for the Knowledge Interchange Collaboration (KIC) program amounting to R439 199.

### **Other Funding**

Other external funding sources include funding agencies such as the African Laser Centre, R497 750 the National Laser Centre R668 926 and the Water Research Commission (R2 320 000). Other grants and contracts received were from a range of funders and stakeholders such as the CSIR, SANParks and ELIDZ. One of the NMMU's largest research funders is the Technology Innovation Agency (R11 300 000).

### **Intellectual Property and the Commercialisation of Research**

There was a 79% increase in disclosures, from 14 in 2011 to 25 in 2012. This was due to a disclosure campaign early in the year as well as a general increased awareness of intellectual property (IP) and commercialisation issues. Of these, 12 (48%) have become managed projects and three are still pending further information. Four provisional patent applications were filed and one "international" (Patent Cooperation Treaty) patent applications was filed.

NMMU continued to be involved in the spin-off companies created in previous years to commercialise the NMMU's IP. The rose preservation technology, commercialised through African Floralush (Pty) Ltd based in Gauteng, employs approximately 120 people and has developed a significant international footprint. The commercialisation of a novel rubber chemical through Rubber Nano Products (Pty) Ltd is ongoing and a European subsidiary, RNP Europe, is making inroads into the European market. The product is currently being made at a toll production facility near East London and is thus already making a social and economic impact in the Province.



Novel algae-to-energy technology and novel welding technology are the next major projects that will be commercialised. Both projects are funded by the Technology Innovation Agency and Eskom, and a 1 hectare demonstration plant for the algae-to-energy technology is likely to be built during 2013.

### **Contribution by NMMU to Provincial Innovation**

The NMMU is involved in a number of provincial initiatives to enhance innovation and economic benefit. NMMU still champions the Regional Innovation Forum (RIF) that brings together stakeholders from academia, industry and government to provide a voice for innovation in the region and to drive various innovative projects. The RIF has strong links with the local Business Chamber.

The NMMU is also in discussions with private sector partners regarding creation of an incubator, which will be the first phase of a Science Park at the NMMU. This will complement the existing Art and Design Incubator which is currently assisting the sustainable development of three small businesses.

### **Institutional Policy and Guidelines Development**

The amended “Policy for the Establishment, Operation and Review of Entities” was approved in 2012 after a long consultation process.

The “Policy on Division of Output Subsidy Generated at DHET Through Research Publications” makes provision for the payment of 30% of the Rand value of a publication unit to the research accounts of individual researchers. In 2012 a policy deviation was approved resulting in said Rand value being reduced to 20% and the additional 10% used to fund postgraduate student projects and conference attendance by students. This necessitated the development of a comprehensive Guideline Document to facilitate the utilization of these funds.

### **Recognising Excellence in Research, Creative and Performing Arts and Innovation and Technology Transfer**

The main purpose of the NMMU research awards is to give recognition to the top researchers who have made significant contributions towards research at the NMMU during the relevant reporting period. High impact and quality academic research outputs are of paramount importance rather than quantity. The following are taken into consideration: publications, conference involvement, supervision of postgraduate students, national and international recognition, research grants and human capital development.

In recognition of excellence in Research, the following staff received awards in 2012:

#### **NMMU Researcher of the Year 2012 - Prof T. Gerber (Faculty of Science)**

<b>FACULTY</b>	<b>Faculty Research of the Year</b>	<b>Faculty Emerging Researcher of the Year</b>
<b>ARTS</b>	Prof H. van Vuuren	-
<b>BES</b>	Prof S. Farrington	Dr D. Lee
<b>Education</b>	Prof N. de Lange	Dr A. du Plessis
<b>EBEIT</b>	Prof J. Smallwood	Mr B. Botha
<b>Health Sciences</b>	Prof I. Truter	Dr C. Walter
<b>Law</b>	Prof A. Govindjee	Dr J. von Bonde
<b>Science</b>	Prof T. Gerber	Dr P. Pistorius

### **Creative and Performing Arts Awards**

NMMU recognizes that the outcomes of scholarship and scholarly activities from creative work may differ from published research and patents. It is further acknowledged that creative production and outputs entail scholarly discourse as they represent the culmination of a lengthy period of questioning, reflection, analysis, evaluation and expression. In recognition of excellence in Creative and Performing Arts, the following staff received awards in 2012

- Dr R. Bower in the field of Music.
- Mr M. Barry, Ms E. Frankenfeld and Mr T. Cilliers received a joint award in the field of Fine Art.

## **Innovation and Technology Transfer Awards**

NMMU's Innovation and Technology Transfer Awards recognise those individuals and teams that go beyond research and transfer research outcomes for societal benefit. This is usually through the creation of new and improved products, services and processes and may be through commercialisation (i.e. for commercial gain, not necessarily by the university) or through social projects. Society benefits from innovation and technology transfer through economic development, access to better products and services, or through new and innovative social projects.

In recognition of excellence in Innovation and Technology Transfer, Dr F Smith (Faculty of EBEIT) received the **NMMU Innovation and Technology Transfer Award 2012**, for his work on mitigating space particle interference in electronic circuits. The NMMU filed three patents in the preceding year on Dr Smith's technology.

## **Engagement**

During 2012 the university made significant strides in achieving its V2020 strategic goals and objectives wrt engagement. The NMMU Policy for Engagement and the Policy for the Establishment, Operation and Review of Engagement Entities were approved. These policies have contributed towards embedding and integrating engagement into the core functions of the university as well as formalising the recognition and reward system wrt engagement. An in-house engagement management information system was developed and piloted and will be implemented from 2013. The system is a central database that will provide an overview of all NMMU engagement activities and projects, and enable reporting wrt these projects. Information captured on the database will reflect projects according to the various categories of engagement as reflected in the NMMU Engagement Conceptual Framework, namely:

- Engagement through Community Interaction, Service and Outreach
- Engagement through Professional/Discipline based Service Provision
- Engagement through Teaching and Learning
- Engagement through Research and Scholarship

A detailed audit of the university's extensive range of outreach programmes to high school learners and teachers was undertaken to assist future planning and coordination of these activities, in order to leverage the reciprocal benefit and impact for all stakeholders involved. The faculties and the professional support service units within the university provide outreach programmes linked to mathematics, science, engineering, counselling, sport and cultural activities. Reviews were completed of the Centre for Academic Engagement and Collaboration and other centralised engagement support structures and a report and recommendations will serve at the relevant NMMU committee structures for further action.

NMMU gives recognition and reward staff that excel at integrating engagement into their teaching, learning and research activities. The NMMU Engagement Excellence Awards criteria places emphasis on a scholarly approach to engagement and the inaugural awards were presented in 2012 in the following categories:

- NMMU Engagement Excellence Award: Mr K du Preez (Faculty of EBEIT)
- NMMU Engagement Excellence Team Award: InnoVenton – Prof B Zeelie (Team Leader) (Faculty of Science)
- NMMU Emerging Engagement Award: Dr A du Plessis (Faculty of Education)

Guidelines for Developing an Engagement Portfolio at NMMU were developed as a tool to assist staff undertaking critical reflection and self-evaluation on their engagement activities and the identification of areas requiring further competency and skills development. The development of engagement portfolios will be used for purposes of career development, academic promotion, applications for recognition relating to engagement excellence awards and performance management.

## **2012 Engagement Highlights**

This section provides some of the highlights of the university's engagement activities in the categories previously outlined. Emphasis is placed on the community interaction, service and outreach activities as well as engagement through teaching and learning. Brief reference will be made of engagement relating to professional/discipline based service provision and research and scholarship due to the integrative approach of these activities.

### **Community Interaction, Service and Outreach**

- A wide range of opportunities for public intellectual engagement and debate were created through public lectures and seminars hosted by the NMMU. For more details, please refer below to the section on Public Lectures and Seminars.
- The number of outreach programmes to high schools in the Metro and surrounding towns have grown exponentially over the past 5 years. The detailed audit of the university's outreach programmes to high school learners and teachers showed that the Science, Education and EBEIT Faculties implemented various programmes/projects targeting grade 11 and 12 learners and educators.
- In addition to the ongoing projects, an extensive range of projects supported by corporate partners were launched in 2012. The Govan Mbeki Mathematics Development Unit offered mathematics and science upgrade programmes to 320 educators from Eastern Cape and Free State Schools. The unit also offered a Saturday Mathematics Incubator School Programme to 250 grade 12 pupils from 35 schools.
- Other outreach programmes aimed at improving academic performance includes the Technical High School Intervention Programme held by the Department of Mechanical Engineering, the Siemens Cyber Junkyard Competition, Green Technology Workshop, Engineering Awareness Week, FET Colleges Intervention Programme, the Automotive Industry Development/Merseta Engineering Development Programme and the Rural FET College Work Integrated Learning Project targeting lecturers from 5 rural FET Colleges.
- The NMMU became a key stakeholder in a long-term multi-stakeholder integrated development project in the Amajingqi Traditional Area situated near Willowvale in the Eastern Cape Province. The interventions provided by the NMMU involve ICT, Earth and Biological Sciences, Mathematics and Science Education and Youth Development.
- Increased levels of service and support were provided to the general public via the following: Psychology Clinic, Biokinetics Centre, Law Clinic, Refugee Rights Unit, Street Law Unit, CANRAD and the Department of Arts and Culture.
- The Sport Bureau and the Human Movement Sciences launched a range of initiatives aimed at expanding sport participation in historically disadvantaged communities. Some of the initiatives include the Passport to Health Project aimed at promoting health in disadvantaged high schools; the Charity Cup Soccer Tournament aimed at developing soccer at grassroots level and the Golden Games which is a sports day hosted for the senior citizens from the Metro and its surroundings.

### **Engagement through Professional/Discipline Based Service Provision**

- The NMMU School of Music, Art and Design partnered with the Mandela Bay Development Agency on the Route 67 creative empowerment and upliftment initiative which forms part of its regeneration programme of the Madiba Bay inner city. The project created partnerships of learning, skills transfer and experiential learning for over 120 students, unskilled trainees, and informal creative industry practitioners.
- The Developmental Studies Department organized the Eastern Cape Private Participation Process for the draft Defence Review. The department also led the Eastern Cape Education Forum on Local Economic Development. The aim of the Forum is to achieve enhanced local economic development within the Eastern Cape through effective and coordinated collaboration between Higher Education in the Eastern Cape and Local Economic Development stakeholders in the province.
- eNtsa was cited as one of only two world class technology stations in South Africa as a result of its extensive partnerships with industry and its ability to deliver on multi-million rand contracts linked to nuclear and power generation, transport and the wider manufacturing industry. The entity worked with up to 150 different enterprises completing more than 200 projects in 2012.

### **Engagement through Teaching and Learning**

- NMMU increased its already wide range of short learning and customized skills training programmes targeted at the needs of business and industry. A total of 533 short learning programmes (SLPs) are offered by NMMU, with the majority of these SLPs offered by the Leadership Academy associated with NMMU Business School in the Faculty of BES, InnoVenton (Faculty of Science), the Institute for Law in Action (Faculty of Law) as well as the various departments within the Faculty of EBEIT.
- Some non-formal programme offerings include:
  - The provision of SLPs by the Industrial Engineering Department to address training needs within the tyre industry for Continental Tyre Worldwide.
  - The FIFA/CIES/NMMU Certificate in Sport Management provided by the Department of Human Movement Science, had its largest enrolment in 2012 which included 10 students from Rwanda, Zimbabwe, Lesotho, Namibia and Nigeria.
  - Provision of sector specific training programmes to the Security Services Seta and the Manufacturing Seta.
  - Provision of training to municipal finance officials via the Institute for Law in Action and the Leadership Academy. Both units were re-accredited by the Local Government Seta as service providers. The Institute for Law in Action also received accreditation from the South African Police Services and the Health Professionals Council as a service provider.
  - The Leadership Academy was selected as the preferred provider of SLPs for Coca-Cola SABCO's talent development programme offering short courses and customized programmes to their South African, Ethiopian, Tanzanian, Ugandan, Kenyan, Namibian, Sri-Lankan and Nepalese employees.
  - The Community Development Unit developed and presented a three-day SLP on social mobilization to all appointed Transnet Foundation provincial agents involved with the logistical and marketing arrangements of the Phelophepa Health Care Train.

### **Student Experiential Learning Opportunities**

The formalization of partnerships with external stakeholders enabled the university to expand on the number of opportunities available to students to participate in off-campus work-integrated learning, service learning and curriculum-based volunteerism. Some of the external stakeholders include Cheshire Homes, the Education Training Development Practice and the Manufacturing Seta, FamHealth Medipark, Masifude Learner Development, Emmanuel Aids Haven and the Automotive Industry Development Centre.

More internal stakeholders are getting involved in the provision of on-campus experiential learning opportunities. Some of the internal stakeholders include the various NMMU research and engagement entities (involving projects on bio-fuels and wind energy, Siemens Cyber JunkYard, production of the Solar Car, Badja Bug Car and DibaOne – our NMMU Formula One car), and support service divisions such as the Human Resources Division, Marketing and Corporate Relations and the Alumni Office, to mention a few, that have provided opportunities to our students to gain workplace experience in their respective fields of study.

### **Engagement through Research and Scholarship**

The research entities were extensively involved in applied and contract research, problem-solving and analysis, the provision of professional services and technology transfer partnerships with various external stakeholders including businesses from the energy, petroleum, financial and health sectors, the automotive industry, Eskom, local and provincial government.

### **Public Lectures and Seminars**

The central and primary functions of a university are knowledge generation, conservation and dissemination. An additional function of a university is to contribute to the intellectual life of society. Higher education institutions therefore have the responsibility to take knowledge beyond the walls of the academy into all kinds of public domains. Public lectures and seminars have a critical role to play in providing platforms and spaces for intellectual discourse, thereby fostering a vibrant intellectual culture on and off campus and strengthening civic agency. The following lectures and seminars were hosted by NMMU during the course of 2012:

- The following Professorial Inaugural Lectures were delivered:

- Prof A Govindjee: “Legal strategies for a ‘second phase’ transition in South Africa” on 13 August;
- Prof Maarten de Wit: “Earth Stewardship (Science) – with everyone a stakeholder” on 11 September;
- Prof Winston Shakantu: “Key drivers of change and their implications for Construction Management research in the next decade: an eclectic approach” on 9 October; and
- Prof Swanson: “Lessons from my mother: a pedagogy of resilience and a praxis of hope” on 23 October.

Other platforms and spaces provided to facilitate intellectual discourse with the broader public included:

- A lecture delivered by renowned writer, Eben Venter entitled “A Writer’s Collage” was held on 8 February;
- A lecture entitled “Natural Narrative and Tall Tales: Remembering District Six” was conducted by Zoë Wicomb on 13 February;
- A Difficult Dialogue entitled “Israel is an Apartheid state” with Ronnie Kasrils and Chuck Volpe as speakers was held on 5 March;
- 2012 Annual Dennis Brutus Memorial Lecture by Dr Ashwin Desai entitled “Where are the damn poets when you need them?” was held on 13 March;
- Griffiths and Victoria Mxenge memorial lecture by Advocate Thuli Madonsela entitled “*The Constitutional Importance of Ensuring Accountability to the Public*” was held on 22 March;
- The Herald/NMMU Community Dialogue entitled “Social Mobilisation and the Green Agenda” with Dr Kumi Naidoo, Mr Andrew Muir and Prof Maarten De Wit as speakers, was held on 18 April;
- George Botha Memorial Lecture entitled “Our democratic Consolidation @ Risk? Bringing the “p” Back into Politics” was held on 10 May with guest speaker Prof Ihron Rensburg;
- Africa Day Lecture by Richard Nwamba entitled “African Music as a Weapon of Change” was held on 24 May;
- Africa Day lecture was presented by the Ambassador of South Sudan, Michael Mayok Ayom Dor, entitled ‘Sudanese Comprehensive Peace Agreement and its implications on African regional implications’ was held on 25 May;
- The Herald/NMMU Community Dialogue entitled “Youth Employment - Young Voices Speak Out” was held on 23 June, with the following panelists: Ayanda Kota, Kazeka Mashologu-Kuse, Sandiso Makwethu, Andrew Whitfield and Ayanda Matiti;
- A Lecture entitled “Neoliberal Commonsense & the Challenges to South African Universities” was held on 27 June, with guest speaker Prof Carlos Torres from the Paulo Freire Institute;
- A Lecture entitled “Paolo Freire in contemporary times” was hosted on 27 June, with guest speaker Prof Carlos Torres from the Paulo Freire Institute;
- Lecture by Prof Michele Alexandre entitled “Law and Education in the US” was held on 26 July;
- The Herald/NMMU Community Dialogue entitled “Addressing the Challenges facing our Metro” was held on 2 August, with the MEC Mlibo Qoboshiyane, Bishop Lunga Ka Siboto, Mandla Madwara and Kobus Gerber as panellists;
- Steve Biko Memorial Lecture by Prof Itumeleng Mosala entitled “Rise Biko Rise for the sake of our Country – the Quest for a true Humanity” was held on 12 September ;
- The Herald/NMMU Community Dialogue entitled “The Traditional Leaders Bill and Rural Women/Gay rights” was held on 22 October, with MP Patekile Holomisa and Nomboniso Gasa as guest speakers; and
- Tim Noakes Public Lecture “Is the “Heart-healthy” prudent diet the single worst medical mistake of the 20th Century? A review of the ‘science’ that produced a global change in dietary advice after 1959” was held on 21 November.

## Conclusion

The deepening of academic excellence at NMMU lies at the heart of V2020, and multiple efforts are underway to systematically enhance performance in the core functions of teaching and learning, research and engagement, supported and strengthened by effective and efficient institutional systems. The strategic momentum gained over the past few years can be attributed, in part, to the significant and positive investments provided by the Department of Higher Education and Training (DHET). We would like to thank the DHET for having provided support to higher education generally, and NMMU in particular. Maintaining and

sustaining the strategic momentum for Transformation within NMMU is dependent, not only on the transformational leadership within the institution, but also on the continued support provided by the DHET.

A handwritten signature in black ink, appearing to read 'DI Swartz', with a long horizontal stroke extending to the left.

**Prof DI Swartz**  
**Chairperson: Senate**

#### 4. Report of the Institutional Forum

The Institutional Forum (IF) is constituted as contemplated in paragraph 33(1) of the Institutional Statute. The IF convened four ordinary meetings during the course of 2012, three of which were quorate.

The IF was consulted regarding the adoption of a Code of Conduct for Council, in terms of the Higher Education Laws Amendment Act (No. 21, 2011), section 7E (a). In addition, IF reported to Council regarding the proposed Regulations for Reporting by Public Higher Education Institutions to the Office of the Auditor General in relation to pre-determined performance objectives. To facilitate such reporting, IF was consulted and gave input into the proposed NMMU Monitoring, Evaluation and Reporting Framework, which was approved by Council in December 2012.

The Equity Policy is currently under review. The IF was consulted on the targets set by the NMMU Employment Equity Plan (2012-2017). The plan proposes an increase in the total proportion of Black staff from 46% to 58%; increasing the percentage Black academics, relative to the total number of academic staff, from 24% to 43%; and the total percentage of Black Profession, Administrative and Support Services (PASS) staff from 57% to 67%.

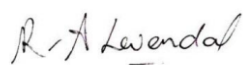
NMMU maintained its level five contributor status after its third BEE verification process in 2012. IF expressed concern about the proposed revisions of the Codes of Good Practice (COGP) and recommended to Council that the proposed revisions be taken up at HESA level for a sectoral response.

The IF is represented on all senior appointment panels. The appointment process of the Executive Dean of Engineering, Built Environment and Information Technology is on-going.

The NMMU has appointed an Ombud/Juristic person to initiate preliminary investigations in relation to disclosures/complaints linked to the Policy on the Disclosure of Criminal and Irregular Conduct and the Policy on Racism and Racial Discrimination. A survey was conducted to ascertain the level of awareness amongst staff and students of the Office of the Ombud. The results of the survey clearly indicated that 83% of participants did not know that NMMU had an Ombud and/or the role of the Ombud. An awareness campaign was undertaken, with the assistance of the Marketing and Corporate Relations Office, targeting both staff and students. Furthermore, due the ineffectiveness of a legalistic approach to complex issues such as discrimination and racism, IF proposed to Council that an alternative restorative mechanism of dispute resolution be investigated – a proposal that was supported by Council.

An institutional culture 'intervention' mandated by the Office of the VC, viz. 'DEEPENING THE CONVERSATIONS': Institutional Culture Enlivening PROCESS – Living the Values and V2020, is being facilitated via the Centre for the Advancement of Non-Racialism and Democracy (CANRAD), and co-ordinated by the Office for Institutional Planning situated in the Office of the VC. Various seminars, public lectures and difficult dialogues were facilitated to via CANRAD to address human rights issues

The IF submitted a request to the NMMU Teaching and Learning Committee (TLC) to consider the issues raised by the Special Interest Group on Multilingualism (SIGoM) regarding multilingualism. This matter is a standing item on the agenda of the TLC and a task team, under the leadership of Dr L. Kwatsha had been constituted to make proposals with regard to policy amendments and multilingual teaching and learning practices within the institution.



**R-A Levendal**  
**IF Chairperson**

## 5. Report of the Vice-Chancellor

### V2020 Strategic Plan – Integrated Transformation Plan

The institutional Integrated Transformation Plan reflects eight strategic priorities that provide the broad transformational dimensions which inform all strategically-aligned interventions implemented.

In order to manage the incremental achievement of the eight strategic priorities that form the pillars of the V2020 Strategic Plan, we have segmented the roadmap to 2020 into three-year institutional planning cycles, with the first cycle being from 2012-2014. In each cycle, a core number of ‘apex priorities’ have been identified. For the current cycle, NMMU endeavour to focus on the following core focus areas namely, to:

- Determine the academic size and shape of NMMU in a manner that optimises our strategic niche as a comprehensive university and responds to regional, national and global development needs;
- Establish a supportive and affirming institutional culture; and
- Develop an integrated long-term financial and resourcing plan that is responsive to institutional strategic priorities and promotes sustainable growth.

