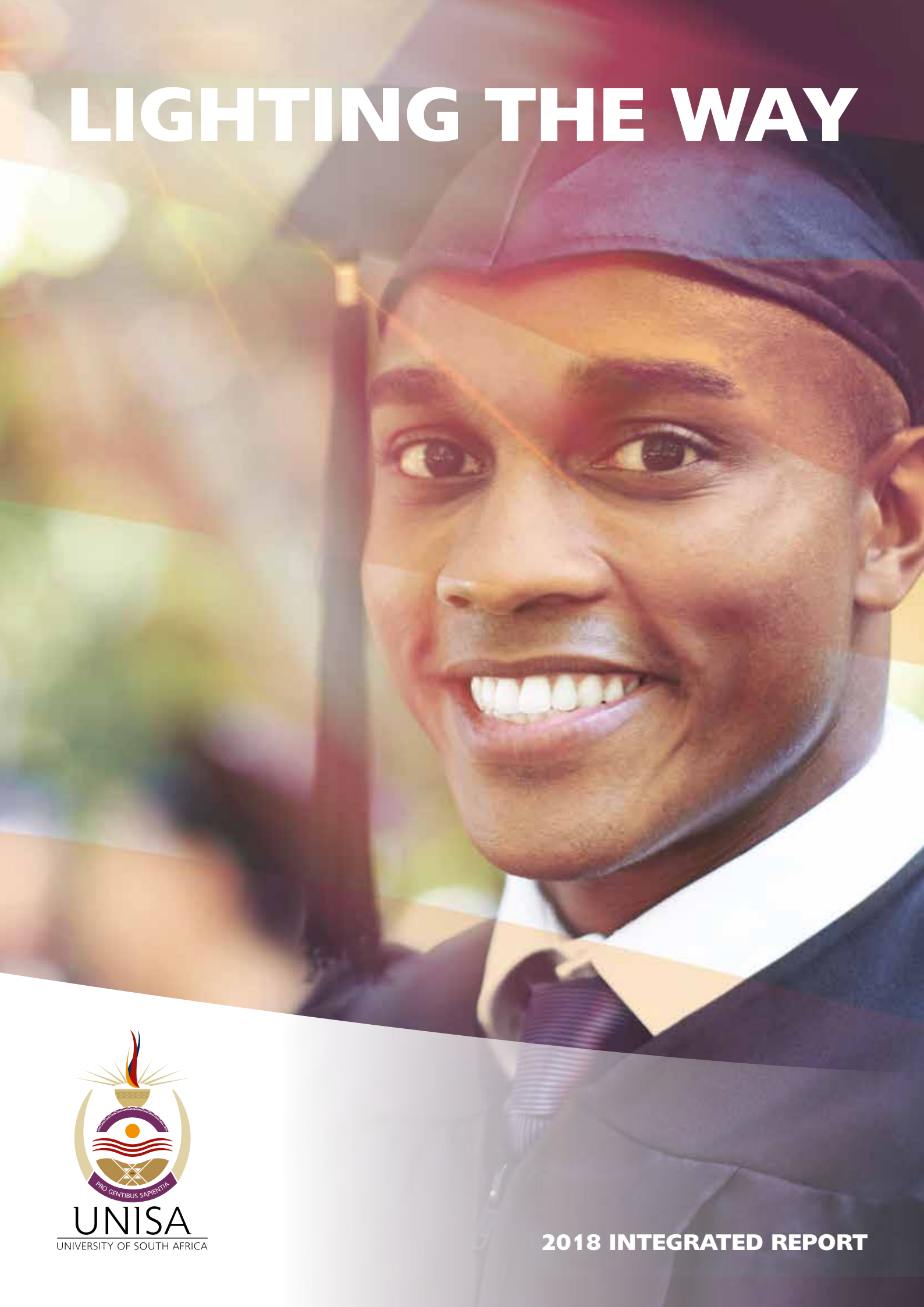


LIGHTING THE WAY



UNISA
UNIVERSITY OF SOUTH AFRICA

2018 INTEGRATED REPORT

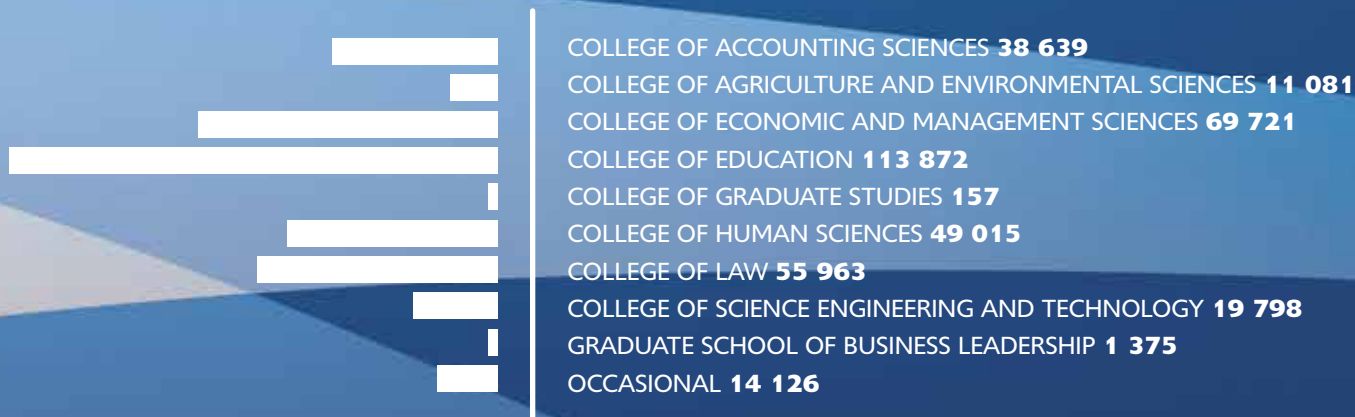
**The
African
University
shaping
futures
in the
service of
humanity**



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ENROLMENTS BY COLLEGE



GENDER

ENROLMENTS

373 747



247 462
FEMALE



126 285
MALE

GRADUATES

52 318



RACE



288 358
AFRICAN



20 571
COLOURED



19 187
INDIAN



44 064
WHITE

STUDENTS PER REGION





ABOUT UNISA



UNISA: BACKGROUND AND SCOPE

During the year under review the University of South Africa (Unisa) celebrated its 145th anniversary. This makes it the country's first university. The institution is the incubator from which most other universities in South Africa are descended. Founded in 1873 as the University of the Cape of Good Hope, it became the first public university in the world to teach exclusively by means of distance education in 1946. Throughout the years, Unisa was perhaps the only university in South Africa to have provided all people with access to education, irrespective of race, colour or creed. This vibrant past is mirrored in our rich history, more particularly our massive and impressive database of alumni, some of whom are to be found in the most senior levels of society across the world.

“I heartily congratulate the University of South Africa as it celebrates its 145th anniversary. This is an awesome achievement, so too is the contribution that the university has made to the development of South Africa as a country. Over its 145-year history, Unisa has provided opportunities for a diverse range of students to access university studies, especially those who could not or who were prevented from accessing traditional pathways. It has thus made a significant contribution in providing access to former students from marginalised groups.”

Dr Naledi Pandor, Minister of Higher Education and Training

Today Unisa is the largest open distance learning institution in Africa and the longest standing, dedicated distance-education university in the world. We enrol nearly one third of all South African students. Given our rootedness in South Africa and the African continent, Unisa today can truly claim to be *the* African university in the service of humanity.



To commemorate our anniversary, the members of Unisa Council were the first to pledge their contributions towards Unisa's 145th Anniversary Fundraising Campaign. Staff members, alumni, donors, friends of the university and the Unisa community at large were inspired to also donate to student bursaries.



Prof Mandla Makhanya
Unisa Principal and Vice-Chancellor



Mr Saki Simelane
Chairperson of the Unisa Council

OUR EVOLVING INSTITUTION

Committed to providing inclusive education and keeping abreast of an ever-evolving higher education landscape, Unisa's journey has been one of continuous growth and transformation. Unisa defines itself as a public-spirited institution with a clear social mandate. It is focused on quality, development, and transformation through education-teaching, research and community engagement – nationally, continentally and globally.