A governance monitoring, evaluation and reporting framework was approved by Council in 2012 to facilitate integrated reporting on the objectives underpinning each of abovementioned apex priority areas, and thereby keep Council abreast on institutional performance relating to the desired outcomes of V2020. This strategic reporting is supported by management information data against agreed-upon performance indicators, making use of our web-enabled dashboard, IntelliWeb. These developments are proactively aligned with the integrated reporting requirements as outlined by the Office of the Auditor-General, which NMMU recognises as being part of its external accountability, whilst being cognisant of its institutional autonomy.

Implementation of the 2012 operational plans saw the launch of carefully selected strategic initiatives geared at catalysing the transformation of NMMU into “being a dynamic African university, recognized for its leadership in generating cutting-edge knowledge for a sustainable future”. This entailed various projects aimed at creating an inclusive learning and working environment conducive for our students and staff, respectively, to ultimately make NMMU a ‘university of choice’ for students and an ‘employer of choice’ for academic and support staff.

### Academic Size and Shape of NMMU

Upon reflection on the 2012 academic year, it could be best characterised by wide-ranging stability, growth, innovation and positive gains in relation to market reputation. The academic year started well, with induction of new students and return of senior students, beginning of classes and resumption of duties by academic and support staff, all in line with our academic calendar and planning commitments. Core baseline academic outputs have shown significant and encouraging growth in key areas, including average graduation, success rates across many faculties, though key programmes have been identified that require remedial intervention and monitoring.

NMMU’s overall research productivity rates have shown remarkable growth, as indicated in increased numbers and levels of rated researchers, publication outputs and research contracts awarded to leading researchers. However, this encouraging research output improvement is not evenly spread across faculties. At the same time, 2012 has seen massive investments into NMMU’s teaching and learning infrastructure, as elaborated on in this report, all aimed at creating a vibrant, rich and stimulating learning environment for our students and staff. A total of 5 973 graduates were capped, which exceeded the 2011 total by 741, which translates to a 14.2% increase in graduate numbers. At the Masters level, 417 (7%) Masters graduates were capped, relative to 387 (7.4%) in 2011, an increase of 7.8%. At Doctoral level, 86 (1.4%) graduates were capped, relative to 58 (1.1%) in 2011, a significant increase of 48.3%.

Government subsidy funding for 2012 showed modest, positive growth, which enabled investment in growth, but not sufficient to keep up with and support the growth in cost structures. As we broaden access into the institution, with the majority of our students coming from the Eastern Cape province, the need for financial



support to students has significantly increased. NMMU spent over R235m in various forms of student financial aid in 2012, an increase of 19.2% relative to 2011. A large proportion this funding is apportioned to academically-deserving and financially needy students from all walks of life.

The largest capital investment, since the inception of the original infrastructure built many decades ago, has been made in new infrastructure and modernization of existing infrastructure on all our campuses in Port Elizabeth and George. This has been made possible by generous support from the Government, significant investment from the private sector as well as contributions from NMMU reserves. New facilities have improved market perceptions, drawing talented students and staff from all parts of the country as well as internationally, and laying the basis for future growth in new academic fields. New Capital Efficiency funding secured from the Department of Higher Education and Training for 2013-2015 amounting to R263m, will contribute in building an even firmer basis for sustainable growth for NMMU in the next decade. Growth in numbers continues to provide accommodation challenges, despite the unprecedented investments in on-campus residences. To partially alleviate the demand, a total of 2 200 students are being accommodated in 14 large-scale accredited off-campus residences within the Metro.

As academic departments evolve and continue to identify niche areas of expertise, there is a concomitant need for development of new programmes/qualifications. We support these developments but strongly believe in ensuring that the development of new programmes are based on strong academic grounds, academic expertise and aligned to the strategic direction.

In terms of new large-scale academic ventures, our Faculty of Health Sciences has embarked on an ambitious strategy to grow and diversify its programmes across a whole range of areas, which aligns with the national skills development strategy in the health sector. Faculty of Health Sciences, as part of its strategic repositioning, has developed a range of new programmes and qualifications: Bachelor of Environmental Health; Bachelor of Radiography in Diagnostics; Bachelor of Health Science in Medical Laboratory Sciences; Bachelor of Nursing Science; Bachelor of Emergency Medical Care.

In the Faculty of Arts, the degree programmes in Visual Arts, i.e. a bachelor of Visual Arts and an Honours in Visual Arts, address a growing need to provide higher level education for the Arts and establishing a stronger base for the planned growth at post-graduate level. It is envisaged that the Bird Street premises be converted into an Arts and Culture precinct which will support the growth of these new degree programmes

The Faculty of Law is extending its professional practice skills training via the introduction of two new programmes, viz. a Higher Certificate in Criminal Justice and a PG diploma in Criminal Justice Practice.

Science adds an important skills programme to the suit of Forestry-related programmes at the George campus through the introduction of a Higher Certificate in Veld-Fire Management.

In the Faculty of Business and Economic Sciences, Development Studies created a one year exit opportunity for students enrolled in a two-year Masters programme which wish to opt out after one year. This would enable the students to exit with an Art Honours in Development Studies.

These budding new academic initiatives will need a steady level of strategic support (financial, infrastructural and human) to ensure that, with time, they become sustainable and build a solid reputation and track record in the new fields of learning. Although these initiatives are positive, the development of an internal integrated academic planning and resourcing framework is required to provide a road map for the systematic and coherent development of new academic programmes over the next 5-10 years, to ensure the provision of appropriately skilled graduates in alignment with the national skills needs.

## **Academic Excellence**

### **Teaching and Learning**

The commitment by NMMU to academic excellence is one of the strategic priorities identified in V2020, and therefore constitutes the focus of much of our planning, funding and operational activities. NMMU continues to make significant progress in its vision to enhance the quality of the learning experience provided and to promote excellence in teaching and learning. The following is a brief account of progress made in 2012. As previously mentioned, strategic projects have been initiated in alignment with the strategic outcomes of adopting a humanising pedagogical approach, enhancing student learning with technology-enhanced and blended learning modalities, integration of co-curricular learning activities into the holistic development of students and lastly, to foster the scholarship of teaching and learning to promote academic excellence in teaching practice.

In alignment with the abovementioned priorities, a number of strategic projects were initiated:

- Establishment of a new Teaching Innovation and Development Fund;
- Exploring multi-lingual teaching practices, and related implications for implementing these;
- Developing common, cross-faculty, 'grounding' module/s;
- Preparing for an integrated programme approval process in 2014, which will include factoring in all aspects, including infra-structure; ICT requirements; and HR implications, when considering requests for the introduction of new programmes; and
- Exploring re-curriculation opportunities via HEQSF.

Like other universities, NMMU has been grappling with the challenge of enhancing student success rates in the context of the dysfunctional nature of large parts of the country's schooling system, differential levels of student preparedness for higher education studies particularly as it relates to academic literacy, language proficiency and numeracy and mathematical proficiency, and the inability of the university system to adequately respond to differential learning requirements of a diverse student population. One of the serious challenges facing higher education is that of student success, particularly, throughput rates. According to 2012 staff FTEs, the average institutional ratio is 31.7, while the following reflects an average ratio per faculty: Arts (27:1); BES (46:1); EBEIT (32:1); Education (34:1); Health Sciences (27:1) Law (51:1) & Science (21:1). A long-term workforce planning process is being developed to bring unacceptable student:staff ratios in key departments (as outline above) in line with appropriate national norms.

Over the last few years, NMMU has introduced and strengthened a range of strategies aimed at enhancing the student learning experience and contribute to improving overall student success rates. As NMMU's student success rates have improved by 2% over the past three years and its retention rate of first year students has risen to above 80%, it would seem that the strategies are beginning to have an impact. Nonetheless, it is acknowledged that students are co-responsible for the quality of their learning experience and success. In this regard, individual student commitment, motivation and self-discipline are sometimes of concern.

Further details regarding the strategies implemented to enhance the student learning experience can be read within the Senate report section regarding Academic Excellence: Teaching and Learning.

### **Research and Engagement**

One of the strategic priorities reflected in V2020 is to create and sustain an environment that encourages, supports and rewards a vibrant research, scholarship and innovation culture. NMMU continues to make significant progress towards achieving this outcome, and consequently improving its research profile.

Eight staff members were successfully rated for the first time, while fourteen staff members were successfully re-evaluated. NMMU has programs in place to increase the number of A and B-rated researchers, currently 2 and 7 respectively. In addition there are specific interventions to increase the number of black (10) and female

(24) rated researchers. All these efforts are in alignment with the Employment Equity Plan targets for 2012-2017.

The research output unit allocated by the DHET for research publications and graduating master's and doctoral students serves as a key indicator of research excellence and is based on successful doctoral and master's graduates and subsidies generated through academic publications. The monetary value of the subsidy from this source increased from R59m in 2010 (based on 2008 outputs) to R64m in 2011 (based on 2009 outputs).

Research entities and the two technology stations continue to contribute toward the establishment of a vibrant research and innovation culture. They actively produce high level outputs including peer-reviewed journal articles, books and book chapters, conference proceedings, Masters and Doctoral graduates and patents. In addition they form a strong engagement nexus, via research contracts and projects, with industry across various sectors as well as with strategic partners within the public sector. This level of engagement has provided extensive exposure in relation to their work-integrated learning experience for our students involved with these projects. The revenue generated by these research activities have contributed to the generation of third stream income.

Further highlights regarding research and engagement can be read within the Academic Excellence: Research and Engagement Section of the Senate Report.

## **Building an Affirmative & Vibrant Institutional Culture for Students and Staff**

### **Vibrant Student Life**

#### ***Student Governance and Development (SGD)***

NMMU places great emphasis on the holistic development of students for life and work. To give effect to this imperative, the participation of students in co-curricular activities is encouraged as part of their educational experience. To contribute to their holistic development, the student body has access to 74 student societies and 20 sporting codes across all campuses. These societies essentially form the basis from which the Student Representative Council (SRC) is elected. The elections were contested by two student organisations on Port Elizabeth campuses, the Democratic Alliance Student Organisation (DASO) and the South African Student Congress (SASCO). The percentage poll increased from 21% in 2011 to 29% in 2012. The requirement of 20% as reflected in section 10.5.1 of the SRC Constitution was met.

#### ***Student Community Outreach Activities***

The SGD initiatives are aimed at integrating the institutional value of UBUNTU into the co-curricular activities of students by creating awareness of the importance of giving back to society. The number of community outreach programmes undertaken by student societies and student leadership has increased, with most of these projects requiring longer term commitments by students. Examples of the types of projects include daily assistance with homework at a children's home and at an aftercare facility in the Red Location, tutoring mathematics on Saturdays, growing and maintaining a vegetable garden, providing monthly groceries to Linge's Daycare Centre, marshalling at a children's Fun Bike Race, and successfully sourcing and handing over a crèche in Motherwell informal settlement.

#### ***Sport Bureau***

On the playing fields, individual students as well as NMMU sport teams have displayed excellent achievements in the local leagues and the University Sport South Africa (USSA) competitions, with 18 players selected for South African teams, 16 for USSA teams, and 88 for various provincial teams. NMMU Sport had two representatives at the 2012 Para-Olympic Games in London with Kevin Paul winning a silver medal and Michael Louwrens a bronze medal. Zanele Mdozana (Sport Manager) captained the SA Senior Netball team to win Gold in the Diamond League series. She was also part of the SA Team tour to Jamaica during 2012.

The University Sports Company (USC) was established in order to further promote sporting competitions between students, with NMMU taking part in the first two events finishing 4<sup>th</sup> in the Beach Volleyball (Women) and 6<sup>th</sup> in the Rugby 7's. The following sporting achievements are noteworthy:

- NMMU Cricketer, Simon Harmer, was selected as Cricket South Africa's Student Cricketer of the Year for the second successive year, as well as representing the SA 'A' team in the series against Sri Lanka 'A' in South Africa and against Ireland in Ireland;
- Armond Nel (Second year Nature Conservation student from George) represented South Africa at the IAAF World Race Walking Cup in Saransk, Russia, on 12 – 13 May 2012;
- Howard Mnisi, a first year National Diploma: Public Relations Management student and Marlin Ruiters, a second year National Diploma: Management student represented the SA Students team in July in Brive, France in the Student World Cup 7's;
- Third year Human Movement Science student, Marshall Marsh, was selected for the South African Wheelchair Tennis team;
- Netball Club player, Mampho Tsotetsi, was selected to be part of the SA Senior National Team tour to Jamaica, while NMMU Netball Coach Lana Krige served as Assistant Coach of the SA Senior National Team to Jamaica, the Diamond League Series, and the SA Students team for the SA Students World championships. She also served as Head Coach of the SA Senior National Team for the Fast 5 Tour to New Zealand and Australia in October and November; and
- Melinda Goosen (Sport Manager) headed the LOC for the World Student Netball Championships.

### ***Campus Health Services***

The provision of quality health care services to staff and students form an integral part of the wellness programme available to staff and students. A total of 1 010 students received nutritional support during 2012, with funding and support for this project received from various sources.

A total of 14 852 primary health care patients were consulted with in 2012, of which a total of 4 469 persons tested for HIV. Of those tested, 50 persons were newly diagnosed as positive and 58 persons were initiated on anti-retroviral (ARV) treatment. To date, there are 320 HIV positive persons in our wellness programme that are not yet eligible for ARV treatment.

### ***Arts and Culture***

The Department of Arts and Culture engage internal and external NMMU stakeholders on cultural and heritage-related projects and events. Arts and Culture has co-ordinated and collaborated on the following projects, involving students from a wide range of societies:

- Two public art projects funded by the MBDA and Lotto, partnering with many students from the Faculty of Arts. These works are at the South End Museum and St Mary's steps in the City centre;
- Several student publications relating to Poetry;
- A new publication relating to student's cultural experiences and responses within the multicultural context of MMU;
- Several concerts relating to student life;
- International student cultural outings to heritage and cultural places of interest in the Metro;
- Heritage lectures for students;
- Cultural film shows;
- Annual Arts and Culture /SRC Heritage and Cultural event;
- Annual diversity month Art exhibition Africa Day; and
- Africa Day celebrations with CANRAD and the International Office.

### ***Disability Services Unit (DSU)***

NMMU DSU was established in May 2007 to advance access and accessibility for students and staff with disabilities, and in so doing ensure that they have an equal opportunity to participate fully in all aspects of student and staff life on all campuses and to create awareness within NMMU of issues pertaining to people with disabilities.

**Table 5 Summary of Students with Disabilities (Revealed) Enrolments Across the Various Faculties**

Type of Disability	ARTS	BUS	EBEIT	EDU	HEALTH	LAW	SCIENCE
Hearing	1	4	1	0	1	1	0
Visual	6	13	1	4	5	0	2
Physical	9	15	3	5	8	2	5
Learning Difficulty	7	8	8	1	0	0	2
Emotional/Sensory/Speech	2	0	1	2	0	1	1
Medical (incl. Chronic conditions)	1	1	1	1	0	1	0
Multiple conditions	0	2	1	0	0	0	1
Unknown	2	3	3	0	2	1	6
<b>Grand Total 144</b>	<b>28</b>	<b>45</b>	<b>19</b>	<b>13</b>	<b>16</b>	<b>6</b>	<b>17</b>
Percentage of total student population of 26 640= 0.5%							

A total of 144 students are enrolled across the different faculties. The table below provides a summary of the different types of revealed disabilities associated with the students in the various faculties. The majority of students with disability are located within the Faculty of Business and Economics with Physical and Visual impairments being in the majority. Faculty of Arts represents the next largest group of students with disabilities. Visits to the various faculties have revealed that the numbers could be considerably higher due to the fact that students disclose confidentially to faculty.

The increase in the number of graduates with disabilities (revealed) can be attributed, in part, to the improved and increased institutional support as well as the availability of the NSFAS Disability bursaries and final year loans awarded to qualifying students. Since 2008 the number of graduates has consistently exceeded 10 graduates per annum as reflected in the table below.

**Table 6 Number of Graduates with Disabilities: 2005 to 2012**

Year	Number of graduates
2005	7
2006	9
2007	9
2008	19
2009	17
2010	11
2011	16
2012	16

### **Enhancing Accessibility**

- Collaboration: Internal and External
  - Internal collaboration with all relevant stakeholders occurs via the Disability Advisory forum;
  - External collaboration with the Eastern Cape HEIs (HE partners Rhodes, Walter Sisulu, Fort Hare) and the broader disability sector viz. Learners with special educational needs feeder schools, NGO's, and FET colleges via CIPSET.
- Infrastructure
  - All new buildings are adhering to national accessibility guidelines;
  - Five new hoists were installed at the Missionvale campus;
  - Libraries on all campuses have dedicated workstations with assistive technology;
  - Piloted dedicated PC support teams on two campuses.
- Student Accommodation
  - Student housing team gives preference to applicants with disabilities for ground floor accommodation at the residences.
- Student Support
  - Adapted a Quantum kombi to transport students in and around the campus;
  - Volunteer buddy programme to assist students with disabilities with various levels of assistance;

- A first Resting room was established within the Disability Services Unit;
- Portable assistive devices are issued on a loan basis to students. These include digital recorders, Domino Pro FM system, and USBs containing WYNN magnification literacy software for magnification hardware located at all libraries.
- First SmartNav user who operated independently using assistive technology
- Increased numbers of qualifying students assisted by various Financial Aid sources including NMMU and NSFAS.
- Awareness
  - September is listed on the NMMU Almanac as Disability Awareness month where all campuses are involved through educational and creative awareness campaigns.

## **Human Resources: Unlocking and Maximising Staff Potential**

### **Senior and Middle Level Appointments**

During the course of 2012, the NMMU has made a number of senior and middle-level appointments in key academic leadership and professional areas.

The following senior management Fixed-Term Contract appointment was made:

- Prof V Exner – Executive Dean: Faculty of Health Sciences

The following senior management Fixed-Term Contracts were renewed:

- Mr H Grimbeek – Registrar
- Mr M Scheepers – Executive Director - Finance
- Prof N Dorfling – Executive Dean - Business & Economic Sciences
- Prof H de Jager – Executive Dean – Engineering
- Prof A Leitch – Executive Dean – Science
- Prof C Foxcroft – Dean Teaching & Learning

The following middle management appointments were concluded:

- Mr I Baatjes – Director: Centre for Integrated Post-School Education and Training
- Dr M Ntanjana – Director: Student Counselling, Career and Development Centre
- Dr P Ntshongwana – Campus Director: Missionvale
- Dr F Southway-Ajulu – Director: Academic Planning
- Mr S Viljoen – Director: Information and Communication Technology
- Mr A Young – Engineering Director: Institute of Advanced Manufacturing and Engineering Research
- Mr C du Preez – Deputy Director: Information and Communication Technology Operations
- Mr W Muller – Deputy Director: Financial Aid

### **Enabling Working Environment for Staff**

The Conditions of Service (COS) provides a measure of predictability regarding applicable benefits and related matters associated with staff expenditure. Our HR reward and recognition strategy saw the satisfactory conclusion of the first post-merger COS agreement based on the mutual understanding with organized labour on a number of founding principles such as affordability, institutional performance and cost of living pressures. The improvements in some of the benefits contained in the COS agreement aim to enhance the attractiveness of NMMU as an employer of choice.

The Excellence Development System (EDS) is the performance management tool that the institution is in the process of refining to incorporate a set of agreed to grounding principles and values. The review process is being directed by a high-level task team in an effort to adapt it to achieve the following: recognition of the specific operating environment of both academic and PASS employees, simplify the technical design and operational requirements of the system, and lastly, to ensure broad consensus over terms of reward and its link to performance.

The quality of HR-related support services has been improved through the automation of various administration processes (see HR Operations section below). General reporting metrics have been developed for administrative processes including non-permanent employment trends, remuneration auditing, and post structure and vacancy reviewing. A Quality Assurance mechanism for salary-related matters has been developed, with monthly reviews of trends and improvement plans. Standard audits relating to leave, medical aid, retirement fund, union membership, and the like occur on a regular basis.

### **Remuneration Management Process**

The final phase of the Remuneration Management Process that addresses the external benchmarking of remuneration was concluded during this reporting period. This phase entails the establishment of an institutional remuneration philosophy supported by a set of scientifically structured remuneration scales, both of which were approved by NMMU Council in 2012. The newly approved institutional remuneration philosophy is based on the design and implementation of remuneration scales by means of tracking the market mid-points in respect of the relevant markets (i.e. Grades 5-9 National Tertiary benchmark and Grades 10-17 Eastern Cape open market). It is noteworthy that this phase of the remuneration management process resulted in no additional costs to the institution.

### **Employee Wellness**

Employee Wellness at NMMU forms part of Strategic Priority 8 of V2020, associated with the following strategic goal: *“Development and implement strategies to ensure employee and institutional wellness”*.

Employee Wellness is designed and implemented to improve employee awareness in respect of making healthy life choices which in turn may lead to enhanced work performance, employee engagement and a general sense of well-being. Of significance is the utilisation rate of the Employee Wellness Programme in respect of Employee Assistance Services to address stress-related conditions, financial wellness-related concerns, and personal and work-life matters. This particular aspect shows a year-on-year increase of 3% (5% in 2011; 8% in 2012). The cost per employee to provide the NMMU Employee Wellness Programme is currently R30.10, which equates to an average 4.67% year-on-year increase in respect of the programme costs.

### **HR Operations**

Various HR-related innovations, new developments and business process re-engineering (BPR) projects were undertaken to enhance efficiency and effectiveness within the HR division:

- A phased approach to Strategic Workforce Planning has been adopted with the Faculty of Law being the first pilot site. It is anticipated that broader implementation will be embarked upon in 2013.
- HR Business Process Automation projects included:
  - Short-Term Employment Contracts;
  - Private work applications incorporating Management Reporting Capabilities for Audit and Risk Committee (ARC) purposes;
  - Private Work utilisation tracking process to support the automated Private Work Application process, based on the Private Work policy;
  - Annual Employee Biographical Information Audit;
  - Log-a-Call for client queries;
  - Streamlined e-Terminations;
  - 360 degree Values Adherence Evaluations for management executives.
- Institution-wide implementation of an e-Recruitment system in 2012;
- Design and implementation of key HR metrics (including non-permanent employment trends, remuneration auditing, and post structure and vacancy reviewing) for the benefit of senior management.

### **NMMU Three-Year Rolling Headcount Report**

The headcount statistics of permanent employees over a three year period from 2010 to 2012, as recorded in December of each year, is summarized in the table below.

**Table 7 Three Year Comparative Headcount Statistics**

<b>Permanent Employees</b>	<b>December 2010</b>	<b>December 2011</b>	<b>December 2012</b>
Academic	532	534	542
Administrative & support	979	982	965
Sub-total	1511	1516	1507
<b>Contract Employees (fixed term)</b>			
Academic	32	39	38
Administrative & support	72	75	124
Sub-total	104	114	162
<b>TOTAL</b>	<b>1615</b>	<b>1630</b>	<b>1669</b>

In terms of the information contained in the table above, the number of academic employees has shown a slight increase (1.5%) relative to 2011; however the disproportionate increase between Academic and PASS (professional, Administrative, Support Services) employees, continues to be of concern and is receiving ongoing senior management attention. The permanent academic to PASS staff ratio has reduced from 1:1.84 in 2011 to 1:1.78 in 2012. A marked increase in the number of Fixed Term Contracts is noted and could be a possible reason for the reduction in the number of permanent employees. Given the stringent legislation by way of the Labour Relations Act amendments, a far more prudent approach will be taken in relation to Fixed Term Contract utilisation at NMMU.

#### **Introduction to HR Service Excellence Model in 2012**

An HR Service Excellence Model (HR SEM) was introduced in order to improve transformational and transactional HR service delivery to the core business of the University. The key thrust of the model is based on the decentralisation of the HR Consultants to the faculties which would support real-time access to professional HR support for line managers. A further aspect of HR SEM relates to the design and implementation of a Front Office Support Desk which provides streamlined and fast-tracked HR query resolution through a call-centre based approach.

#### **Employee Relations (ER): Integrated and Partnership Approach to ER**

An integrated and partnership-based approach was embarked upon in order to create a more strategic orientation in respect of Employee Relations at NMMU. The purpose of this approach is to identify objectives which would require commitments from both parties to ensure effective delivery of the agreed-upon outcomes. It is anticipated that this approach would also assist in creating an environment conducive to good employee-relations and supportive of the achievement of the outcomes associated with V2020.

#### **Human Resources Development**

##### ***Training and Development (T&D)***

The integrated and comprehensive approach to T&D at NMMU has resulted in 148 training interventions with a cumulative participation rate of 1 735 and 1 005 individual employees availing themselves of the various T&D opportunities. All NMMU T&D interventions are aligned to the NMMU Workplace Skills Plan and are supportive of the NMMU Employment Equity enhancement efforts.

##### ***Internship Programme***

The programme serves to provide interns, mostly equity students from NMMU, with practical experience thereby increasing their employability. The internship opportunities enables NMMU to create additional capacity where needed while also providing the opportunity to empower these students with a variety of skills and competencies as potential employees. The internship programme is managed in collaboration with the ETDP SETA (Education, Training and Development Practices Sectoral Education and Training Authority). Six interns were appointed from 1 April 2011 to 31 March 2012. A further nine disabled interns were appointed



from May 2011 until April 2012, of which the majority had since secured permanent employment within and beyond NMMU. A group of 20 interns were appointed from October 2012 until September 2013.

### ***Future Leaders Programme (FLP)***

The six delegates originally selected for the inaugural FLP have all completed the two-year programme as at the end of 2012 and have completed the Business School's Management Development Diploma. Each delegate was provided with a high level mentor for the year as part of a formal mentoring programme. Some delegates have already received promotion, largely attributed to their participation in the programme.

### ***Leadership Effectiveness Advancement Programme (LEAP)***

This special nine-month leadership course was developed in 2012 by the Business School in collaboration with HR and other stakeholders. It is aimed at empowering delegates to display accountable, leadership and management behaviour, embedded in the NMMU core values. The programme will be introduced in Quarter 2 2013.

## **Employment Equity**

### ***Equity Indaba II***

A second institutional Employment Equity Indaba was convened in 2012 as a follow-up to the Indaba held in 2011. The theme for the second indaba was "*From Compliance to Commitment with Due Regard to the Context*" and was attended by 65 senior employees and union representatives. Delegates were encouraged to cascade this conversation in their own sphere of influence to expand discussions.

### ***Employment Equity (EE) Plan - 2012 to 2017***

The first Employment Equity Plan (2007 to 2012) expired and a new equity plan for the next five years (2012 to 2017) has been developed in accordance with the Employment Equity Act, 55 of 1998. The equity targets were established in collaboration with each faculty and division and consolidated into the institutional targets for NMMU. Approval by NMMU Council is envisaged in April 2013.

In terms of the second 5-year plan, designated groups will be enhanced from 74.8% to 80.6%. Black staff will improve from 760 to 1028, representing an improvement from 46.0% to 58.2% of total staff. The target for female staff members focuses on the occupational level of middle management Peromnes 4 to 6 as females are over-represented in the other occupational levels. The number of disabled staff members is currently compliant with government requirements of 1.8% of employees but will receive continued attention.

### **Organisational Development (OD)**

Key OD initiatives for 2012 included the redesign of the Excellence Development System (EDS) and developing a relevant Talent Management strategy.

A working group has embarked on the redesign of EDS in Quarter 3 2012 and the enhanced system is anticipated to be piloted in 2013. Amendments to the executive EDS included an evaluation of the values adherence of individual executive managers representing a 20% weighting of their overall EDS score.

A job classification system and competency libraries were developed to support and strengthen HR initiatives within NMMU.

### **Improving Quality of Operations, Infrastructure and Support Services**

One of the key priorities identified in the V2020 Strategic Plan is the improvement of institutional processes, systems and infrastructure in support of the academic project and promoting a vibrant staff and student life on all campuses.

We aim to position NMMU as a leading "Green University". A draft "green framework" has been developed which seeks to focus possible green interventions within agreed upon categories, e.g. green pilot projects,

marketing, staff / student behavioural changes, and the like. As part of creating readiness to introduce the framework, the pilot project "Freewheeling" has been implemented in which ten staff members utilise electric bikes and scooters on campus rather than traveling by motor vehicle. The electricity used to charge the bikes and scooters is off-set against energy that is fed into the university's grid through solar panels that have been installed on newly constructed carports. In addition, a roof garden was piloted with a view to rolling this out throughout our campuses, starting with Summerstrand.

Initiatives are underway to leverage the advantages of the electronic age, with the Records Management and Committee Services Units working with ICT Services on a project to further enhance the central electronic records management (ERM) system. The aim is a resultant effective central Enterprise Content Management (ECM) system. Electronic interfaces which will automate central storage are being investigated and Governance Administration has subsequently initiated a project to develop the framework.

To enhance the effective functioning of the governance structures within the institution, a review of the Committee Framework was undertaken and completed at the end of 2012, aimed at reducing the number of committees. The next step is to streamline agendas and minutes by inter alia looking at creating templates in order to align at institutional level and further enhance efficiency in decision-making processes.

### **Quality Enhancement of Support Services**

In order to enhance the efficiency and effectiveness of the services and processes provided by the support services units, a number of online surveys were conducted where students were requested to provide feedback on their experiences:

- Online graduation satisfaction survey was conducted with graduates after the April 2012 graduation to obtain student experiences of graduation processes. The feedback obtained was used to improve processes for the 2013 graduation.
- Online Examinations, Faculty Administration and Lecture Timetabling feedback surveys were open for students to provide feedback on services and processes provided and managed by Exams, Faculty Administration and the Central Timetabling Office. These included issues pertaining to examination, registration, swapping of modules, applications for module exemptions, curriculum advice and lecture timetabling processes. The feedback obtained is continuously used to improve services as well as operational processes.
- In addition to the online surveys, paper-based questionnaires were provided at the Admissions and Student Records counters for students to rate the services provided by the Admissions and Student Records Offices. Feedback from these questionnaires is regularly collected and analyzed by the managers of these offices, and any challenges and/or complaints are appropriately addressed to enhance the student experience.

Various projects were undertaken by Academic Administration in collaboration with ICT, to enhance business processes and integrate sustainability principles into operations. Good progress was made in automating the following business processes:

- A new Online Prospectus interface was developed, which provides an important tool that enables current and prospective students to access and view accurate information on academic rules, programmes and curricula being offered
- The online academic application system (phase 2) was completed and as from 2013 it will enable postgraduate and senior students to apply online. This resulted in a three-fold increase in the number of online academic applications– increasing from a baseline of 3000 online applications submitted for the 2012 intake to 9000 online applications received for the 2013 academic year.
- The admission (individual and bulk) selection process was completed and was used successfully in January 2012 after the release of the 2012 NSC results to speed up final selection of applicants.
- Development of an automated system for the verification of student biographical data was completed. This will enable the improvement of our data quality submitted to HEMIS. Students are now able to verify their own personal biographical information and point out corrections via email.
- Enhancement of the online registration system was completed.

- The development of mobile-technologies to enhance student's accessibility to information was completed, and students are now able to view a number of processes on their cellphones including exam results, exam dates, student fee balances, module registrations and progress marks.
- The management of certain examination processes completed during June 2012. The system was piloted for the June 2012 exams and will be used for the June 2013 exams.
- The tracking and control of masters and doctoral research assessments for the benefit of supervisors/promoters, external examiners, Faculty Administration Offices and postgraduate research students. Development of the system began towards the end of 2012 and is due to be finalized in 2013.
- Online invigilation scheduling system
- Piloting and evaluation of a new timetabling programme, Celcat, during the second semester of 2012, to optimize the utilization of available lecture venues.

### **Infrastructure Projects**

The Infrastructure Projects Department is responsible for designing, planning and implementing new infrastructure projects. The Infrastructure Projects team is also tasked with the management of the university's Urban Design Framework which governs space utilisation. During 2012, the university continued to make enormous strides in expanding its infrastructure.

The infrastructure delivery programme is on track, with the following major projects having been completed in 2012:

- Main Building reconfiguration;
- Embizweni student hub projects (i.e. student records, graduate placement, etc.);
- Heinz Betz examinations office;
- Nursing alterations/upgrade (J block);
- Engineering building inclusive of auditorium;
- Health Sciences upgrade;

Other major infrastructure projects initiated in 2012 include:

- Upgrade of 2nd Ave library: Needs assessment completed, the design work was done in-house in a bid to minimize costs.
- Human Movement Science (HMS) building: Construction work commenced with practical completion scheduled for July 2013.
- Saasveld Waste Water Treatment Works (WWTW) upgrade: Environmental Impact Assessment (EIA) underway;
- Summerstrand residence: This project forms part of NMMU student housing strategy and adds 312 beds on-campus accommodation. Construction work commenced during 2012 and it is envisaged to be completed in December 2013.
- George residence: The turnkey operation to build a residence that conforms to living and learning values is at its final stages. The Tender was awarded, construction began during 2012 and practical completion will be achieved in March 2013
- New Business School: Construction work for the new Business school in 2<sup>nd</sup> Avenue campus has commenced and the practical completion date is December 2013.
- Aquatics centre: Through this project, the NMMU intends to expand its sports facilities. Practical completion due in July 2013.
- VIP centre upgrade: The University deemed it appropriate to upgrade the VIP Centre at the In-door Sports Centre. The Infrastructure Projects team is working closely with the contractor towards a completion date in April 2013.
- 2nd Ave 200-seater lecture facility: Construction work commenced and practical completion due in October 2013.
- 2nd Ave Cafeteria upgrade: As part of efforts to pay closer attention to 2<sup>nd</sup> Avenue campus, MANCO availed a budget to upgrade the existing cafeteria during 2012.
- A 10-year Lecture Venue Refurbishing Project was initiated.

## **ICT Services**

The Information and Communications Technology (ICT) Department is responsible for providing the infrastructure that enables the university's core and support functions. Implementation of the ICT Strategy towards achieving the outcomes reflected in V2020 has seen the following strategic interventions and achievements during 2012:

- The ERP system of the NMMU was migrated to an Intel platform resulting in considerable savings and performance improvements.
- Integration of the current PABX and Microsoft Lync to facilitate future Voice of Internet Protocol (VOIP) was successfully completed. Microsoft Lync client software that enhances communication capability was successfully deployed to all staff workstations.
- Procurement and installation of new edge firewalls to support growing bandwidth needs.
- Implementation of Green IT with the installation of a cooling ambient air system at the data centre and increased virtualisation has resulted in an improved Server Physical/Virtual ratio of 50%.
- Upgrading of the Library and Information Services (LIS) system from Millennium Library system to Sierra was successfully completed.
- Wi-Fi coverage on campuses was expanded, with most public areas and all lecture venues across all campuses now receiving 100% coverage.
- Network and connectivity infrastructure continued being expanded to new buildings, with connections to all satellite campuses receiving at least 20Mbps.
- Migration of NMMU website to a new web content management system (Kentico) has been completed.
- Web front ends and administration systems were developed for the following projects:
  - Staff and students are now able to update their own contact details that are displayed on the websites.
  - A number of Business Process Improvement initiatives were undertaken in collaboration with various internal units/divisions. These projects are indicated in the respective sections of the report.
- ICT Services plays a key role in promoting the goals envisaged in the NMMU Blended Learning strategy. During 2012, 2 blended learning posts were filled. In collaboration with CTLM, a Blended Learning Technology Strategy and Plan was developed. Other initiatives in support of Blended Learning included the following:
  - Developing a Mobile Assistance web site in support of student with their own devices.
  - Supporting the key platforms for technology enabled learning such as the Learning Management System (LMS).
  - Expansion of support to students with own devices through the Student Information Technology Support (SITS) Centres. The pilot SITS Centre proved successful.
- Expansion of 2<sup>nd</sup> Avenue general computer lab to improve the student: PC ratio was successfully completed.
- Reconfiguration of the institutional approach to Imaging (printing, scanning, faxing and copying) approach resulted in a 50% reduction in desktop printers.

## **Marketing and Corporate Relations (MCR)**

Marketing and communication is a key support service to position NMMU in the market, as well as to communicate effectively with external and internal stakeholders. In addition, MCR is tasked with promoting the institutional brand, recruitment of students and assisting with corporate publications. An Integrated Marketing and Communication Reference Group (IMC) was established under the leadership of the DVC: Institutional Support to reflect on and refine the current communications model and strategy to reposition NMMU in national markets. Findings from the Brand Perception Survey will be used by the IMC to identify opportunities to strengthen the NMMU brand based on the following brand health indicators:

- Differentiation (what does the brand do compared to, or better than, its competitors);
- Relevance (how relevant the brand is to consumer needs);
- Esteem (positive regard/sentiment towards the brand);
- Knowledge (how well-known is the brand);

Below is a summary of key achievements accomplished during 2012:

- Technology Innovation Agency recognised NMMU as a benchmark wrt branding among universities as well as NMMU's brand philosophy regarding co-branding.
- SARS (nationally) identified NMMU as a top brand and a benchmark to apply in their brand development.
- NMMU was recognised as a top performing institution over last 3 years (2010-2012) and received 8 MACE Excellence Awards in 2012.
- NMMU Choir received a MACE award in recognition as brand ambassadors.
- NMMU received the 2012 International Council for Advancement and Support of Education (CASE) Circle of Excellence Award for innovative use of social media in a marketing campaign.
- The use of social media by the NMMU, including the Flashmob, was recognised as an international case study (one of 25 around the world) in an academic publication.

Major institutional events are organized by the MCR team, including the opening function and first year welcome events, the Vice-Chancellor's cultural event and the Chancellor's dinner, which proved to be a resounding success.

### **Support Services**

The Support Services Department is responsible for functions such as cleaning, protection, Occupational Health and Safety, Postal Services and leasing of university property. Some of the achievements and projects include:

- Being awarded 2nd prize in the annual National Contract Cleaners Association Competition for large tertiary institutions;
- Development and approval of the Commercial Leasing policy to regulate commercial leasing;
- Safety Health and Environmental (SHE) Policy roll out to all entities within NMMU completed. A second phase started with internal SHE audits being launched, commencing with Technical Services and Engineering Faculty.
- Underwent a quality review and benchmarking process of NMMU Postal Services.
- A second phase of the Crime Prevention Plan has been approved for implementation. The university continues to invest in electronic access control and CCTV surveillance technologies as part of its efforts at promoting safer campuses.
- The Reprographic Services Unit had been designated as a Strategic Business Unit as from 2011, with a profit target of 10% for 2012.

### **Technical Services**

The Technical Services Department is responsible for maintenance of the estate, including landscaping services. Various projects were initiated and/or completed during 2012:

- Completed major deferred maintenance projects on Residences.
- Completed gas refurbishment projects on buildings 12 and 13.
- As part of our greening project, paving of roads at the George campus are completed.
- Effected savings amounting to R120 000 per annum for George Campus by adjusting the billing tariffs in consultation with George Electrical.
- New generators were successfully installed and strategically placed to ensure savings on the hiring cost of generators.
- Ongoing concrete rehabilitation work on Residences and Main Building.

### **George Campus**

Information pertaining to George Campus is distributed throughout this report, however, other developments and highlights are outlined below:

- A change in the governance model of George Campus was initiated and approved in 2012 and will be implemented in 2013;
- The student shuttle service of the George Campus is being provided through an outsourced arrangement until the introduction of the George Integrated Public Transport Network project in 2014;

- Completion of the upgrade of the roofs and gutters at the Arborea houses;
- Ongoing upgrade of the Saasveld Waste Water Treatment Works (WWTW).

### **Alumni**

The Alumni Relations Office maintains contact with our graduates in various ways including the hosting of events to build alumni relations. Participation and attendance at these events continue to increase annually. Events took place in Port Elizabeth, East London, Cape Town, Bloemfontein, Johannesburg, Pretoria, Windhoek and London. Another successful event was the annual Thank You breakfast to give recognition to all internal and external role players who contribute to alumni relations development at NMMU. Recognition was given to five alumni Achievers and five alumni Rising Stars at the annual Alumni Awards function. The Alumni Association also recognised two educators with Special Awards for their contribution to education. In collaboration with ICT, an online Alumni donation interface, the GivenGain interface, has been developed. The hosting of events also serve as a means of revising the alumni database, with nearly 10 000 alumni records updated. This has enabled 541 alumni and their children to apply for application fee waivers. Other major achievements for 2012 include:

- adoption of a new Alumni Association constitution that incorporates Convocation.
- development of an online platform to facilitate financial contributions by alumni to their alma mater.
- advocacy role of the Student Alumni Society in promoting alumni awareness amongst current students. The membership to this student society has increased.
- Partnership between the Alumni Relations Office and the Port Elizabeth Office of the Department of Education to run workshops to help schools set-up past pupil associations.

### **Financial Sustainability**

In the wake of continued downward economic pressures at a global and national level, NMMU is in a sound financial position as at 31 December 2012. This statement is made within the context of meticulous planning by senior management and industrious efforts implemented by our staff, as is evident throughout this report, to consistently improve efficiency within all operational areas in the institution, in line with V2020.

To enable financial sustainability, we aim to decrease our over-reliance on subsidy, and hence over-sensitivity to fluctuations in subsidy as a source of income and grow and diversify the income streams of the NMMU. The revenue generated via third-stream and sundry income increased by 25.7%, however, this revenue only contributed 1.4% of total income generated in 2012.

### **Conclusion**

The endeavours reflected in this annual report signals the collective effort undertaken to achieve the strategic outcomes reflected in V2020. Central to this effort is the **student** – from our first encounter with prospective student to maintaining relationship with our graduates via our Alumni Office. The holistic learning experiences of both our students and should set the NMMU community apart as committed civic agents contributing towards the greater public good, at a local and global level. I wish to extend my sincere gratitude for the concerted efforts displayed by all our staff as well as the support and generosity shown by our alumni and friends of the NMMU.



**Prof DI Swartz**  
**Vice-Chancellor**

## 6. Report on Internal Administrative/Operative Structures and Controls

The University maintains systems of internal control that is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are effectively managed. Such systems are designed to provide reasonable assurance to NMMU and the Council that the control environment is adequate and effective. Council, operating through its Audit and Risk Committee (ARC), provides oversight of the financial reporting process.

Internal controls including information technology are established not only over financial matters, but also operational, compliance and sustainability issues. Controls are the means by which management seeks to mitigate risks to an acceptable level of exposure. Controls are contained in organisational policies and procedures, structures, values and approval frameworks. Management is responsible for implementing internal controls, ensuring that personnel are suitably qualified, that appropriate segregation exists between duties and that there is suitable independent review.

ARC monitors and evaluates the duties and responsibilities of internal and external audit to ensure that all major issues reported have been satisfactorily resolved. ARC reports all important matters considered necessary to Council.

Internal Audit monitors the operation of internal control systems and reports findings and recommendations to Management, ARC, and Council. Corrective actions are taken to address control deficiencies and other opportunities for improving the systems when identified.

Internal control policies and procedures were in place during the period. The deviations that were noted were accordingly dealt with and steps were taken to rectify these matters with particular emphasis on ensuring that the control systems that have been established are adhered to.



**KM Riga**  
**Chairperson: Audit and Risk Committee**



**KD Pather**  
**Senior Director: Audit and Risk Management**

## 7. Report on Risk Exposure, Assessment and Management

The NMMU is committed to identifying and successfully managing opportunities and risks in the interest of all stakeholders.

The Management Committee (MANCO) is responsible for providing Council with the assurance that significant business risks are identified, assessed and managed within acceptable levels. A common risk methodology and process has been implemented, driven by the Audit and Risk Management, which identifies risks that may influence the achievement of the strategic and operational objectives of NMMU, identify existing management controls or management action plans to mitigate these risks.