Unisa is the largest open distance learning (ODL) institution in South Africa and Africa, and one of the world's top 30 mega-institutions, with close to 380 000 students. The student profile reflects the demographics of South Africa, underscoring the pivotal role that Unisa plays in higher education, and its strategic position nationally, continentally and globally, as a key vehicle for transformation, growth and development. As a university that is working determinedly to be a modern innovative and effective university, Unisa's institutional, governance and management structures have been continually adapted and adjusted to meet emerging regulatory requirements, socio-economic dynamics and the institutional spirit of transformation and growth. Unisa's philosophy and goals as set out in the "Fast facts" section of this report reflect Unisa's unequivocal commitment to quality and define its imperatives for sustainable change and development.

REPORTING COMMITMENT AND SCOPE OF THIS REPORT

The leadership is closely involved in writing and compiling the annual integrated report. Our Audit and Enterprise Risk Management Committee of Council examines the report and, with adjustments, recommends the report for tabling at the University Council meeting in June, where the report is considered and finally approved for publication.

This Integrated Report, which the Unisa Council approved at their meeting of 19 June 2019 was submitted to the Department of Higher Education and Training (DHET) at the end of June.

It is available on the Unisa website at <https://www.unisa.ac.za/sites/corporate/default/News-&-Media/Publications/Annual-reports>.

Although Unisa embarked on its journey towards integrated reporting a few years ago, the institution until last year still produced annual reports with integrated reporting elements. This is our first integrated report. For this report, we have focused on embedding the principles and elements of the Integrated Reporting Framework of the International Integrated Reporting Council (IIRC), informed by DHET's reporting requirements, and adhering to the sustainability reporting guidelines of the Global Reporting Initiative. We welcome feedback on our reporting approach.

This report reflects significant activities for the period 1 January to 31 December 2018. Elements covering the total operations of Unisa are not bound entirely by this timeline, as they also highlight forward-looking aspects in the spirit of integrated reporting. The report aims to demonstrate Unisa's values through its tangible and intangible assets and resources. Unisa, along with many organisations in South Africa, is on an integrated reporting journey and plans to refine and fine-tune reporting over time. While the emphasis of the content for the report was determined by the structure and Reporting Regulations (2014) set by the DHET, all reasonable attempts were made to equally align the report with the best practices recommended by the King Report on Corporate Governance for South Africa 2016 (King IV). The report was compiled to comply firstly with the specific parameters of the DHET guidelines and respond to all the issues raised for consideration in the regulating guidelines. This onus may have the effect of focusing the report on context specific stipulated information outside (and different to) the recommended boundaries of King IV. However, information that may be required on any matter in this report or otherwise, may be found on either the Unisa website or by contacting the office of the Registrar at integratedreporting@unisa.ac.za.

The Unisa Compliance Framework, approved by Council, is geared towards strengthening the effectiveness of compliance with regulatory requirements within Unisa and, accordingly, describes the role and responsibilities of the different role players within the university and provides the tools for the management of compliance risk.

Finally, this report contains financial facts and figures about our operations over the 2018 financial year. Our annual financial statements, are prepared in accordance with the relevant policies of international financial reporting standards and also comply with the 2014 DHET Regulations for Reporting by Public Higher Education Institutions.

FAST FACTS: OUR YEAR IN NUMBERS

THREE CORE BUSINESS AREAS OF UNISA



Towards becoming a leading Open Distance and e-Learning (ODEL), comprehensive university

- Total number of modules designed and developed: 351
- Exam sitting provisionally met the 72% threshold set
- Throughput rates have, also based on provisional data, exceeded set targets
- 87% of registrations used ICT self-service
- 99.98% of study material orders dispatched within five days of registration
- Critical business systems availability: 98%
- Free-to-browse access implemented
- Phase 1 of digital end-to-end media platform implemented
- MyUnisa digital teaching and learning platform implemented in a cloud environment