The clear assignment of responsibilities and accountability make risk management and identification an integral part of the activities of everyone at the university. Progress is monitored at MANCO meetings.

The Audit and Risk Committee monitors the effectiveness of the NMMU's risk management process, and assists Council in this oversight function.



**KM Riga**  
Chairperson: Audit and Risk Committee



**Prof DI Swartz**  
Vice-Chancellor



## **8. Annual Financial Review (including consolidated financial statements)**

### **Council's Statement of Responsibility for the Consolidated Financial Statements**

The Council is responsible for the preparation, integrity and fair presentation of the financial statements of the Nelson Mandela Metropolitan University ("NMMU"). The financial statements, presented on pages 56 - 89 have been prepared in accordance with International Financial Reporting Standards and as required by the Minister of Education in terms of section 41 of the Higher Education Act 1997 (Act No. 101 of 1997), as amended. The financial statements include amounts based on judgements and estimates made by Management.

The Council also prepared the other information included in the Annual Report and is responsible for both its accuracy and consistency with the financial statements.

The going concern basis has been adopted in preparing the financial statements. Council has no reason to believe that the NMMU will not be a going concern based on forecasts, reasonable assumptions and available cash resources. The current viability of the NMMU is supported by the financial statements.

The financial statements have been audited by the independent audit firm, PricewaterhouseCoopers Inc, who were given unrestricted access to all financial records and related information, including minutes of meetings of the Council and relevant sub-committees.

The Council believes that all representations made to the independent auditors during their audit were valid and appropriate.

The consolidated financial statements on pages 56 - 89 were approved by the Council of the Nelson Mandela Metropolitan University on 21 June 2013 and signed on its behalf by:



**Judge R Pillay**  
**Chairman of Council**



**Prof D Swartz**  
**Vice-Chancellor**

## Financial Overview for the 2012 Financial Year

### Governance and Controls

Despite various financial challenges during 2012, NMMU has maintained its financial position and improved its earmarked reserves as one of Council's performance objectives. The financial statements have been prepared in accordance with the Department of Education's reporting requirements for Higher Education and the accounting policies comply in all material respects with International Financial Reporting Standards (IFRS).

NMMU is committed to good corporate governance and sound financial management. The consolidated annual financial statements for 2012 cover all activities of NMMU, which include audited results of the NMMU Trust and other partnerships where NMMU exercises control. The activities of the Trust are governed by the provisions of the Trust deed and an independent board of trustees. These consolidated financial statements provide a complete and comprehensive overview of the operations and financial position of the university.

Appropriate uniform financial policies and procedures have been developed for NMMU and are continuously revised to improve internal controls. A Financial Growth and Development Plan with a three-year rolling model on future sustainability has been developed and revised. A Financial Risk Register is in place and is revised annually.

The institution has concerns around the availability of sufficient reserves for the significant capital expenditure required for additional residences. Management has developed a philosophy and long-term plan to ensure that surpluses are generated and reserves created which will assist in ensuring the necessary provision for future needs. The favourable cash positions reflected in the financials will enable NMMU to fund part of the Capex requirements to which it is committed. However, long-term borrowings and additional grants will be required to supplement the current reserves in order to achieve the university's long-term expansionary goals.

### Budgeting Process

Management annually sets budget directives for the following year. The university's budget is based on a RAM (Resource Allocation Model) which can be summarised as follows:-

- Estimated revenue streams (fees, subsidy, other)
- Top slice fixed/contracted overheads and strategic allocations
- Allocated earmarked funding i.e. residences, Capex, etc.
- Allocated salary commitments
- Remainder being the operational budget

Committees that are representative of all sectors allocate block funding based on various criteria to ensure inclusivity of stakeholders.

The following allocation committees are in place:

- Strategic Resource Allocation Committee
- Capital Resource Allocation Committee
- Academic RAM (Deans Forum)
- Individual Executive Management block allocation
- Deferred Maintenance Planning Committee

Each of these committees has their own set of processes and procedures to allocate funds based on motivations and models driven by Vision 2020, strategic plans and Council/management's performance objectives. Furthermore, the budget is supported by a three-year rolling budget and reserves plan to track future sustainability.

## **Higher Education Environment**

With reference to the 2012 and 2013 budget of Government, Education is obviously an Apex priority as it is the second biggest allocation next to health and social protection. The Education budget increased by 5% to R233 billion. However, larger allocations for the revival of FET Colleges, NSFAS requirements and the future operational budget needed for two new universities, will ultimately lead to smaller allocations for tertiary education institutions. This will create challenges.

The uncertainty around the outcome of the new funding framework is also of concern as the changes and effect on different universities are unknown.

Universities are becoming more reliant on NSFAS for the growing number of financially disadvantaged students. This could become influential in managing student debtors and increase the risk of incurring bad debts.

The financial pressure of building more residences needs to be addressed. The Department of Higher Education supports NMMU by granting increased efficiency funding for new infrastructure and maintenance of existing residences. However, the future maintenance thereof and additional operational expenses needs to be carefully planned.

Due to on-going commitments in respect of fixed infrastructure costs, deferred maintenance and replacement of academic equipment, it is becoming more difficult to fund our own contribution towards efficiency funding from the DHET.

## **Overview of 2012 Financial Position**

For the 2012 financial year, NMMU recorded a consolidated surplus of R164m (2011 R182m) of which Council controlled (operations) R95m (2011 R114m); R24m of this surplus will be allocated to the Council's three earmarked reserves as per the performance objective. For the first time since the merger residences are now running at a loss.

Although State subsidy for operational purposes has increased by R53m (8.6% increase), fees have increased with R44m (10.5% increase) which is a concern to NMMU as it is becoming more and more reliant on fees from a poor community with obvious shortfalls in NSFAS funding. The actual fee increase was only 8%, while the remainder was due to an increase in student numbers. A Pricing Model and Fee Philosophy has been developed to revisit non-viable modules/subjects and to entertain reasonable and sustainable fee increases in the future.

NMMU invested R62m towards bursaries from its own funds.

We were again highly successful in managing our student debtors with outstanding student debts for 2012 below the estimated 7%. This is significantly lower than other comparable education institutions.

Total expenditure increased by 13.8% during 2012, with the salary bill only increasing by 8.7%. The major increases were in maintenance, municipal services and student shuttle services.

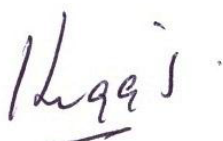
The large increase in the post-retirement benefits (actuarial evaluation) for both pension and medical aid is a growing concern to NMMU and the majority of universities. It should be noted that the low government bond rate played a major role in this calculation. Council and management will need to attend to this concern in the near future. However, this is a sensitive matter needing a high level of union and staff negotiation to seek strategic solutions.

NMMU's liquidity position is sound as indicated by the increase in cash and short term investments of R64m to R942m. However, it needs to be noted that NMMU has vast Council and Efficiency Infrastructure Funding

commitments to be funded from these investments. Cash flow management is done on a monthly and three-year rolling basis and is an integral part of NMMU's financial planning.

<b>Important indicators</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
State support (State subsidy/total income)	42%	43.17%	42.22%
Own funding (other income/total income)	58%	56.83%	57.56%
Staff cost: total expenses	53.4%	56.43%	57.35%
Outstanding fees/fees raised [after registration]	6.6% [2.3%]	7.0% [4.2%]	6.5% [3.4%]
Short Term Liquidity (current assets/current liabilities)	13.4	12.6	11.8

The University's management wishes to thank Council's Finance & Facilities and Audit & Risk committees for their guidance and commitment in continually steering the institution in a positive direction and the Finance Directorate for their unselfish efforts and dedication in serving NMMU.



**A L Biggs**  
**Chairperson: Finance & Facilities Committee**  
 15 May 2013



**M Scheepers**  
**Executive Director: Finance**  
 15 May 2013



## **INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF THE NELSON MANDELA METROPOLITAN UNIVERSITY**

### **REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

#### **Introduction**

We have audited the consolidated financial statements of the Nelson Mandela Metropolitan University and its subsidiaries as set out on pages 61 to 91 which comprise the consolidated statement of financial position as at 31 December 2012, the consolidated statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

#### **Council's responsibility for the consolidated financial statements**

The Council is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act of South Africa, and for such internal control as the Council determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Public Audit Act of South Africa, the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Nelson Mandela Metropolitan University and its subsidiaries as at 31 December 2012, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act of South Africa.

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Africa Senior Partner: S P Kana

Management Committee: H Boegman, T P Blandin de Chalain, B M Deegan, J G Louw, P J Mothibe, N V Mtetwa, T D Shango, S Subramoney, A R Tilakdari, F Tonelli

The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection.

Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

### Emphasis of matter

Without qualifying our opinion, we emphasise that certain disclosures required by the Higher Education Act have been omitted. The full set, as required by the Higher Education Act, is available for inspection at the Department of Higher Education and Training.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Public Audit Act of South Africa and the *General Notice* issued in terms thereof, we report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

#### Predetermined objectives

We performed procedures to obtain evidence about the reliability of the information in the Chairperson of Council's Report as set out on page 1 of the annual report.

The reported performance against predetermined objectives was evaluated against the overall criterion of reliability. The reliability of the information in respect of the selected objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

There were no material findings on the Chairperson of Council's Report concerning the reliability of the information.

#### Compliance with laws and regulations

We performed procedures to obtain evidence that the University has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. We did not identify any instances of material non-compliance with specific matters in the Higher Education Act of South Africa.

### OTHER REPORTS

#### Agreed-upon procedures engagements

As required by the funding agreements from the following entities, agreed upon procedure engagements were conducted during the year under review as indicated below:

Entity name / engagement	Purpose of the engagement	Period covered	Date issued
Department of Higher Education and Training – Student Statistics	Performance of procedures required by the Department of Higher Education and Training relating to the HEMIS submission	1 January 2011 to 31 December 2011	31 July 2012
Department of Higher Education and Training - Infrastructure Grant	Agreeing of expenditure to contracts and supporting documentation.	1 January 2011 to 31 December 2011	26 March 2012
Department of Higher Education and Training – Efficiency Funding Grant	Agreeing of expenditure to contracts and supporting documentation.	1 January 2011 to 31 December 2011	26 March 2012
Department of Higher Education and Training - Financial data submission	Agreeing of financial data to the Financial Statements.	1 January 2011 to 31 December 2011	28 June 2012

Department of Higher Education and Training – Interest & Redemption	Agreeing interest and redemptions claims to actual amounts/payments incurred.	Quarterly for the 2012 financial year	11 April 2012 28 June 2012 17 October 2012 10 December 2012
Department of Higher Education and Training – Clinical Training	Agreeing of expenditure to contracts and supporting documentation.	1 April 2011 to 31 March 2012	22 May 2012
Department of Higher Education and Training – Research Articles	Agreeing research articles claim to supporting journals and publications	1 January 2011 to 31 December 2011	16 May 2012
National Research Foundation – NRF Grants	Agreeing of expenditure to contracts and supporting documentation.	1 January 2011 to 31 December 2011	13 March 2012
National Research Foundation – THRIP Grants	Agreeing of expenditure to contracts and supporting documentation.	1 April 2011 to 31 March 2012	06 June 2012
National Research Foundation – Patent Cost Claim	Agreeing of expenditure to contracts and supporting documentation.	1 April 2011 to 31 March 2012	30 November 2012
Medical Research Commission – Research Grant	Agreeing of expenditure to contracts and supporting documentation.	1 January 2011 to 31 December 2011	20 April 2012

*PricewaterhouseCoopers Inc.*

**PricewaterhouseCoopers Inc**

Director: A Rathan

Registered auditor

21 June 2013

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
at 31 December 2012

	Notes	2012 R'000	2011 R'000	2010 R'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
		1 191 804	1 066 353	871 326
Property, plant and equipment	2	1 026 840	919 802	721 079
Investments	3	164 964	146 551	150 247
<b>Current assets</b>				
		1 014 084	915 173	792 542
Inventories	4	3 038	2 839	2 517
Short-term investments	5.1	888 000	844 000	678 000
Trade and other receivables	6	68 575	34 488	46 870
Cash and cash equivalents	5.2	54 471	33 846	65 155
<b>Total assets</b>		<u>2 205 888</u>	<u>1 981 526</u>	<u>1 663 868</u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity funds</b>				
		1 628 379	1 452 616	1 252 379
Property plant and equipment		800 528	700 594	485 818
Restricted use funds		265 803	218 120	242 820
Student Residence Funds		12 470	18 140	17 343
Other		253 333	199 980	225 477
Unrestricted use funds – Education and General		562 048	533 902	523 741
<b>Deferred income</b>	7	309 203	319 987	235 573
<b>Non-current liabilities</b>				
		192 725	136 068	108 808
Interest-bearing borrowings	8	9 808	10 909	12 132
Retirement benefit obligations	9	111 021	57 892	40 795
Accumulated leave liability	10	66 012	61 733	55 881
Long service award accrual	12	5 884	5 534	-
<b>Current liabilities</b>				
		75 581	72 855	67 108
Accounts payable and accrued liabilities	11	74 483	71 631	65 020
Current portion of borrowings	8	1 098	1 224	2 088
<b>Total equity and liabilities</b>		<u>2 205 888</u>	<u>1 981 526</u>	<u>1 663 868</u>



**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 31 December 2012

Notes	2012						2011
	Council controlled unrestricted	Specifically funded activities restricted	NMMU Trust restricted	SUB-TOTAL	Student & staff accommodation unrestricted	TOTAL	TOTAL
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>TOTAL INCOME</b>	1 403 83	111 973	30 066	1 545 87	61 177	1 607 050	1 442 450
RECURRENT ITEMS	1 401 94	113 309	22 537	1 537 78	61 177	1 598 965	1 440 542
State appropriations	676 26	-	-	676 26	20	676 287	622 638
Tuition and other fee income	408 71	-	-	408 71	61 112	469 831	425 121
Income from contracts for research	-	75 963	-	75 96	-	75 963	78 426
Sales of goods and services	31 30	2 125	-	33 43	-	33 430	31 298
Private gifts and grants	233 14	32 731	17 788	283 66	45	283 710	228 796
Finance income	52 50	2 490	4 74	59 74	-	59 744	54 263
NON-RECURRENT ITEMS	1 89	(1 336)	7 52	8 08	-	8 085	1 908
(Loss)/profit on disposal of PPE	821	(1 336)	-	(515)	-	(515)	553
Realised profits of investments	71	-	7 52	7 60	-	7 600	2 318
Property revaluation	1 00	-	-	1 00	-	1 000	-
Investment impairment	-	-	-	-	-	-	(963)
<b>TOTAL EXPENDITURE</b>	1 255 01	91 558	7 183	1 353 76	61 874	1 415 634	1 244 266
RECURRENT ITEMS	1 240 47	89 757	7 183	1 337 41	59 245	1 396 659	1 234 076
Personnel	731 60	15 531	-	747 13	8 055	755 191	694 661
Academic professional	357 00	9 231	-	366 23	-	366 233	334 062
Other personnel	369 97	6 300	-	376 27	8 055	384 329	349 213
Accumulated leave accrual	4 27	-	-	4 27	-	4 279	5 852
Long service award accrual	350	-	-	350	-	350	5 534
Other current operating expenses	464 05	51 840	7 183	523 07	48 527	571 604	478 293
Depreciation	44 78	22 386	-	67 17	1 713	68 886	59 957
Finance costs	508 84	74 226	7 183	590 25	50 240	640 490	538 250
NON-RECURRENT ITEMS	28	-	-	28	950	978	1 165
Capital expenditure expensed	14 54	1 801	-	16 34	2 629	18 975	10 190
<b>NET SURPLUS</b>	148 81	20 415	22 883	192 11	(697)	191 416	198 184
<b>OTHER COMPREHENSIVE INCOME</b>							
Retirement healthcare obligation	(26 83)	-	-	(26 839)	-	(26 839)	(8 201)
Provision for pension fund deficit	(26 29)	-	-	(26 290)	-	(26 290)	(8 896)
Revaluation of investments to market value at year end	-	-	31 524	31 52	-	31 524	(4 595)
Realisation of previous investment revaluation	-	-	(6 867)	(6 867)	-	(6 867)	5 639
	(53 12)	-	24 657	(28 472)	-	(28 472)	(16 053)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	95 68	20 415	47 540	163 64	(697)	162 944	182 131

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**CONSOLIDATED STATEMENT OF CHANGES IN FUNDS**  
For the year ended 31 December 2012

Description	General Reserve Fund R'000	Accumulated Fund R'000	Council Unrestricted Funds Subtotal R'000	Contract/Private Funds Restricted Use R'000	NMMU Trust/Restricted Funds Restricted Use R'000	Restricted Use Funds Sub-total R'000	Residence Funds Restricted R'000	Property, Plant and Equipment Fund R'000	Total R'000
<b>Balance at 1 January 2011</b>	336 331	187 410	523 741	81 632	143 845	225 477	17 343	485 818	1 252 379
Net surplus	91 354	40 433	131 787	38 878	18 137	57 015	9 382	-	198 184
Other comprehensive income	(17 097)	504	(16 593)	-	540	540	-	-	(16 053)
Other additions	(16 151)	(2)	(16 153)	(3)	1	(2)	(5)	100 550	84 390
Fund reallocations	-	-	-	5 887	-	5 887	-	-	5 887
Transfers – credit	152 036	189	152 225	-	-	-	3	190 757	342 985
Funds utilised/written off	-	-	-	-	-	-	-	(72 171)	(72 171)
Transfers – debit	(190 946)	(50 159)	(241 105)	(66 231)	(22 706)	(88 937)	(8 583)	(4 360)	(342 985)
<b>Balance at 31 December 2011</b>	<b>355 527</b>	<b>178 375</b>	<b>533 902</b>	<b>60 163</b>	<b>139 817</b>	<b>199 980</b>	<b>18 140</b>	<b>700 594</b>	<b>1 452 616</b>
<b>Balance at 1 January 2012</b>	<b>355 527</b>	<b>178 375</b>	<b>533 902</b>	<b>60 163</b>	<b>139 817</b>	<b>199 980</b>	<b>18 140</b>	<b>700 594</b>	<b>1 452 616</b>
Net surplus	109 420	39 395	148 815	20 415	22 883	43 298	(697)	-	191 416
Other comprehensive income	(53 129)	-	(53 129)	-	24 657	24 657	-	-	(28 472)
Other additions	(95 556)	164	(95 392)	-	-	-	-	177 096	81 704
Transfers – credit	76 252	3 390	79 642	8 744	-	8 744	65	3 542	91 993
Funds utilised/written off	-	-	-	-	-	-	-	(68 886)	(68 886)
Transfers – debit	(42 275)	(9 515)	(51 790)	-	(23 347)	(23 347)	(5 038)	(11 818)	(91 993)
<b>Balance at 31 December 2012</b>	<b>350 239</b>	<b>211 809</b>	<b>562 048</b>	<b>89 322</b>	<b>164 011</b>	<b>253 333</b>	<b>12 470</b>	<b>800 528</b>	<b>1 628 379</b>

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
for the year ended 31 December 2012

	Notes	2012 R'000	2011 R'000
<b>Cash flow from operating activities</b>			
Cash generated by operations	22	175 823	340 718
Interest received	15	54 995	49 542
Net cash inflow from operating activities		<u>230 818</u>	<u>390 260</u>
<b>Cash flow from investing activities</b>			
Interest received	15	2 016	2 298
Dividends received	15	2 733	2 423
Purchase of property, plant and equipment (net of donations in kind)		(182 581)	(263 133)
Increase in short-term investments		(44 000)	(166 000)
Net decrease in investment portfolio at cost		13 844	6 095
Net cash outflow from investing activities		<u>(207 988)</u>	<u>(418 317)</u>
<b>Cash flow from financing activities</b>			
Finance costs		(978)	(1 165)
(Decrease)/increase in interest-bearing borrowings	8	(1 227)	(2 087)
Net cash (outflow)/inflow from financing activities		<u>(2 205)</u>	<u>(3 252)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of year		20 625	(31 309)
		33 846	65 155
Cash and cash equivalents at end of year	5	<u>54 471</u>	<u>33 846</u>

**1. Accounting policies**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies are consistent with those of the previous year, unless otherwise stated.

**1.1 Basis of preparation**

The consolidated financial statements of the Nelson Mandela Metropolitan University (the University) have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner prescribed by the Minister of Education in terms of section 41 of the Higher Education Act 1997 (Act No. 101 of 1997), as amended. The consolidated financial statements have been prepared under the historical cost convention as modified by available-for-sale financial assets, which are carried at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the University's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are valuation of employee benefits, impairment of receivables and valuation of certain available-for-sale investments.

IFRS1, First-time Adoption of International Financial Reporting Standards ('IFRS 1'), has been applied in preparing these consolidated financial statements. These consolidated financial statements are the University's first consolidated financial statements to be prepared in accordance with IFRS.

The policies set out below have been consistently applied to all the years presented. The consolidated financial statements of the University until 31 December 2011 had been prepared in accordance with Generally Accepted Accounting Principles in South Africa ('SA GAAP'). SA GAAP differs in certain respects from IFRS.

When preparing the consolidated financial statements, the Council have not amended any of the accounting or valuation methods applied in the SA GAAP consolidated financial statements as they did not differ from IFRS. As a result, the comparative figures in respect of the consolidated financial statements at 2011 and 1 January 2011 were not restated.

Refer to the exceptions and exemptions set out in note 24 First-time adoption of International Financial Reporting Standards.

*a) Standards and amendments to existing standards that are not yet effective and have not been early adopted by the company*

The following standards and amendments to existing standards have been published and are mandatory for the university's accounting periods beginning on or after 1 January 2013 or later periods. These standards have not been early adopted.

- Amendment to IAS 1 Presentation of financial statements. The amendment changes the disclosure of items presented in other comprehensive income (OCI) in the statement of comprehensive income. The amendment requires entities to separate items presented in OCI into two groups, based on whether or not they may be recycled to profit or loss in the future. Items that will not be recycled such as revaluation gains on property, plant and equipment will be presented separately from items that may be recycled in the future, such as deferred gains and losses on cash flow hedges. The amendment does not address which items should be presented in OCI and the option to present items of OCI either before tax or net of tax has been retained. The amendment is effective for year ends commencing on or after 1 July 2012. As the amendment only impacts presentation aspects, there is no impact on the university's reported profits.

**1. Accounting policies (continued)**

**1.1 Basis of preparation (continued)**

- Amendment to IAS 1 Presentation of financial statements. The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either: as required by IAS 8, 'Accounting policies, changes in accounting estimates and errors'; or voluntarily. The amendment is effective for year ends commencing on or after 1 January 2013. As the amendment only impacts presentation aspects, there is no impact on the University's reported profits.
- Amendment to IAS 32 Financial instruments: presentation. The amendment clarifies the treatment of income tax relating to distributions and transaction costs. The amendment clarifies that the treatment is in accordance with IAS 12. So, income tax related to distributions is recognised in the income statement, and income tax related to the costs of equity transactions is recognised in equity. The amendment is effective for year ends commencing on or after 1 January 2013.
- Amendment to IFRS 7 Financial Instruments – Disclosures – Asset and Liability Offsetting. The IASB has published an amendment to IFRS 7, 'Financial instruments: Disclosures', reflecting the joint requirements with the FASB to enhance current offsetting disclosures. These new disclosures are intended to facilitate comparison between those entities that prepare IFRS financial statements to those that prepare financial statements in accordance with US GAAP. The amendment is effective for year ends commencing on or after 1 January 2013. As the amendment only impacts presentation aspects, there is no impact on the university's reported profits.
- IFRS 9 Financial Instruments. This IFRS is part of the IASB's project to replace IAS 39. IFRS 9 addresses classification and measurement of financial assets and replaces the multiple classification and measurement models in IAS 39 with a single model that has only two classification categories: amortised cost and fair value.

The IASB has also updated IFRS 9 to include guidance on financial liabilities and derecognition of financial instruments. The accounting and presentation for financial liabilities and for derecognising financial instruments has been relocated from IAS 39 without change, except for financial liabilities that are designated at fair value through profit or loss.

The IASB has also published an amendment to IFRS 9, that delays the effective date to annual periods beginning on or after 1 January 2015. The original effective date was for annual periods beginning on or after from 1 January 2013. This amendment is a result of the board extending its timeline for completing the remaining phases of its project to replace IAS 39 (for example, impairment and hedge accounting) beyond June 2011, as well as the delay in the insurance project. The amendment confirms the importance of allowing entities to apply the requirements of all the phases of the project to replace IAS 39 at the same time. The requirement to restate comparatives and the disclosures required on transition have also been modified.

- IFRS 13 Fair value measurement. This standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The new standard is effective from 1 January 2013. The new standard is not expected to have a significant impact on the results of the university.
- Amendment to IAS 12 Income Taxes – Deferred tax accounting for investment property at fair value (effective 1 January 2012);

**1. Accounting policies (continued)**

**1.1 Basis of preparation (continued)**

- Amendments to IFRS 1 First time adoption of International Financial Reporting standards – Applying IFRS 1 more than once in certain circumstances, borrowing costs adoption date and supporting notes for all statements presented (effective 1 January 2013);
- IAS 27 (revised 2011) Separate financial statements (effective 1 January 2013). This standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10. The revised standard is effective for year ends commencing on or after 1 January 2013. Implementation of the revised standard will not have a material impact on the university's reported profits;
- Amendments to IAS 32 Financial Instruments – Presentation (effective 1 January 2014);
- IFRS 10 Consolidated Financial Statements (effective 1 January 2013). This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements. The standard provides additional guidance to assist in determining control where this is difficult to assess. This new standard might impact the entities that a group consolidates as its subsidiaries. The new standard is effective for year ends commencing on or after 1 January 2013. It is not expected that the accounting treatment of existing subsidiaries, associates and joint ventures will change due to this new standard;
- IFRS 12 Disclosure of Interests in Other Entities (effective 1 January 2013). This standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The new standard is effective for year ends commencing on or after 1 January 2013. As the amendment only impacts presentation aspects, there is no impact on the university's reported profits;
- Amendment to IAS 19 Employee Benefits. The amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits, and to the disclosures for all employee benefits. The amendment is effective for year ends commencing on or after 1 January 2013. As the amendment could impact on the university's reported equity in future.

**1.2 Consolidation**

Subsidiaries are all entities (including special purpose entities) over which the University has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. De-facto control may arise in circumstances where the size of the University's voting rights relative to the size and dispersion of holdings of other shareholders give the University the power to govern the financial and operating policies, etc. Subsidiaries are fully consolidated from the date on which control is transferred to the University. They are de-consolidated from the date that control ceases. Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the University.

The financial activities of all units of the University have been included in these financial statements and the activities of the NMMU Trust and Rubious Mountain Properties (Pty) Ltd have been consolidated into these financial statements.

**1. Accounting policies (continued)**

**1.3 Revenue recognition**

Revenue is recognised at the fair values of the consideration received or receivable for goods or services rendered. Revenue is shown net of value-added tax, returns, rebates and discounts. The University recognises

revenue when the amount of income can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the University's activities as described below.

**1.3.1 State appropriations: Subsidy and grant income**

State appropriations and grants for general purposes are recognised as income in the financial year to which the subsidy relates. Appropriations for specific purposes, e.g. capital expenditure, are recognised as deferred income and recognised in income over the depreciable life of the assets capitalised.

**1.3.2 Tuition and accommodation fee income**

Tuition and accommodation fee income is only recognised when the amount can be measured reliably and future economic benefits will flow to the University. Tuition and accommodation fees are recorded as income in the period to which they relate. To the extent that this income may not be realised, provision is made for the estimated irrecoverable amount. Deposits provided by prospective students are treated as current liabilities until the related fees become due to the University.

**1.3.3 Designated income**

Income for designated and specific purposes arises, inter alia, from contracts, grants, donations and specifically purposed endowments. In all instances any such income is recognised as income in the financial period when the University is entitled to use those funds. Funds that will not be used until some specified future period or occurrence are held in an appropriate fund until the financial period in which they can be used. Prior to that time the amount is appropriately grouped in one of the restricted funds comprising aggregate funds. These are treated as "transfers" on the statement of comprehensive income.

**1.3.4 Sales of services**

For sales of services, revenue is recognised in the accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

**1.3.5 Interest income**

Interest is recognised using the effective interest rate method taking account of the principal amount outstanding and the effective interest rate over the period to maturity.

**1.3.6 Dividend income**

Dividends are recognised when the University's right to receive a dividend is established.

**1.3.7 Donations and gifts**

Donations and gifts are recognised on receipt. Donations in kind are recognised at fair value.

**1.3.8 Rental income**

Where the University retains the significant risks and benefits of ownership of an item under a lease agreement, it is classified as an operating lease. Receipts in respect of the operating lease are recognised on a straight-line basis in the statement of comprehensive income over the period of the lease.

**1.3.9 Student deposits**

Deposits provided by prospective students are treated as current liabilities.

**1.4 Research costs**

Research costs are expensed in the period in which they are incurred.

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

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**1. Accounting policies (continued)**

**1.5 Reserve Funds**

**1.5.1. Unrestricted use funds**

The unrestricted operating fund reflects the University's subsidised activities. This includes state appropriations, tuition fees and the sales and services of educational activities. The budget of the University, as approved by Council, finds expression in this fund group. These funds fall under the absolute discretion and control of Council.

**1.5.2. Restricted funds**

These funds may be used only for the purposes that have been specified in legally binding terms by the provider of such funds or by another legally empowered person.

**1.5.3. Property, plant and equipment funds**

The amount in property, plant and equipment funds represents that portion of the University's fixed assets that have been financed from own funds.

**1.6 Foreign currencies**

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of comprehensive income in the year in which they arise. Such balances are translated at year-end exchange rates.

**1.7 Financial Instruments**

Financial instruments carried on the statement of financial position include cash and bank balances, investments, loans and receivables, trade payables and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

The carrying amounts for the following financial instruments approximate their fair value: cash and bank balances, investments, receivables, trade creditors and borrowings.

**1.8 Financial assets**

**1.8.1 Classification**

The University classifies its financial assets in the following categories: loans and receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the University commits to purchase or sell the asset.

**1.8.2 Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments, not quoted in an active market. Loans and receivables are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets. The University's loans and receivables comprise 'Trade and other receivables' (Note 1.15) and cash and cash equivalents (Note 1.16). Loans and receivables are carried at amortised cost using the effective interest rate. Loans and receivables are impaired on the basis set out in 1.8.2 below.



**1. Accounting policies (continued)**

**1.8 Financial assets (continued)**

A provision for impairment of loans and receivables is established when there is objective evidence that the University will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor and default or delinquency in payments are considered indicators that the trade receivable is impaired. An impairment loss is recognised in profit/loss when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate of the instrument. Impairment losses are recognised in an allowance account for credit losses until the impairment can be identified with an individual asset, at which point the allowance is written off against the individual asset. Subsequent recoveries of amounts previously written off are credited to other comprehensive income.

**1.8.3 Available-for-sale financial assets**

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intend to dispose of it within 12 months of the end of the reporting period.

Financial assets classified as available-for-sale are initially recognised at fair value plus transaction costs. Subsequent to initial recognition, available-for-sale financial assets are carried at fair value. The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets is the current bid price as per the Johannesburg Stock Exchange (JSE). If the market value of an investment cannot be determined, the investment is measured using an acceptable valuation method.

Unrealised gains and losses arising from the change in fair value are recognised directly in other comprehensive income until the asset is derecognised or impaired, at which time the cumulative gain or loss included in equity is recognised in the statement of comprehensive income.

The University assesses at each reporting date whether there is objective evidence that a financial asset or group of assets is impaired. A financial asset is impaired if its carrying amount is greater than its estimated recoverable amount. Available-for-sale financial assets will become impaired when a significant or prolonged decline in the fair value of the investments below their cost price or amortised cost is noted. If any objective evidence of impairment exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and current fair value less any impairment loss on the financial asset previously recognised in profit/loss, is removed from equity and recognised in the statement of comprehensive income. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit/loss, the impairment loss is reversed through the statement of comprehensive income.

**1.9 Financial liabilities**

Financial liabilities are recognised when there is an obligation to transfer benefits and that obligation is a contractual liability to deliver cash or another financial asset or to exchange financial instruments with another entity or potentially unfavourable terms. The financial liabilities consists of "Trade and other payables" (Note 1.18) and "Borrowings" (Note 1.17).

**1.10 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

**1. Accounting policies (continued)**

**1.11 Property, plant and equipment**

Land and buildings mainly consist of lecture halls, laboratories, hostels, administrative buildings and sports facilities. All property, plant and equipment is stated at historical cost, less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of an item. Donated property, plant and equipment is recorded at fair value at the date of the donation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the University and the cost of the item can be measured reliably. The carrying amount of the replacement part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost or valued amounts to their residual values over their estimated useful lives. The estimated useful lives are:

Buildings	50 years
Infrastructure	25 to 50 years
Sports facilities	10 years
Furniture and equipment	5 to 10 years
Vehicles	5 to 10 years
Computer equipment	4 to 5 years

Land is not depreciated as it is deemed to have an indefinite life.

Library books and periodicals are written off in the year of acquisition.

Assets which individually cost less than R5 000 are not capitalised, but are expensed in the year of acquisition.

For all significant assets, residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the statement of comprehensive income.

**1.12 Impairment of non-financial assets**

Non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level, for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

**1.13 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

**1. Accounting policies (continued)**

**1.13 Leases (continued)**

**Operating leases – lessor**

Operating lease income is recognised as an income on a straight-line basis over the lease term. The difference between the amounts recognised as an income and the contractual receipts are recognised as an operating lease liability. This liability is not discounted.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

**Operating leases – lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This asset is not discounted.

Any contingent rents are expensed in the period they are incurred.

**1.14 Inventories**

Inventories mainly comprise consumer goods and stationery. Inventories are stated at the lower of cost or net realisable value. Cost is determined on a weighted average basis. The cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

**1.15 Trade receivables (including student debt)**

Trade receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. Financial assets classified as receivables are initially recognised at fair value plus transaction costs. Subsequent to recognition, receivables are carried at amortised cost using the effective interest rate method less provision for impairment. Short-term receivables with no stated interest are measured at the original invoice amount if the effect of discounting is immaterial.

**1.16 Cash and cash equivalents**

For the purposes of the consolidated statement of cash flow, cash and cash equivalents comprise cash in hand, deposits held at call with banks, and investments in money market instruments.

**1.17 Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings, using the effective interest method. Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

**1.18 Trade and other payables**

Trade and other payables are initially recognised at the fair value of the consideration to be paid for goods and services that have been received or supplied and invoiced and subsequently measured at amortised cost using the effective interest method.

Trade and other payables are classified as current liabilities if payment is due within one year or less.

**1.19 Provisions**

Provisions are recognised when the University has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to

**1. Accounting policies (continued)**

**1.19 Provisions (continued)**

settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

**1.20 Employee benefits**

**1.20.1 Accumulated annual leave**

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the financial year end.

**1.20.2 Retirement benefit obligations – pensions**

The University operates a combination of defined contribution and defined benefit plans, as follows:

- National Tertiary Retirement Fund
- NMMU Retirement Fund

The schemes are generally funded through payments to trustee-administered funds, determined by periodic actuarial calculations. A defined contribution plan is a pension plan under which the University pays fixed contributions into a separate entity. The University has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at that date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income immediately in the year in which they arise.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**1. Accounting policies (continued)**

**1.20 Employee benefits (continued)**

**1.20.3 Other post-retirement obligations**

The University provides post-retirement healthcare benefits to retirees. Entitlement to these benefits is usually based on the employee remaining in service up to retirement age and the completion of a minimum service period. This benefit only accrues to employees who joined the University prior to the following dates:

- previous PE Technikon - 1 April 2002
- previous University of Port Elizabeth - 1 April 2001

The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that for defined benefit pension plans. Valuations of these obligations are carried out annually by independent actuaries. All actuarial gains and losses are recognised immediately in the year in which they arise, in other comprehensive income.

**1.20.4 Other employee benefits**

The University provides for other significant employee benefits, for example, long service awards. Management estimates the value of the University's obligations in this regard at each reporting date. These estimates take account of the existing policies and contractual obligations and the likelihood of employees remaining in service to actually receive the benefits.

**1.20.5 Termination benefits**

Termination benefits are payable when employment is terminated by the institution before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The institution recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

**2. Property, plant and equipment**

	<b>Land and buildings R'000</b>	<b>Furniture, equipment and vehicles R'000</b>	<b>Library R'000</b>	<b>Total R'000</b>
<b>Year ended 31 December 2012</b>				
Opening net book amount	654 568	265 234	-	919 802
Additions	159 429	12 518	13 844	185 791
Disposals	(396)	(204)	-	(600)
Depreciation charge	(15 350)	(48 959)	(13 844)	(78 153)
Closing net book value	<u>798 251</u>	<u>228 589</u>	<u>-</u>	<u>1 026 840</u>
<b>At 31 December 2012</b>				
Cost	974 416	422 496	160 710	1 557 622
Accumulated depreciation	(176 165)	(193 907)	(160 710)	(530 782)
Net book value	<u>798 251</u>	<u>228 589</u>	<u>-</u>	<u>1 026 840</u>
<b>Year ended 31 December 2011</b>				
Opening net book amount	581 810	139 269	-	721 079
Additions	84 165	167 316	13 068	264 549
Disposals	(108)	-	-	(108)
Depreciation charge	(11 299)	(41 351)	(13 068)	(65 718)
Closing net book value	<u>654 568</u>	<u>265 234</u>	<u>-</u>	<u>919 802</u>
<b>At 31 December 2011</b>				
Cost	815 513	551 204	146 913	1 513 630
Accumulated depreciation	(160 945)	(285 970)	(146 913)	(593 828)
Net book value	<u>654 568</u>	<u>265 234</u>	<u>-</u>	<u>919 802</u>

Included in the property, plant and equipment as set out above are certain assets funded by grants from the Department of Higher Education and Training. The treatment of these grants is set out in accounting policy note 1.3.1 and note 7 of these financial statements. The impact of the government grant on the annual depreciation charge is as follows:

	<b>2012 R'000</b>	<b>2011 R'000</b>
Total depreciation charge	78 153	65 718
Less: Release from deferred income	(9 267)	(5 761)
Statement of comprehensive income	<u>68 886</u>	<u>59 957</u>

Included in land and buildings above is Capital Work in Progress of R222.2 million (2011: R175.8 million) relating to assets under construction at year end. No depreciation charge has been levied against these assets as they have not yet been brought into use at year end.

Land and buildings include a property owned by its subsidiary company, Rubious Mountain Properties (Pty) Ltd. The property is used for student accommodation. This is the subsidiary's sole asset and has a carrying value in these consolidated annual financial statements of R26.5 million (2011: R25.5 million).

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

<b>3. Investments</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
At fair value:			
Shares – listed	111 328	90 144	90 321
Gilts and bonds	7 625	8 306	10 979
International asset swops	33 724	28 216	24 759
Money market deposits	8 195	14 683	23 505
Cash on call	4 092	5 202	683
	<u>164 964</u>	<u>146 551</u>	<u>150 247</u>
At cost:			
Shares – listed	50 666	46 105	47 206
Gilts and bonds	7 470	8 467	11 233
International asset swops	27 872	27 241	23 813
Money market deposits	8 195	14 683	23 505
Cash on call	4 092	5 202	683
	<u>98 295</u>	<u>101 698</u>	<u>106 440</u>
Movement during the year:			
Opening Balance	146 551	150 247	138 334
Unrealised gain in fair value	28 558	3 682	9 130
Realised gain in fair value	4 687	2 822	3 426
Distributions	(14 832)	(10 200)	(643)
Closing balance	<u>164 964</u>	<u>146 551</u>	<u>150 247</u>

These investments comprise a managed portfolio owned by the NMMU Trust with a fair value of R164 963 557 (2011: R143 708 574; 2010: R147 908 902) and separate listed shares held by the University with a fair value of R nil (2011: R2 842 456; 2010: R2 337 895).

With the exception of the international asset swaps held by the NMMU Trust, all the investments of the University are rand based. The international asset swaps are denominated in US dollars and UK pounds.

IFRS 7 requires disclosure of fair value measurements by level in terms of the following hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (LEVEL 1)
- Inputs for fair value measurements, other than quoted prices, that are observable from the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (LEVEL 2)
- Inputs, for fair value measurements from the asset or liability that are not based on observable market data (that is, unobservable inputs) (LEVEL 3)

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

**3. Investments (continued)**

The following table presents the University's assets that are measured at fair value at 31 December 2012.

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total balance R'000
<b>Assets</b>				
Available-for-sale financial assets				
- Listed shares	111 328	-	-	111 328
- International asset swops	-	33 724	-	33 724
- Gilts and bonds	-	7 625	-	7 625
- Fixed deposits	8 195	-	-	8 195
- Cash on call	4 092	-	-	4 092
<b>Total assets</b>	<u>123 615</u>	<u>41 349</u>	<u>-</u>	<u>164 964</u>

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing services, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the University is the bid price at year-end. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The fair value of investments disclosed under level 2 is determined by portfolio managers based on current market indicators.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

	2012 R'000	2011 R'000	2010 R'000
<b>4. Inventories</b>			
Consumables	2 652	2 543	2 224
Goods for resale	386	296	293
	<u>3 038</u>	<u>2 839</u>	<u>2 517</u>



**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

<b>5. Short-term investments and cash and cash equivalents</b>	<b>2012 R'000</b>	<b>2011 R'000</b>	<b>2010 R'000</b>
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**5.1 Short-term investments**

Short-term investments	888 00	844 00	678 000
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The average effective interest rate on short-term bank deposits was 5.65% (2011: 5.85%; 2010: 6.95%).

The cash and cash equivalents of the University are spread amongst the 5 of the 'A' rated banks in South Africa. The credit quality of these institutions in terms of the Moody rating scale is as follows:

A1	356 000	462 000	263 000
Aa2	532 000	382 000	263 000
A3	-	-	152 000
	<u>888 000</u>	<u>844 000</u>	<u>678 000</u>

Short term deposits, to the value of R41.6 million, are ceded in connection with a payment guarantee issued to NMC (Pty) Ltd, the construction contractor for the new engineering building.

**5.2 Cash at bank and in hand**

Cash at bank and in hand	54 471	33 846	65 155
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For the purposes of the cash flow statement, the year-end cash and cash equivalents comprise the following:

	<b>2012 R'000</b>	<b>2011 R'000</b>	<b>2010 R'000</b>
Cash and bank balances	54 471	33 846	65 155

**6. Trade and other receivables**

	<b>2012 R'000</b>	<b>2011 R'000</b>	<b>2010 R'000</b>
Student debtors	21 811	18 111	13 169
Less: Provisions	(13 548)	(11 756)	(11 310)
	<u>8 263</u>	<u>6 355</u>	<u>1 859</u>
External debtors	38 151	12 488	14 431
Interest receivable	6 999	10 165	11 293
Other receivables	15 162	5 480	19 287
	<u>68 575</u>	<u>34 488</u>	<u>46 870</u>

Overdue student debts bear interest at market related rates.

The University's historical experience in collection of these receivables falls within the recorded allowances. University management believes that there is no additional credit risk beyond amounts provided for collection losses inherent in these balances.

*Student debtors*

Student debtors are deemed impaired and credit losses are provided for if the students do not register for the next academic year and did not successfully complete their degrees. Students are generally not allowed to register for the next academic year if they still have outstanding debt. Student debt in respect of students

who have completed their degrees is not considered to be impaired based on historical evidence that they settle their debt in full in order to secure their degrees.

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

**6. Trade and other receivables (continued)**

Credit quality of student debtors is managed by the University with reference to the last year of registration of the particular student. The impairment provision is based on the University's experience in collection of student debt according to the period outstanding since last registration of the student.

The total amount of debit balances relating to student debtors at 31 December 2012 is R41.433 million (2011: R37.867 million; 2010: R32.045 million). Student debtors amounting to R17.546 million (2011: R17.482 million; 2010: R14.244 million) of the debit balances outstanding at year-end is considered to be fully performing. The balance of R23.887 million (2011: R20.385 million; 2010: R17.801 million) is considered to be impaired and, accordingly, a provision of R13.548 million (2011: R11.756 million; 2010: R11.310 million) has been raised.

The movement in the impairment provision was as follows:

	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Opening balance at 1 January	11 756	11 310	9 406
Additional impairment	5 112	3 105	4 094
Receivables written off during the year	<u>(3 320)</u>	<u>(2 659)</u>	<u>(2 190)</u>
Closing balance at 31 December	<u><u>13 548</u></u>	<u><u>11 756</u></u>	<u><u>11 310</u></u>

The movement in the impairment provision has been included in other current operating expenses in the statement of comprehensive income. Student receivables are written off when there is no expectation of recovery.

Overdue student debts bear interest at market related rates.

*External debtors and other receivables*

External debtors and other receivables consist of third parties and reputable institutions from whom monies are due for various grants, projects and auxiliary activities of the University in accordance with relevant agreements. These debtors have a limited history of default. Credit losses have been provided for based on an individual evaluation of particular balances.

The movement in the impairment provision relating to these receivables was as follows:

	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Opening balance at 1 January	3 118	1 099	1 267
(Reduced)/Additional impairment	(1 443)	3 090	359
Receivables written off during the year	<u>(65)</u>	<u>(1 071)</u>	<u>(527)</u>
Closing balance at 31 December	<u><u>1 610</u></u>	<u><u>3 118</u></u>	<u><u>1 099</u></u>

The movement in the impairment provision has been included in other current operating expenses in the statement of comprehensive income. External debtors and other receivables are written off when there is no expectation of recovery.

The fair value of external debtors and other receivables approximates cost.

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>7. Deferred income</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
As at 1 January	319 987	235 573	203 394
Net increase in deferred income	(10 784)	84 414	32 179
Government grants received	-	91 600	39 900
Realised in comprehensive income	(1 517)	(1 423)	(1 165)
Release relating to depreciation	(9 267)	(5 761)	(6 556)
As at 31 December	<u>309 203</u>	<u>319 987</u>	<u>235 573</u>

Deferred income represents the building and infrastructure upgrade funding received from the Department of Higher Education and Training. Funds received for capital projects are held in deferred income. These funds are recognised as income over the depreciable life of the assets capitalised. This release is offset against the depreciation charge relevant to these assets. Where funds have been utilised to defray related expenses which do not qualify for capitalisation, income is recognised as the expenditure is incurred. In terms of the conditions attaching to these Government Grants, unspent amounts are not refundable.

As at 31 December the deferred income balance can be analysed further as follows:

	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Capital project spending	313 731	281 527	212 655
Transfer/offset against depreciation	(21 585)	(12 318)	(6 556)
	<u>292 146</u>	<u>269 209</u>	<u>206 099</u>
Unspent grant funds	17 057	50 778	29 474
	<u>309 203</u>	<u>319 987</u>	<u>235 573</u>

	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>8. Interest-bearing borrowings</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Current portion of long-term loans</b>			
Bank borrowings	1 033	1 142	2 000
Government loans	65	82	88
	<u>1 098</u>	<u>1 224</u>	<u>2 088</u>
<b>Non-current</b>			
Bank borrowings	3 771	4 802	3 855
Rubious Mountain: Minority shareholder's loan	5 827	5 827	5 827
Government loans	210	280	362
	<u>9 808</u>	<u>10 909</u>	<u>12 132</u>
Total borrowings	<u>10 906</u>	<u>12 133</u>	<u>14 220</u>
Total borrowings:			
- at fixed rates	10 906	12 133	14 220
- at floating rates	-	-	-
	<u>10 906</u>	<u>12 133</u>	<u>14 220</u>
Interest rates:			
- bank borrowings	9.83%	9.32%	9.87%
Maturity of interest-bearing borrowings (excluding finance lease liabilities):			
Between 1 and 2 years	8 134	8 149	9 139
Between 2 and 5 years	2 661	3 861	3 568
Over 5 years	111	123	1 513
	<u>10 906</u>	<u>12 133</u>	<u>14 220</u>

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>9. Retirement benefit obligations</b>			
Post-retirement medical benefits	56 986	30 147	21 946
Present value of medical benefit liability	338 753	281 768	252 319
Fair value of plan asset	(281 767)	(251 621)	230 373)
Pension scheme liabilities	54 035	27 745	18 849
	<u>111 021</u>	<u>57 892</u>	<u>40 795</u>

**9.1 Post-retirement medical benefits**

The University provides post-retirement medical benefits to certain qualifying employees in the form of continued medical aid fund contributions. Prior to 2009 this obligation was unfunded. In 2009 Council approved the allocation of R217 400 000 to be invested in an insurance policy, to fund this obligation. The investment is specifically designated to fund the post-retirement medical benefit obligations. The defined benefit liability and asset in respect of this obligation are valued by independent actuaries annually with the latest valuation performed at 31 December 2012.

	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Present value of medical benefit obligations	<u>338 753</u>	<u>281 768</u>	<u>252 319</u>
Movement in the liability recognised in the statement of financial position:			
Contractual liability as at the beginning of the year	281 768	252 319	217 527
Movement liability debited/(credited) to statement of comprehensive income	56 985	29 449	34 792
Service cost	7 591	6 912	6 021
Interest cost	23 512	20 227	19 801
Benefit payments	(10 550)	(9 499)	(9 224)
Actuarial loss	36 432	11 809	18 194
Contractual liability as at year end	338 753	281 768	252 319
Fair value of plan asset	281 767	251 621	230 373
Plan asset as at year end	251 621	230 373	217 568
Movement in asset credited to statement of comprehensive income	30 146	21 248	12 805
Expected return on plan asset	22 647	20 500	20 871
Contributions paid – pensioners	(10 550)	(9 499)	(9 224)
Actuarial gain	11 137	4 226	1 158
Contributions received	6 912	6 021	-
Plan asset as at year end	<u>281 767</u>	<u>251 621</u>	<u>230 373</u>

NELSON MANDELA METROPOLITAN UNIVERSITY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)

9. Retirement benefit obligations (continued)	2012 R'000	2011 R'000	2010 R'000
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**9.1 Post-retirement medical benefits (continued)**

*Membership data*

Active members (in service)	624	659	716
Continuation members	398	379	356

*In estimating the liability for post-employment medical care, the following assumptions are made:*

Discount rate	7.77%	8.48%	8.17%
Health care cost inflation	7.38%	7.29%	6.84%
Net discount rate	0.36%	1.10%	1.24%
Continuation of membership	95%	95%	95%
Expected return on assets	7.77%	8.98%	8.67%

*The effects of a 1% movement in the assumed medical cost trend rate were as follows:*

	1% Increase R'000	1% Decrease R'000
Effect on the aggregate of the current service cost and the interest cost	2 578	3 895
Effect on the defined benefit obligation	11 100	36 309

*Mortality rate:*

The standard mortality tables used to perform the valuations for both 2012 and 2011 were SA 85-90 ultimate (pre-retirement) and PA 90-1 ultimate, adjusted down by one year of age (post-employment).

Expected contributions to be paid for the year ended 31 December 2013 are R12.1 million (2012: R10.6 million; 2011: R9.5 million)

**9.2 Pension schemes**

	NMMU Pension Fund R'000	National Tertiary Retirement Fund R'000	2012 R'000	2011 R'000	2010 R'000
Balance at end of the year					
Present value of funded and unfunded obligations	(686 495)	(519 200)	(1 205 695)	(1 057 871)	(1 009 124)
Fair value of plan assets	709 577	465 165	1 174 742	1 067 548	1 021 363
Funded status	23 082	(54 035)	(30 953)	9 677	12 239
Surplus not recognised	(23 082)	-	(23 082)	(37 422)	(31 088)
Liability at reporting date	-	(54 035)	(54 035)	(27 745)	(18 849)

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>9. Retirement benefit obligations (continued)</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>9.2 Pension schemes (continued)</b>			
<i>Movement in defined benefit obligation</i>			
Beginning of the year	1 057 872	1 009 124	921 657
Current service cost	78 994	65 718	58 075
Interest cost	90 515	82 992	86 302
Member contributions	3 327	3 277	3 020
Actuarial gain	(488)	(80 666)	(39 028)
Benefits paid	(14 013)	(13 376)	(12 641)
Risk premium	(10 511)	(9 197)	(8 261)
End of the year	<u>1 205 696</u>	<u>1 057 872</u>	<u>1 009 124</u>
<i>Movement in fair value of plan assets</i>			
Balance at 1 January 2011	1 067 549	1 021 363	947 854
Expected return on assets	98 157	90 369	104 347
Employer and employee contributions	70 699	64 478	57 552
Benefits paid	(14 013)	(13 376)	(12 641)
Risk premium	(10 511)	(9 197)	(8 261)
Actuarial loss	(37 138)	(86 088)	(67 488)
End of the year	<u>1 174 743</u>	<u>1 067 549</u>	<u>1 021 363</u>
<i>The amount recognised in the statement of comprehensive income</i>			
Current service costs	78 994	65 718	58 075
Interest costs	90 515	82 992	86 302
Expected return on plan assets	(98 157)	(90 369)	(104 347)
Net actuarial loss	36 650	5 422	28 460
Contributions	(67 372)	(61 201)	(54 532)
	<u>40 630</u>	<u>2 562</u>	<u>13 958</u>
Net increase included in unrecognised surplus	<u>(14 340)</u>	<u>6 334</u>	<u>4 891</u>
	<u>26 290</u>	<u>8 896</u>	<u>18 849</u>

The surplus on the NMMU Pension Fund (i.e. asset recognised on the statement of financial position) is restricted to zero because of the limit imposed by Paragraph 58 of IAS 19. This is due to the fund's rules which presently do not allow the employer to access the disclosed surplus.

*The principal assumptions used for accounting purposes were as follows:*

	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<b>Both Funds</b>	<b>Both Funds</b>	<b>Both Funds</b>
General inflation rate	6.13%	5.56%	5.06%
Discount rate	7.77%	8.50%	8.17%
Expected return on investment	7.77%	9.00%	8.67%
Salary inflation	7.63%	7.06%	6.56%
Effective net discount rate after retirement	6.00%	6.00%	6.00%

**9. Retirement benefit obligations (continued)**

**9.2 Pension schemes (continued)**

*Mortality rate:*

The standard mortality tables utilised to perform the valuation for 2011 and 2012 were SA 85-90 for employees during their employment and PA 90-1 post-employment.

<i>3 year summary as at 31 December</i>	<b>2012</b> R	<b>2011</b> R	<b>2010</b> R
Fair value of plan assets	1 174 742	1 067 548	1 021 363
Present value of defined benefit obligation	(1 205 695)	(1 057 871)	(1 009 124)
Surplus	(30 953)	9 677	12 239
Experience adjustment (loss)/gain on plan assets	(37 138)	(86 088)	(67 488)
Experience adjustment gain/(loss) on plan liabilities	488	80 666	39 028

Expected contributions to the defined benefit pension fund for the year ended 31 December 2013 are R94.5 million (2012: R83.5 million; 2011: R69.6 million).

<b>10. Accumulated leave liability</b>	<b>2012</b> R'000	<b>2011</b> R'000	<b>2010</b> R'000
Opening balance	61 733	55 881	47 929
Additional provisions	5 576	8 840	10 211
Utilised during year	(1 297)	(2 988)	(2 259)
Total accumulated leave liability	<u>66 012</u>	<u>61 733</u>	<u>55 811</u>
Current portion of liability	1 804	580	1 366
Non-current portion of liability	64 208	61 153	54 445
Total accumulated leave liability	<u>66 012</u>	<u>61 733</u>	<u>55 811</u>

Employee entitlements to accumulated leave are recognised when they accrue to employees.

At the reporting date a provision is made for the estimated liability for accumulated leave up to a maximum of 30 days per employee as a result of services rendered. Accumulated leave in excess of 30 days is forfeited if it is not utilised before year end.

<b>11. Accounts payable and accrued liabilities</b>	<b>2012</b> R'000	<b>2011</b> R'000	<b>2010</b> R'000
Student deposits and advance payments	18 562	17 764	15 118
Trade creditors	23 049	27 477	16 429
Accruals	2 825	4 091	3 492
Payroll related accruals	18 523	17 656	15 514
Other payables	11 524	4 643	14 467
	<u>74 483</u>	<u>71 631</u>	<u>65 020</u>

The fair value of trade and other payables approximates the carrying amounts as the majority of trade and other payables are non-interest bearing and are normally settled within agreed terms with creditors.

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>12. Long service award accrual</b>			
Current portion of accrual	954	1 061	-
Non-current portion of accrual	4 930	4 473	-
Total long service award accrual	<u>5 884</u>	<u>5 534</u>	<u>-</u>
	<b>2012</b>	<b>2011</b>	
	<b>R'000</b>	<b>R'000</b>	
<b>13. State appropriations</b>			
Subsidy – operations	654 219	611 774	
Subsidy – interest and redemption	278	1 170	
Subsidy – foundation programme and ad hoc grants	20 273	8 271	
Specific grant – upgrading of facilities	-	91 600	
Total State appropriations received	<u>674 770</u>	<u>712 815</u>	
Grants transferred to deferred income (note 7)	1 517	(90 177)	
Recognised in income	<u>676 287</u>	<u>622 638</u>	
	<b>2012</b>	<b>2011</b>	
	<b>R'000</b>	<b>R'000</b>	
<b>14. Private gifts and grants</b>			
Received in cash	280 500	227 380	
Received in kind	3 210	1 416	
	<u>283 710</u>	<u>228 796</u>	
Private gifts and grants received in kind represent assets and services received by the University for no consideration. These donations in kind are recognised at fair value when received as set out in accounting policy 1.3.7.			
	<b>2012</b>	<b>2011</b>	
	<b>R'000</b>	<b>R'000</b>	
<b>15. Finance income</b>			
Interest received			
Interest income on short-term bank deposits	54 995	49 542	
Interest income on available-for-sale financial assets	2 016	2 298	
Dividends received	2 733	2 423	
Total interest and dividends	<u>59 744</u>	<u>54 263</u>	
	<b>2012</b>	<b>2011</b>	
	<b>R'000</b>	<b>R'000</b>	
<b>16. Personnel costs</b>			
Academic professional	366 233	334 062	
Other personnel	384 329	349 213	
Leave pay accrual	4 279	5 852	
Long service award accrual	350	5 534	
	<u>755 191</u>	<u>694 661</u>	
Provision for post-retirement medical costs	26 839	8 201	
Provision for pension fund deficit	26 290	8 896	
	<u>808 320</u>	<u>711 758</u>	



**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

	<b>2012</b>	<b>2011</b>
	<b>R'000</b>	<b>R'000</b>
<b>16. Personnel costs (continued)</b>		
Average number of persons employed by the University during the year		
	<b>2012</b>	<b>2011</b>
Full time	1 581	1 564
Part time	889	557
	<u>2 470</u>	<u>2 121</u>
	<b>2012</b>	<b>2011</b>
	<b>R'000</b>	<b>R'000</b>
<b>17. Other operating expenses</b>		
The following items have been charged in arriving at operating profit:		
Supplies and services	462 653	365 353
Audit fees	1 135	1 129
Statutory audit	785	785
Other services	350	344
Cost of services outsourced	43 759	44 162
Fixed property cost – rental	1 234	1 211
Bursaries	62 823	66 438
	<u>571 604</u>	<u>478 293</u>

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

**18. Remuneration**

Payments for attendance at meetings of the Council and its Sub-Committees

<b>Committee</b>	<b>Number of members</b>
Chair of Council	1
Chairs of Committees	6
Members of Council	29

Attendance fees and reimbursed expenses paid to Council and Committee Members amounted to R31 020 (2011 : R24 860) and R197 540 (2011 : R151 579) respectively.

**19. Financial instruments by category**

The financial assets and liabilities of the University are classified as follows:

	<b>Category</b>	<b>2012 R'000</b>	<b>2011 R'000</b>	<b>2010 R'000</b>
<b>Assets</b>				
Non-current investments	Available for sale	164 964	146 551	150 247
Receivables and prepayments	Loans and receivables	68 575	34 488	46 870
Cash and cash equivalents	Loans and receivables	942 471	877 846	743 155
		<u>1 176 010</u>	<u>1 058 885</u>	<u>940 272</u>
<b>Liabilities</b>				
Interest-bearing borrowings	Other financial liabilities	10 906	12 133	14 220
Accounts payable and accrued liabilities	Other financial liabilities	55 960	53 975	49 506
		<u>66 866</u>	<u>66 108</u>	<u>63 726</u>

The appropriate accounting policies for these financial instruments have been applied according to the categories set out above.

The fair values of the financial instruments are approximately equal to their carrying values.

**20. Financial risk management**

**Financial risk factors**

The University's activities expose it to a variety of financial risks : market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. The University's overall risk management processes focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the University's financial performance.

The University's formal risk management policies and procedures are set out in the Report on Risk Exposure Assessment and Management which is prepared annually by the Vice-Chancellor and Chief Executive Officer and the Chairperson of the Audit and Risk Committee, for inclusion in the Annual Report to the Minister of Education.

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

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**20. Financial risk management (continued)**

Day to day risk management is the responsibility of all the management and staff of the University and is achieved through compliance with the documented policies and procedures of the University. All such policies and procedures are approved by Council or an appropriately mandated sub-committee of Council.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises from transactions which are denominated in a currency which is not the University's functional currency. The University has no significant foreign exchange exposure and therefore no formal policy is in place to manage foreign currency risk.

The only area where the University is exposed to foreign exchange risk at the reporting date is in respect of the non-current investments held by the NMMU Trust which include international asset swaps which are exposed to the US dollar and UK pound. The impact of a 5% increase/decrease in exchange rates with all other variables held constant on the valuation of the international asset swaps at reporting date would be R1.7 million (2011: R1.4 million; 2010: R1.2 million) higher/lower.

(ii) Price risk

The University is exposed to equity securities price risk because of investments held by the University and classified as available-for-sale investments. The University is not exposed to commodity price risk. To manage its price risk arising from investments in equity shares, the University diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Board of Trustees of the Nelson Mandela Metropolitan University Trust.

At 31 December 2012, if the FTSW/JSW CPI index increased/decreased by 10% with all other variables held constant and all the University's equity instruments moved according to the historical correlation with the index, the market value of the listed equities would have been R11 million (2011: R9 million; 2010: R9 million) higher/lower. Due to the unpredictability of equity market returns, a general indicative percentage of 10% is used to highlight the changes in market value on equity investments.

(iii) Interest rate risk

The University is exposed to interest rate risk due to financial assets bearing variable interest rates. Interest rate risk is managed by ensuring that that University's assets are invested in accounts which earn the best possible interest rates.

The impact of a 1% increase/decrease in the interest rate with all other variables held constant on the comprehensive income of the University would be R9.7 million (2011: R8.5 million; 2010: R7.7 million) increase/decrease.

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

**20. Financial risk management (continued)**

**Financial risk factors (continued)**

(b) Credit risk

Potential concentrations of credit risk consist mainly of short term cash, cash equivalent investments, trade receivables and other receivables. The University places cash and cash equivalents with reputable financial institutions.

Receivables comprise outstanding student fees, student loans and a number of customers, dispersed across different industries and geographical areas. The University is exposed to credit risk arising from student receivables relating to outstanding fees. This risk is mitigated by requiring students to pay an initial instalment in respect of tuition and accommodation fees at or prior to registration, the regular monitoring of outstanding fees and the institution of debt collection action in cases of long outstanding amounts. In addition, students with outstanding balances from previous years of study are only permitted to renew their registration after either the settling of the outstanding amount or the conclusion of a formal payment arrangement. The University no longer provides loan funding to students. The student loans outstanding at year-end have been appropriately assessed.

Where considered appropriate, credit evaluations are performed on the financial condition of customers other than students.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability through an adequate amount of committed credit facilities and the ability to close out market positions. Council, through the Finance Committee, and management of the University monitor the University's liquidity on an ongoing basis, and excess cash is invested in accordance with the Investment Policy of the University.

The table below analyses the University's financial liabilities into relevant maturity groupings based on the remaining period at the statement of reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	<b>Within 1 year</b>	<b>Between 1 and 5 years</b>	<b>Later than 5 years</b>
	<b>R</b>	<b>R</b>	<b>R</b>
<b>At 31 December 2012</b>			
Interest-bearing borrowings	8 134	2 661	111
Accounts payable and accrued liabilities	55 960	-	-
	<u>64 094</u>	<u>2 661</u>	<u>111</u>
<b>At 31 December 2011</b>			
Interest-bearing borrowings	8 149	3 861	123
Accounts payable and accrued liabilities	53 975	-	-
	<u>62 124</u>	<u>3 861</u>	<u>123</u>
<b>At 31 December 2010</b>			
Interest-bearing borrowings	9 139	3 568	1 513
Accounts payable and accrued liabilities	49 506	-	-
	<u>58 645</u>	<u>3 568</u>	<u>1 513</u>

**NELSON MANDELA METROPOLITAN UNIVERSITY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 December 2012 (continued)**

**20. Financial risk management (continued)**

**Financial risk factors (continued)**

(d) Capital risk management

The University's objectives when managing capital are to safeguard the ability of the University to continue as a going concern and meet its stated objectives. These objectives are met through careful consideration by the Council.

	<b>2012</b>	<b>2011</b>
	<b>R'000</b>	<b>R'000</b>
<b>21. Capital Commitments</b>		
Capital expenditure in respect of building maintenance and upgrades (including IOP/infrastructure projects) contracted for at reporting date	<u>244 717</u>	<u>87 968</u>

Council, the EXCO of Council and the Finance and Facilities Committee of Council have approved further capital development projects to the value of R63.9 million (2011: R269 million) which had not yet been contracted for at year end.

All existing capital development plans will be funded from the cash resources of the University, designated grants from the Department of Higher Education and Training and external loans (approved by the Minister).

	<b>2012</b>	<b>2011</b>
	<b>R'000</b>	<b>R'000</b>
<b>22. Cash generated from operations</b>		
Reconciliation of net surplus to cash generated from operations:		
Net surplus before transfers	191 416	198 184
Adjusted for:		
(Decrease)/increase in deferred income	(10 784)	84 414
Donations in kind	(3 210)	(1 416)
Depreciation	78 153	65 718
Disposal of fixed assets	600	108
Investment impairment	-	963
Interest received	(57 011)	(51 840)
Dividends received	(2 733)	(2 423)
Finance costs	978	1 165
Profit on sale of investments	(7 600)	(2 318)
Additions to property, plant and equipment	12 819	18 106
Employee benefit liability adjustments		
- increase in accumulated leave liability	5 576	8 840
- leave payments	(1 297)	(2 988)
- increase in long service award accrual	350	5 534
Working capital changes		
- (increase)/decrease in inventories	(199)	(322)
- (increase)/decrease in receivables and prepayments	(34 087)	12 382
- increase in accounts payable and accrued liabilities	2 852	6 611
Cash generated by operations	<u>175 823</u>	<u>340 718</u>

**23. Events after reporting period.**

The University's Council is not aware of any matter or circumstances arising since the end of the financial year, which requires adjustment or disclosure in these consolidated financial statements.

**24. First-time adoption of International Financial Reporting Standards**

IFRS 1 requires full retrospective application of IFRS. However, the standard allows for exceptions and exemptions from full retrospective application of IFRS. The mandatory exceptions from full retrospective application of IFRS are not applicable, other than the estimates exception in respect of which no adjustments were made. The conversion of the financial results of the University from SA GAAP to IFRS did not result in any adjustments to the University's previous reported financial position, financial performance or cash flows. As such no reconciliations are presented.

***Transition elections***

The University has applied the following transition exemptions to full retrospective application of IFRS:

a) Employee benefits – comparative period disclosures

The University elected to disclose pension balances and experience adjustments, as set out in the *3 year summary as at 31 December* included in note 9.2, only from the date of transition to IFRS, in accordance with the transitional exemptions of IFRS.

b) Capitalisation of borrowing costs

In accordance with IFRS transitional provisions, the University elected to apply IFRS relating to capitalisation of borrowing costs from 1 January 2010. As such, previous GAAP balances relating to property, plant and equipment before that date, have been carried forward without adjustment.

***Adjustments to the statements of cash flows***

The transition from SA GAAP to IFRS had no significant impact on cash flows generated by the University.

**APPENDIX 1: Composition of Student Body  
PROFILE OF REGISTERED STUDENTS 2011 AND 2012  
HEADCOUNT CONTACT SUBSIDY STUDENTS**

**Table 1a: Gender, Faculty and Academic level - Contact Subsidy Students (Subsidy Type A)**

		UNDERGRADUATE				POSTGRADUATE		TOTAL	
		2011		2012		2011	2012	2011	2012
		First Time UG Student	All UG Students	First Time UG Student	All UG Students	All PG Students	All PG Students		
ARTS	MALE	373	1170	370	1152	330	284	1500	1436
	FEMALE	566	1893	602	1876	256	293	2149	2169
	All Genders	939	3063	972	3028	586	577	3649	3605
BUSINESS AND ECONOMIC SCIENCES	MALE	855	3142	836	3217	607	698	3749	3915
	FEMALE	981	4010	976	4045	514	605	4524	4650
	All Genders	1836	7152	1812	7262	1121	1303	8273	8565
EDUCATION	MALE	78	449	78	473	121	122	570	595
	FEMALE	236	1233	233	1313	212	191	1445	1504
	All Genders	314	1682	311	1786	333	313	2015	2099
ENGINEERING, BUILT ENVIRON & IT	MALE	727	2949	612	2941	179	176	3128	3117
	FEMALE	218	977	166	921	56	71	1033	992
	All Genders	945	3926	778	3862	235	247	4161	4109
GEORGE CAMPUS	MALE	206	676	184	666	8	13	684	679
	FEMALE	122	430	136	445	3	5	433	450
	All Genders	328	1106	320	1111	11	18	1117	1129
HEALTH SCIENCES	MALE	168	604	155	646	88	99	692	745
	FEMALE	378	1536	328	1598	339	337	1875	1935
	All Genders	546	2140	483	2244	427	436	2567	2680
LAW	MALE	74	395	92	421	86	115	481	536
	FEMALE	84	460	93	478	60	56	520	534
	All Genders	158	855	185	899	146	171	1001	1070
SCIENCE	MALE	195	663	185	666	183	201	846	867
	FEMALE	174	595	161	606	164	141	759	747
	All Genders	369	1258	346	1272	347	342	1605	1614
ALL FACULTIES	MALE	2676	10048	2512	10182	1602	1708	11650	11890
	FEMALE	2759	11134	2695	11282	1604	1699	12738	12981
	TOTAL	5435	21182	5207	21464	3206	3407	24388	24871

**PROFILE OF REGISTERED STUDENTS 2011 AND 2012  
HEADCOUNT DISTANCE SUBSIDY STUDENTS**

**Table 1a: Gender, Faculty and Academic level - Distance Subsidy Students (Subsidy Type B)**

		UNDERGRADUATE				POSTGRADUATE		TOTAL	
		2011		2012		2011	2012	2011	2012
		First Time UG Student	All UG Students	First Time UG Student	All UG Students	All PG Students	All PG Students		
BUSINESS AND ECONOMIC SCIENCES	MALE	0	0	0	0	4	5	4	5
	FEMALE	0	0	0	0	0	0	0	0
	All Genders	0	0	0	0	4	5	4	5
EDUCATION	MALE	52	256	1	100	97	111	353	211
	FEMALE	392	1138	90	966	167	181	1305	1147
	All Genders	444	1394	91	1066	264	292	1658	1358
SCIENCE	MALE	59	116	37	151	0	0	116	151
	FEMALE	68	132	67	249	0	0	132	249
	All Genders	127	248	104	400	0	0	248	400
ALL FACULTIES	MALE	111	372	38	251	101	116	473	367
	FEMALE	460	1270	157	1215	167	181	1437	1396
	TOTAL	571	1642	195	1466	268	297	1910	1763



**PROFILE OF REGISTERED STUDENTS 2011 AND 2012**

**HEADCOUNT NON-SUBSIDY STUDENTS**

**Table 1a: Gender, Faculty and Academic level - Non-Subsidy Students (Subsidy Type C)**

		UNDERGRADUATE				POSTGRADUATE		TOTAL	
		2011		2012		2011	2012	2011	2012
		First Time UG Student	All UG Students	First Time UG Student	All UG Students	All PG Students	All PG Students		
BUSINESS AND ECONOMIC SCIENCES	MALE	0	0	0	2	0	0	0	2
	FEMALE	0	1	0	3	0	0	1	3
	All Genders	0	1	0	5	0	0	1	5
ENGINEERING, BUILT ENVIRON & IT	MALE	15	16	0	0	0	0	16	0
	FEMALE	6	6	1	1	0	0	6	1
	All Genders	21	22	1	1	0	0	22	1
ALL FACULTIES	MALE	15	16	0	2	0	0	16	2
	FEMALE	6	7	1	4	0	0	7	4
	TOTAL	21	23	1	6	0	0	23	6

**PROFILE OF REGISTERED STUDENTS 2011 AND 2012**

**HEADCOUNT ALL STUDENTS**

**Table 1a: Gender, Faculty and Academic level - Contact,Distance & Non Subsidy Students (Subsidy Type A,B,C)**

		UNDERGRADUATE				POSTGRADUATE		TOTAL	
		2011		2012		2011	2012	2011	2012
		First Time UG Student	All UG Students	First Time UG Student	All UG Students	All PG Students	All PG Students		
ARTS	MALE	373	1170	370	1152	330	284	1500	1436
	FEMALE	566	1893	602	1876	256	293	2149	2169
	All Genders	939	3063	972	3028	586	577	3649	3605
BUSINESS AND ECONOMIC SCIENCES	MALE	855	3142	836	3219	611	703	3753	3922
	FEMALE	981	4011	976	4048	514	605	4525	4653
	All Genders	1836	7153	1812	7267	1125	1308	8278	8575
EDUCATION	MALE	130	705	79	573	218	233	923	806
	FEMALE	628	2371	323	2279	379	372	2750	2651
	All Genders	758	3076	402	2852	597	605	3673	3457
ENGINEERING, BUILT ENVIRON & IT	MALE	742	2965	612	2941	179	176	3144	3117
	FEMALE	224	983	167	922	56	71	1039	993
	All Genders	966	3948	779	3863	235	247	4183	4110
GEORGE CAMPUS	MALE	206	676	184	666	8	13	684	679
	FEMALE	122	430	136	445	3	5	433	450
	All Genders	328	1106	320	1111	11	18	1117	1129
HEALTH SCIENCES	MALE	168	604	155	646	88	99	692	745
	FEMALE	378	1536	328	1598	339	337	1875	1935
	All Genders	546	2140	483	2244	427	436	2567	2680
LAW	MALE	74	395	92	421	86	115	481	536
	FEMALE	84	460	93	478	60	56	520	534
	All Genders	158	855	185	899	146	171	1001	1070
SCIENCE	MALE	254	779	222	817	183	201	962	1018
	FEMALE	242	727	228	855	164	141	891	996
	All Genders	496	1506	450	1672	347	342	1853	2014
ALL FACULTIES	MALE	2802	10436	2550	10435	1703	1824	12139	12259
	FEMALE	3225	12411	2853	12501	1771	1880	14182	14381
	TOTAL	6027	22847	5403	22936	3474	3704	26321	26640

**PROFILE OF REGISTERED STUDENTS 2011 AND 2012**

**HEADCOUNT CONTACT SUBSIDY STUDENTS**

**Table 1b: Race, Faculty and Academic level - Contact Subsidy Students (Subsidy Type A)**

		UNDERGRADUATE				POSTGRADUATE		TOTAL	
		2011		2012		2011	2012	2011	2012
		First Time UG Student	All UG Students	First Time UG Student	All UG Students	All PG Students	All PG Students		
ARTS	AFRICAN	454	1547	432	1519	325	330	1872	1849
	COLOURED	90	351	120	371	42	46	393	417
	INDIAN	5	41	3	33	9	8	50	41
	UNKNOWN	0	3	1	3	0	0	3	3
	WHITE	390	1121	416	1102	210	193	1331	1295
	TOTAL	939	3063	972	3028	586	577	3649	3605
BUSINESS AND ECONOMIC SCIENCES	AFRICAN	1224	4892	1289	5085	666	830	5558	5915
	COLOURED	262	1061	210	1028	138	135	1199	1163
	INDIAN	20	95	18	103	35	34	130	137
	UNKNOWN	3	5	1	2	0	0	5	2
	WHITE	327	1099	294	1044	282	304	1381	1348
	TOTAL	1836	7152	1812	7262	1121	1303	8273	8565
EDUCATION	AFRICAN	53	504	63	530	148	128	652	658
	COLOURED	98	552	97	557	105	95	657	652
	INDIAN	0	5	1	6	12	12	17	18
	UNKNOWN	0	2	0	1	0	0	2	1
	WHITE	163	619	150	692	68	78	687	770
	TOTAL	314	1682	311	1786	333	313	2015	2099
ENGINEERING, BUILT ENVIRON & IT	AFRICAN	579	2419	475	2393	114	134	2533	2527
	COLOURED	115	447	102	441	8	8	455	449
	INDIAN	10	67	8	63	5	6	72	69
	WHITE	241	993	193	965	108	99	1101	1064
	TOTAL	945	3926	778	3862	235	247	4161	4109
GEORGE CAMPUS	AFRICAN	125	459	143	496	4	4	463	500
	COLOURED	56	140	33	119	0	1	140	120
	INDIAN	0	3	3	3	0	0	3	3
	UNKNOWN	0	0	0	1	0	0	0	1
	WHITE	147	504	141	492	7	13	511	505
	TOTAL	328	1106	320	1111	11	18	1117	1129

**PROFILE OF REGISTERED STUDENTS 2011 AND 2012**

**HEADCOUNT CONTACT SUBSIDY STUDENTS**

**Table 1b (continued): Race, Faculty and Academic level - Contact Subsidy Students (Subsidy Type A)**

		UNDERGRADUATE				POSTGRADUATE		TOTAL	
		2011		2012		2011	2012	2011	2012
		First Time UG Student	All UG Students	First Time UG Student	All UG Students	All PG Students	All PG Students		
HEALTH SCIENCES	AFRICAN	294	1139	285	1288	182	200	1321	1488
	COLOURED	86	433	66	410	80	78	513	488
	INDIAN	3	45	3	37	12	13	57	50
	UNKNOWN	0	1	0	2	0	0	1	2
	WHITE	163	522	129	507	153	145	675	652
	TOTAL	546	2140	483	2244	427	436	2567	2680
LAW	AFRICAN	81	463	120	511	82	105	545	616
	COLOURED	24	145	24	147	22	22	167	169
	INDIAN	2	18	4	16	4	2	22	18
	UNKNOWN	0	0	0	0	0	0	0	0
	WHITE	51	229	37	225	38	42	267	267
	TOTAL	158	855	185	899	146	171	1001	1070
SCIENCE	AFRICAN	223	813	205	794	128	153	941	947
	COLOURED	37	93	27	103	28	31	121	134
	INDIAN	4	11	5	14	15	8	26	22
	UNKNOWN	0	1	0	0	0	0	1	0
	WHITE	105	340	109	361	176	150	516	511
	TOTAL	369	1258	346	1272	347	342	1605	1614
ALL FACULTIES	AFRICAN	3033	12236	3012	12616	1649	1884	13885	14500
	COLOURED	768	3222	679	3176	423	416	3645	3592
	INDIAN	44	285	45	275	92	83	377	358
	UNKNOWN	3	12	2	9	0	0	12	9
	WHITE	1587	5427	1469	5388	1042	1024	6469	6412
	TOTAL	5435	21182	5207	21464	3206	3407	24388	24871

**PROFILE OF REGISTERED STUDENTS 2011 AND 2012**

**HEADCOUNT DISTANCE SUBSIDY STUDENTS**

**Table 1b: Race, Faculty and Academic level - Distance Subsidy Students (Subsidy Type B)**

		UNDERGRADUATE				POSTGRADUATE		TOTAL	
		2011		2012		2011	2012	2011	2012
		First Time UG Student	All UG Students	First Time UG Student	All UG Students	All PG Students	All PG Students		
BUSINESS AND ECONOMIC SCIENCES	AFRICAN	0	0	0	0	1	1	1	1
	COLOURED	0	0	0	0	2	1	2	1
	INDIAN	0	0	0	0	0	0	0	0
	WHITE	0	0	0	0	1	3	1	3
	TOTAL	0	0	0	0	4	5	4	5
EDUCATION	AFRICAN	425	1363	69	1012	223	252	1586	1264
	COLOURED	17	22	22	46	17	19	39	65
	INDIAN	0	0	0	0	7	2	7	2
	WHITE	2	9	0	8	17	19	26	27
	TOTAL	444	1394	91	1066	264	292	1658	1358
SCIENCE	AFRICAN	122	234	103	392	0	0	234	392
	COLOURED	3	7	0	2	0	0	7	2
	INDIAN	0	2	0	2	0	0	2	2
	WHITE	2	5	1	4	0	0	5	4
	TOTAL	127	248	104	400	0	0	248	400
ALL FACULTIES	AFRICAN	547	1597	172	1404	224	253	1821	1657
	COLOURED	20	29	22	48	19	20	48	68
	INDIAN	0	2	0	2	7	2	9	4
	WHITE	4	14	1	12	18	22	32	34
	TOTAL	571	1642	195	1466	268	297	1910	1763

**PROFILE OF REGISTERED STUDENTS 2011 AND 2012**

**HEADCOUNT NON-SUBSIDY STUDENTS**

**Table 1b: Race, Faculty and Academic level - Non-Subsidy Students (Subsidy Type C)**

		UNDERGRADUATE				POSTGRADUATE		TOTAL	
		2011		2012		2011	2012	2011	2012
		First Time UG Student	All UG Students	First Time UG Student	All UG Students	All PG Students	All PG Students		
BUSINESS AND ECONOMIC SCIENCES	AFRICAN	0	1	0	2	0	0	1	2
	COLOURED	0	0	0	2	0	0	0	2
	INDIAN	0	0	0	0	0	0	0	0
	WHITE	0	0	0	1	0	0	0	1
	TOTAL	0	1	0	5	0	0	1	5
ENGINEERING, BUILT ENVIRON & IT	AFRICAN	11	12	1	1	0	0	12	1
	COLOURED	2	2	0	0	0	0	2	0
	INDIAN	0	0	0	0	0	0	0	0
	WHITE	8	8	0	0	0	0	8	0
	TOTAL	21	22	1	1	0	0	22	1
ALL FACULTIES	AFRICAN	11	13	1	3	0	0	13	3
	COLOURED	2	2	0	2	0	0	2	2
	INDIAN	0	0	0	0	0	0	0	0
	WHITE	8	8	0	1	0	0	8	1
	TOTAL	21	23	1	6	0	0	23	6

**PROFILE OF REGISTERED STUDENTS 2011 AND 2012**

**HEADCOUNT ALL STUDENTS**

**Table 1b: Race, Faculty and Academic level - Contact, Distance & Non Subsidy Students (Subsidy Type A,B,C)**

		UNDERGRADUATE				POSTGRADUATE		TOTAL	
		2011		2012		2011	2012	2011	2012
		First Time UG Student	All UG Students	First Time UG Student	All UG Students	All PG Students	All PG Students		
ARTS	AFRICAN	454	1547	432	1519	325	330	1872	1849
	COLOURED	90	351	120	371	42	46	393	417
	INDIAN	5	41	3	33	9	8	50	41
	UNKNOWN	0	3	1	3	0	0	3	3
	WHITE	390	1121	416	1102	210	193	1331	1295
	TOTAL	939	3063	972	3028	586	577	3649	3605
BUSINESS AND ECONOMIC SCIENCES	AFRICAN	1224	4893	1289	5087	667	831	5560	5918
	COLOURED	262	1061	210	1030	140	136	1201	1166
	INDIAN	20	95	18	103	35	34	130	137
	UNKNOWN	3	5	1	2	0	0	5	2
	WHITE	327	1099	294	1045	283	307	1382	1352
	TOTAL	1836	7153	1812	7267	1125	1308	8278	8575
EDUCATION	AFRICAN	478	1867	132	1542	371	380	2238	1922
	COLOURED	115	574	119	603	122	114	696	717
	INDIAN	0	5	1	6	19	14	24	20
	UNKNOWN	0	2	0	1	0	0	2	1
	WHITE	165	628	150	700	85	97	713	797
	TOTAL	758	3076	402	2852	597	605	3673	3457
ENGINEERING, BUILT ENVIRON & IT	AFRICAN	590	2431	476	2394	114	134	2545	2528
	COLOURED	117	449	102	441	8	8	457	449
	INDIAN	10	67	8	63	5	6	72	69
	WHITE	249	1001	193	965	108	99	1109	1064
	TOTAL	966	3948	779	3863	235	247	4183	4110
GEORGE CAMPUS	AFRICAN	125	459	143	496	4	4	463	500
	COLOURED	56	140	33	119	0	1	140	120
	INDIAN	0	3	3	3	0	0	3	3
	UNKNOWN	0	0	0	1	0	0	0	1

	WHITE	147	504	141	492	7	13	511	505
	TOTAL	328	1106	320	1111	11	18	1117	1129
HEALTH SCIENCES	AFRICAN	294	1139	285	1288	182	200	1321	1488
	COLOURED	86	433	66	410	80	78	513	488
	INDIAN	3	45	3	37	12	13	57	50
	UNKNOWN	0	1	0	2	0	0	1	2
	WHITE	163	522	129	507	153	145	675	652
	TOTAL	546	2140	483	2244	427	436	2567	2680
LAW	AFRICAN	81	463	120	511	82	105	545	616
	COLOURED	24	145	24	147	22	22	167	169
	INDIAN	2	18	4	16	4	2	22	18
	UNKNOWN	0	0	0	0	0	0	0	0
	WHITE	51	229	37	225	38	42	267	267
	TOTAL	158	855	185	899	146	171	1001	1070
SCIENCE	AFRICAN	345	1047	308	1186	128	153	1175	1339
	COLOURED	40	100	27	105	28	31	128	136
	INDIAN	4	13	5	16	15	8	28	24
	UNKNOWN	0	1	0	0	0	0	1	0
	WHITE	107	345	110	365	176	150	521	515
	TOTAL	496	1506	450	1672	347	342	1853	2014
ALL FACULTIES	AFRICAN	3591	13846	3185	14023	1873	2137	15719	16160
	COLOURED	790	3253	701	3226	442	436	3695	3662
	INDIAN	44	287	45	277	99	85	386	362
	UNKNOWN	3	12	2	9	0	0	12	9
	WHITE	1599	5449	1470	5401	1060	1046	6509	6447
	TOTAL	6027	22847	5403	22936	3474	3704	26321	26640



**APPENDIX 2:  
NELSON MANDELA METROPOLITAN UNIVERSITY  
DEGREES AND DIPLOMAS AWARDED: 2012**

<b>1.</b>	<b>Degrees and Diplomas awarded: Contact tuition</b>	
<b>Undergraduate diplomas and certificates</b>		
UC	ADVANCED CERTIFICATE IN EDUCATION: ARTS AND CULTURE	50
UB	ADVANCED CERTIFICATE IN EDUCATION: SCHOOL LEADERSHIP	5
UH	ADVANCED CERTIFICATE IN EDUCATION: SPECIAL NEEDS EDUCATION (REM)	40
V	DIPLOMA IN MUSIC EDUCATION	1
LE	DIPLOMA IN NURSING EDUCATION	22
FV	HIGHER CERTIFICATE IN IT IN USER SUPPORT SERVICES	119
DE	NATIONAL DIPLOMA IN ECONOMICS	54
2+	NATIONAL DIPLOMA: ACCOUNTING	15
M1	NATIONAL DIPLOMA: AGRICULTURAL MANAGEMENT	58
6U	NATIONAL DIPLOMA: ANALYTICAL CHEMISTRY	32
MA	NATIONAL DIPLOMA: ARCHITECTURAL TECHNOLOGY	27
7E	NATIONAL DIPLOMA: BIOMEDICAL TECHNOLOGY	23
7C	NATIONAL DIPLOMA: BUILDING	73
1	NATIONAL DIPLOMA: CERAMIC DESIGN	3
6+	NATIONAL DIPLOMA: COST AND MANAGEMENT ACCOUNTING	34
3B	NATIONAL DIPLOMA: ENGINEERING: CIVIL	71
3D	NATIONAL DIPLOMA: ENGINEERING: ELECTRICAL	100
2O	NATIONAL DIPLOMA: ENGINEERING: INDUSTRIAL	25
3A	NATIONAL DIPLOMA: ENGINEERING: MECHANICAL	50
V0	NATIONAL DIPLOMA: ENVIRONMENTAL HEALTH	29
AE	NATIONAL DIPLOMA: FASHION	15
8+	NATIONAL DIPLOMA: FINANCIAL INFORMATION SYSTEMS	17
Y4	NATIONAL DIPLOMA: FINE ART	30
4F	NATIONAL DIPLOMA: FORESTRY	43
T2	NATIONAL DIPLOMA: FORESTRY	1
2R	NATIONAL DIPLOMA: GAME RANCH MANAGEMENT	35
12	NATIONAL DIPLOMA: GRAPHIC DESIGN	21
V3	NATIONAL DIPLOMA: HUMAN RESOURCES MANAGEMENT	122
1K	NATIONAL DIPLOMA: INFORMATION TECHNOLOGY	174
9C	NATIONAL DIPLOMA: INTERIOR DESIGN	18
4+	NATIONAL DIPLOMA: INTERNAL AUDITING	60
7P	NATIONAL DIPLOMA: INVENTORY AND STORES MANAGEMENT	10
8D	NATIONAL DIPLOMA: JOURNALISM	14
M6	NATIONAL DIPLOMA: LIBRARY AND INFORMATION STUDIES	1
4O	NATIONAL DIPLOMA: LOGISTICS	71
BM	NATIONAL DIPLOMA: MANAGEMENT	115
L9	NATIONAL DIPLOMA: MARKETING	86
9U	NATIONAL DIPLOMA: NATURE CONSERVATION	21
FD	NATIONAL DIPLOMA: OPERATIONS MANAGEMENT	22

X8	NATIONAL DIPLOMA: PHOTOGRAPHY	11
FF	NATIONAL DIPLOMA: POLYMER TECHNOLOGY	8
2D	NATIONAL DIPLOMA: PUBLIC MANAGEMENT	47
1U	NATIONAL DIPLOMA: PUBLIC RELATIONS MANAGEMENT	26
P4	NATIONAL DIPLOMA: RADIOGRAPHY: DIAGNOSTIC	24
5O	NATIONAL DIPLOMA: SPORT MANAGEMENT	11
AD	NATIONAL DIPLOMA: TEXTILE DESIGN AND TECHNOLOGY	10
N1	NATIONAL DIPLOMA: TOURISM MANAGEMENT	51
1N	NATIONAL DIPLOMA: TOURISM MANAGEMENT	8
7U	NATIONAL DIPLOMA: WOOD TECHNOLOGY	5
VA	NATIONAL PROFESSIONAL DIPLOMA IN EDUCATION	112
<b>Subtotal</b>		<b><u>2 020</u></b>
<b>Postgraduate diplomas and certificates</b>		
EK	DIPLOMA IN NEPHROLOGY NURSING SCIENCE	21
T0	POST GRADUATE CERTIFICATE IN HIGHER EDUCATION	2
EM	POSTGRADUATE CERTIFICATE IN EDUCATION	75
DB	POSTGRADUATE DIPLOMA IN FINANCIAL PLANNING	34
6Y	POSTGRADUATE DIPLOMA IN HEALTH AND WELFARE MANAGEMENT	3
DN	POSTGRADUATE DIPLOMA IN INTERNAL AUDITING	11
5V	POSTGRADUATE DIPLOMA IN LAW	10
DM	POSTGRADUATE DIPLOMA IN MARITIME STUDIES	3
7H	POSTGRADUATE DIPLOMA IN THE BUILT ENVIRONMENT	1
<b>Subtotal</b>		<b><u>160</u></b>
<b>First degrees, Second bachelor's degrees and BTech degrees</b>		
NV	BACCALAUREUS ADMINISTRATIONIS	35
R	BACCALAUREUS ARTIUM	189
LR	BACCALAUREUS ARTIUM IN PSYCHOLOGY	49
AP	BACCALAUREUS COMMERCII	469
4B	BACCALAUREUS COMMERCII (RATIONUM)	11
LK	BACCALAUREUS CURATIONIS	29
LM	BACCALAUREUS CURATIONIS (INSTITUTIONIS ET ADMINISTRATIONIS)	1
NL	BACCALAUREUS EDUCATIONIS	211
8E	BACCALAUREUS EDUCATIONIS: (FET): SPECIALISATION	2
5Y	BACCALAUREUS LEGUM	99
T	BACCALAUREUS MUSICAE	10
U	BACCALAUREUS MUSICAE (EDUCATIONIS)	7
6F	BACCALAUREUS PHARMACIAE	51
LS	BACCALAUREUS PSYCHOLOGIAE (COUNSELLING)	10
N0	BACCALAUREUS SCIENTIAE	66
4J	BACCALAUREUS SCIENTIAE IN CONSTRUCTION ECONOMICS	37
NE	BACCALAUREUS SCIENTIAE IN CONSTRUCTION STUDIES	38
PO	BACCALAUREUS SCIENTIAE INFORMATICAЕ SYSTEMS	4
AY	BACCALAUREUS TECHNOLOGIAE: AGRICULTURAL MANAGEMENT	49
W1	BACCALAUREUS TECHNOLOGIAE: ARCHITECTURAL TECHNOLOGY	11

X0	BACCALAUREUS TECHNOLOGIAE: BIOMEDICAL TECHNOLOGY	16
F2	BACCALAUREUS TECHNOLOGIAE: BUSINESS ADMINISTRATION	13
BR	BACCALAUREUS TECHNOLOGIAE: CERAMIC DESIGN	3
U4	BACCALAUREUS TECHNOLOGIAE: CHEMISTRY	7
X7	BACCALAUREUS TECHNOLOGIAE: CONSTRUCTION MANAGEMENT	27
9H	BACCALAUREUS TECHNOLOGIAE: COST AND MANAGEMENT ACCOUNTING	13
U1	BACCALAUREUS TECHNOLOGIAE: ENGINEERING: CIVIL	36
1T	BACCALAUREUS TECHNOLOGIAE: ENGINEERING: ELECTRICAL	21
T1	BACCALAUREUS TECHNOLOGIAE: ENGINEERING: INDUSTRIAL	44
T9	BACCALAUREUS TECHNOLOGIAE: ENGINEERING: MECHANICAL	15
U7	BACCALAUREUS TECHNOLOGIAE: ENVIRONMENTAL HEALTH	20
BJ	BACCALAUREUS TECHNOLOGIAE: FASHION	7
VJ	BACCALAUREUS TECHNOLOGIAE: FINANCIAL INFORMATION SYSTEMS	8
Y5	BACCALAUREUS TECHNOLOGIAE: FINE ART	11
8U	BACCALAUREUS TECHNOLOGIAE: FORESTRY	34
TL	BACCALAUREUS TECHNOLOGIAE: GAME RANCH MANAGEMENT	5
BQ	BACCALAUREUS TECHNOLOGIAE: GRAPHIC DESIGN	7
V4	BACCALAUREUS TECHNOLOGIAE: HUMAN RESOURCES MANAGEMENT	51
T8	BACCALAUREUS TECHNOLOGIAE: INFORMATION TECHNOLOGY	40
2Z	BACCALAUREUS TECHNOLOGIAE: INTERIOR DESIGN	6
FG	BACCALAUREUS TECHNOLOGIAE: INTERNAL AUDITING	24
9D	BACCALAUREUS TECHNOLOGIAE: JOURNALISM	1
6O	BACCALAUREUS TECHNOLOGIAE: LOGISTICS	27
4P	BACCALAUREUS TECHNOLOGIAE: MANAGEMENT	86
V2	BACCALAUREUS TECHNOLOGIAE: MARKETING	31
A1	BACCALAUREUS TECHNOLOGIAE: NATURE CONSERVATION	18
VR	BACCALAUREUS TECHNOLOGIAE: OPERATIONS MANAGEMENT	16
X9	BACCALAUREUS TECHNOLOGIAE: PHOTOGRAPHY	5
AI	BACCALAUREUS TECHNOLOGIAE: PUBLIC MANAGEMENT	15
V1	BACCALAUREUS TECHNOLOGIAE: PUBLIC RELATIONS MANAGEMENT	17
I8	BACCALAUREUS TECHNOLOGIAE: QUALITY	13
X6	BACCALAUREUS TECHNOLOGIAE: QUANTITY SURVEYING	38
AJ	BACCALAUREUS TECHNOLOGIAE: SPORT MANAGEMENT	1
BK	BACCALAUREUS TECHNOLOGIAE: TEXTILE DESIGN AND TECHNOLOGY	5
BI	BACCALAUREUS TECHNOLOGIAE: TOURISM MANAGEMENT	15
IE	BACCALAUREUS TECHNOLOGIAE: WOOD TECHNOLOGY	5
RB	BACHELOR OF ARCHITECTURAL STUDIES	50
I0	BACHELOR OF ENGINEERING IN MECHATRONICS	23
LJ	BACHELOR OF HUMAN MOVEMENT SCIENCE	45
RA	BACHELOR OF SOCIAL WORK	53
<b>Subtotal</b>		<b><u>2 250</u></b>
<b>Honours degrees</b>		
O	BACCALAUREUS ARTIUM HONORES	114
LN	BACCALAUREUS ARTIUM HONORES (HUMAN MOVEMENT SCIENCE)	21
6J	BACCALAUREUS ARTIUM HONORES IN SOCIAL WORK	3

D	BACCALAUREUS COMMERCII HONORES	152
6I	BACCALAUREUS CURATIONIS HONORES	17
H	BACCALAUREUS EDUCATIONIS HONORES	57
2B	BACCALAUREUS SCIENTIAE HONORES	57
I	BACCALAUREUS SCIENTIAE HONORES IN CONSTRUCTION MANAGEMENT	9
E	BACCALAUREUS SCIENTIAE HONORES IN QUANTITY SURVEYING	25
OC	BACHELOR OF ARTS HONOURS IN CORPORATE COMMUNICATION	14
OB	BACHELOR OF ARTS HONOURS IN JOURNALISM	3
OA	BACHELOR OF ARTS HONOURS IN MEDIA STUDIES	6
<b>Subtotal</b>		<b>478</b>
<b>Master's degrees and MTech degrees</b>		
B-	MAGISTER ARTIUM	1
G-	MAGISTER ARTIUM	59
H-	MAGISTER ARTIUM	3
NF	MAGISTER ARTIUM	23
T-	MAGISTER ARTIUM IN CLINICAL PSYCHOLOGY	2
U-	MAGISTER ARTIUM IN COUNSELLING PSYCHOLOGY	2
6R	MAGISTER ARTIUM IN HEALTH AND WELFARE MANAGEMENT	2
8B	MAGISTER ARTIUM IN MEDIA STUDIES	10
Y-	MAGISTER ARTIUM IN SOCIAL WORK	1
C-	MAGISTER COMMERCII	8
HM	MAGISTER COMMERCII	1
O-	MAGISTER COMMERCII	7
6V	MAGISTER CURATIONIS	6
9-	MAGISTER EDUCATIONIS	9
KR	MAGISTER EDUCATIONIS	3
5G	MAGISTER LEGUM	3
ML	MAGISTER LEGUM	9
MM	MAGISTER LEGUM	1
F-	MAGISTER MUSICAE	4
FH	MAGISTER MUSICAE	1
V-	MAGISTER PHARMACIAE	2
8A	MAGISTER PHILOSOPHIAE	19
J-	MAGISTER SCIENTIAE	41
JP	MAGISTER SCIENTIAE	1
S-	MAGISTER SCIENTIAE IN THE BUILT ENVIRONMENT	6
E4	MAGISTER TECHNOLOGIAE: AGRICULTURE	1
TH	MAGISTER TECHNOLOGIAE: BUSINESS ADMINISTRATION	1
W7	MAGISTER TECHNOLOGIAE: CHEMISTRY	2
WO	MAGISTER TECHNOLOGIAE: CHEMISTRY	2
5P	MAGISTER TECHNOLOGIAE: COST AND MANAGEMENT ACCOUNTING	3
W3	MAGISTER TECHNOLOGIAE: ENGINEERING: MECHANICAL	6
6P	MAGISTER TECHNOLOGIAE: ENTREPRENEURSHIP	2
W9	MAGISTER TECHNOLOGIAE: ENVIRONMENTAL HEALTH	1
2C	MAGISTER TECHNOLOGIAE: FASHION	1

J3	MAGISTER TECHNOLOGIAE: FORESTRY	2
3C	MAGISTER TECHNOLOGIAE: GRAPHIC DESIGN	1
V5	MAGISTER TECHNOLOGIAE: INFORMATION TECHNOLOGY	14
JL	MAGISTER TECHNOLOGIAE: MARKETING	2
J1	MAGISTER TECHNOLOGIAE: NATURE CONSERVATION	1
Y1	MAGISTER TECHNOLOGIAE: PHOTOGRAPHY	2
4C	MAGISTER TECHNOLOGIAE: TEXTILE DESIGN AND TECHNOLOGY	1
M-	MASTER OF ARCHITECTURE PROFESSIONAL	45
1Z	MASTER OF BUSINESS ADMINISTRATION	72
IM	MASTER OF ENGINEERING IN MECHATRONICS	5
I-	MASTER OF PUBLIC ADMINISTRATION	28
<b>Subtotal</b>		<b><u>416</u></b>
<b>Doctor's degrees and DTech degrees</b>		
J+	DOCTOR COMMERCII	3
H+	DOCTOR EDUCATIONIS	2
N+	DOCTOR LEGUM	4
F+	DOCTOR MUSICAE	1
HC	DOCTOR OF BUSINESS ADMINISTRATION	6
HR	DOCTOR OF PHILOSOPHY	2
1+	DOCTOR OF PHILOSOPHY IN ENGINEERING	2
D+	DOCTOR PHILOSOPHIAE	11
2G	PHILOSOPHIAE DOCTOR	31
B+	PHILOSOPHIAE DOCTOR COMMERCII	11
C+	PHILOSOPHIAE DOCTOR EDUCATIONIS	8
M+	PHILOSOPHIAE DOCTOR IN CONSTRUCTION MANAGEMENT	5
<b>Subtotal</b>		<b><u>86</u></b>
<b>TOTAL CONTACT TUITION</b>		<b><u>5 410</u></b>
<b>2</b>	<b>Degrees and Diplomas awarded: Distance tuition</b>	
<b>Undergraduate diplomas and certificates</b>		
UF	ADVANCED CERTIFICATE IN EDUC: (FET BAND: MATHEMATICAL LITERACY)	17
VA	NATIONAL PROFESSIONAL DIPLOMA IN EDUCATION	268
GA	NATIONAL PROFESSIONAL DIPLOMA IN EDUCATION	2
VB	NATIONAL PROFESSIONAL DIPLOMA IN EDUCATION (INTERMEDIATE PHASE)	2
VC	NATIONAL PROFESSIONAL DIPLOMA IN EDUCATION (SENIOR PHASE)	3
<b>Subtotal</b>		<b><u>292</u></b>
<b>First degrees, Second bachelor's degrees and BTech degrees</b>		
NL	BACCALAUREUS EDUCATIONIS	39
AY	BACCALAUREUS TECHNOLOGIAE: AGRICULTURAL MANAGEMENT	111
<b>Subtotal</b>		<b><u>150</u></b>

<b>Honours degrees</b>		
H	BACCALAUREUS EDUCATIONIS HONORES	120
		<b>Subtotal</b>
		<b><u>120</u></b>
<b>Master's degrees and MTech degrees</b>		
1Z	MASTER OF BUSINESS ADMINISTRATION	1
		<b>Subtotal</b>
		<b><u>1</u></b>
<b>TOTAL DISTANCE TUITION</b>		<b><u>563</u></b>
<b>GRAND TOTAL ALL DEGREES AND DIPLOMAS AWARDED</b>		<b><u>5 973</u></b>

**APPENDIX 3:  
LIST OF ABBREVIATIONS**

ACE	Advanced Certificate in Education
AIM	Academy of Indian Marketing
AP	Academic Planning
ARC	Audit and Risk Committee
ARV	Anti-Retroviral
ASSA	Academy of Science of South Africa
BES	Business and Economic Sciences
BPR	Business Process Re-engineering
CAAR	Centre for Access Assessment and Research
CANRAD	Centre for the Advancement of Non-racialism and Democracy
CCR	Co-Curricular Record
CETC	Community Education and Training Centres
CIOB	Chartered Institute of Building
CIPSET	Centre for Integrated Post-School Education Training
CMO	Chief Marketing Officer
CoE	Centre of Excellence
COGP	Codes of Good Practice
COS	Conditions of Service
CSIR	Council for Scientific and Industrial Research
CSO	Civil Society Organisations
CTLM	Centre of Teaching, Learning and Media
DASO	Democratic Alliance Student Organisation
DHET	Department of Higher Education
DOS	Director of School
DSU	Disability Services Unit
EBEIT	Engineering, the Built Environment & Information Technology
ECM	Enterprise Content Management system
ECSA	Engineering Council Of South Africa
EE	Employment Equity
ETDP SETA	Education, Training and Development Practices Sectoral Education and Training Authority
EDS	Excellence Development System
e-PAL	Electronic Peer Assisted Learning
EIA	Environmental Impact Assessment
ER	Employee Relations
ERM	Electronic Records Management system
FET	Further Education and Training
FHS	Faculty of Health Sciences
FLP	Future Leaders Programme
FMC	Faculty Management Committee
FTE's	Full-time equivalent
HE	Higher Education
HEIs	Higher Education Institutions
HEADS	Higher Education Access and Developmental Services
HELTASA	Higher Education Learning and Teaching Association of South Africa
HEMIS	Higher Education Management Information Systems
HEQC	Higher Education Quality Committee
HEQSF	Higher Education Qualifications Sub-Framework
HESA	Higher Education South Africa
HIV	Human Immunodeficiency Virus
HMS	Human Movement Science
HOD	Head of Department
HPCSA	Health Professions Council of South Africa
HR	Human Resources
HR SEM	Human Resource Service Excellence Model
HS	Health Sciences
IAWJ	International Association of Women Judges
ICT	Information and Communications Technology

IF	Institutional Forum
IMC	Integrated Marketing and Communication
IP	Intellectual Property
IPTS	Integrated Public Transport System
IS & TT	Innovation Support and Technology Transfer
IT	Information Technologies
ITP	Integrated Transformation Plan
LEC	Learning Enhancement Checklist
LOC	Local organising committee
LSEN	Learners with Special Educational Needs
KIC	Knowledge Interchange Collaboration
LEAP	Leadership Effectiveness Advancement Programme
LIS	Library Information Services
LMS	Learning Management System
MANCO	Management Committee
MBDA	Mandela Bay Development Agency
MCR	Marketing and Corporate Relations
MMS	Meal Management System
MOU	Memorandum of Understanding
NCV	National Certificate Vocational
NGO	Non-governmental organizations
NMCW	Nelson Mandela Champion Within
NMMU	Nelson Mandela Metropolitan University
NRF	National Research Foundation
NSC	National Senior Certificate
NSFAS	National Student Financial Aid Scheme
OD	Organisational Development
OIP	Office for Institutional Planning
PASS	Professional, Administrative, Support Services
PC	Personal Computer
PG	Post-graduate
PGCHE	Postgraduate Certificate in Higher Education
PQM	Programme Qualification Mix
PSET	Post-School Education and Training
QAF	Quality Advancement Framework
QAU	Quality Advancement Unit
REAP	Rural Education Access Programme
RCD	Research Capacity Development
RDF	Research Development Fund
RFP	Request for Proposal
RIF	Regional Innovation Forum
RM	Research Management
RTI	Research, Technology and Innovation
RTG	Research Themes Grant
SAIW	Southern African Institute of Welding
SANC	South African Nursing Council
SANParks	South African National Parks
SARChI	SA Research Chairs Initiative
SASA	South African Statistical Association
SASCO	South African Student Congress
SCCDC	Student Counselling, Career and Development Centre
SGD	Student Governance and Development
SI	Supplemental Instruction
SIGoM	Special Interest Group on Multilingualism
SITS	Student Information Technology Service
SLTSA	Society of Law Teachers of Southern Africa
SLP	Short Learning Programme
SoTL	Scholarship of Teaching and Learning
SMMEs	Small, Medium and Micro Enterprises
SMTE	Science, Mathematics and Technology Education



SRC	Student Representative Council
TERG	Transformation and Equity Research Grant
THRIP	Technology and Human Resource for Industry Programme
TIA	Technology Innovation Agency
T&D	Training and Development
TRG	Teaching Replacement Grant
UG	Undergraduate
USC	University Sports Company
USSA	University Sport South Africa
VOIP	Voice of Internet Protocol
V2020	Vision 2020
WWTW	Waste Water Treatment Works