Our people

- Permanent staff composition: 1 808 (31%) academics and 4 027 (69%) professional and support staff
- Women in executive leadership positions: 50%
- Number of NRF rated researchers: 231
- Provisional research output units: 1 447

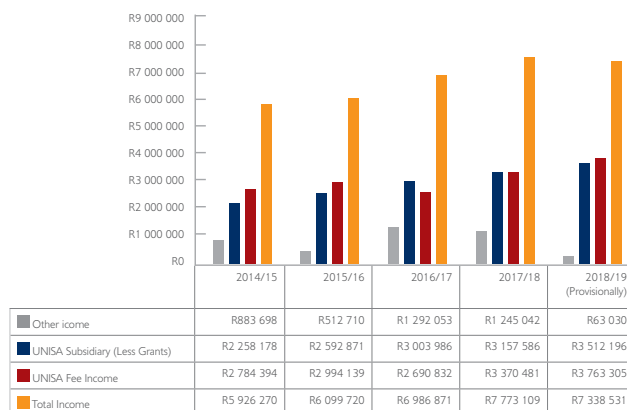
Making a difference

- College of Education CEDU's NQF level 5 examination question papers offered in 11 languages during October/November exams
- Registered community engagement projects: 140
- Number of people reached by community engagement projects: 687 771
- 73% spend on BEEE compliant suppliers

Translating strategic targets into considered spatial outcomes

- 31 campuses across all nine provinces
- A growing African footprint: Unisa has a presence in South Africa, Ethiopia and Swaziland
- Academic centre in Addis-Ababa, Ethiopia: 56 students at doctoral level
- Campus Master Plan approved in 2018: upgrades and moves to more streamlined campuses

Sources of income

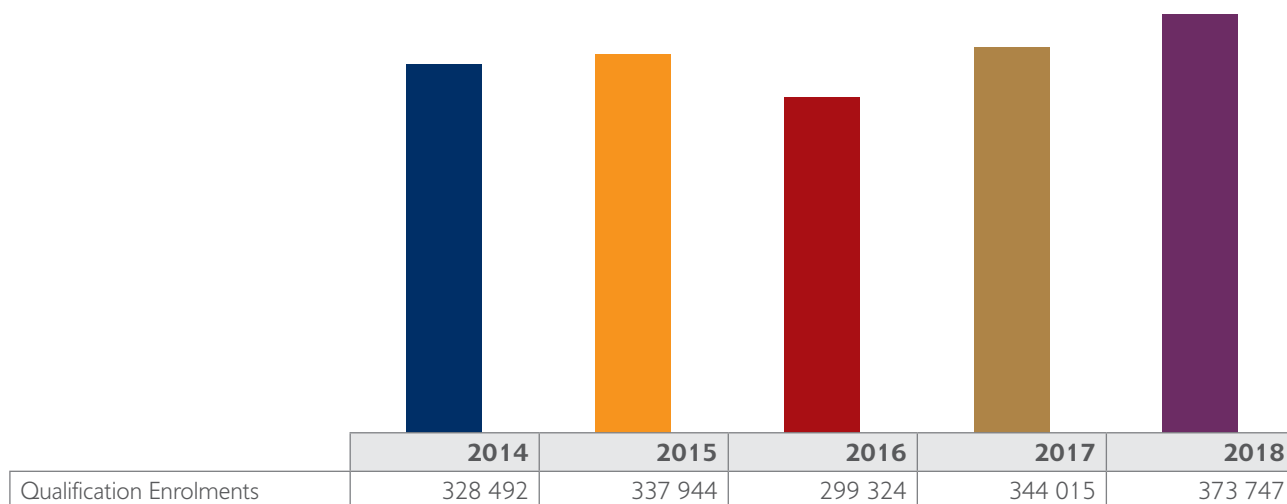


Unisa's primary sources of income comprise of study fees and state subsidy. Fee income between 2014 and 2015 was substantially more than subsidy income. However, in 2016 this relationship was reversed as a result of the lower student enrolment figure. This was followed by the no fee increase in 2017. The original relationship was restored in 2018 with the lifting of the freeze in fees. Other sources of income remained relatively low.

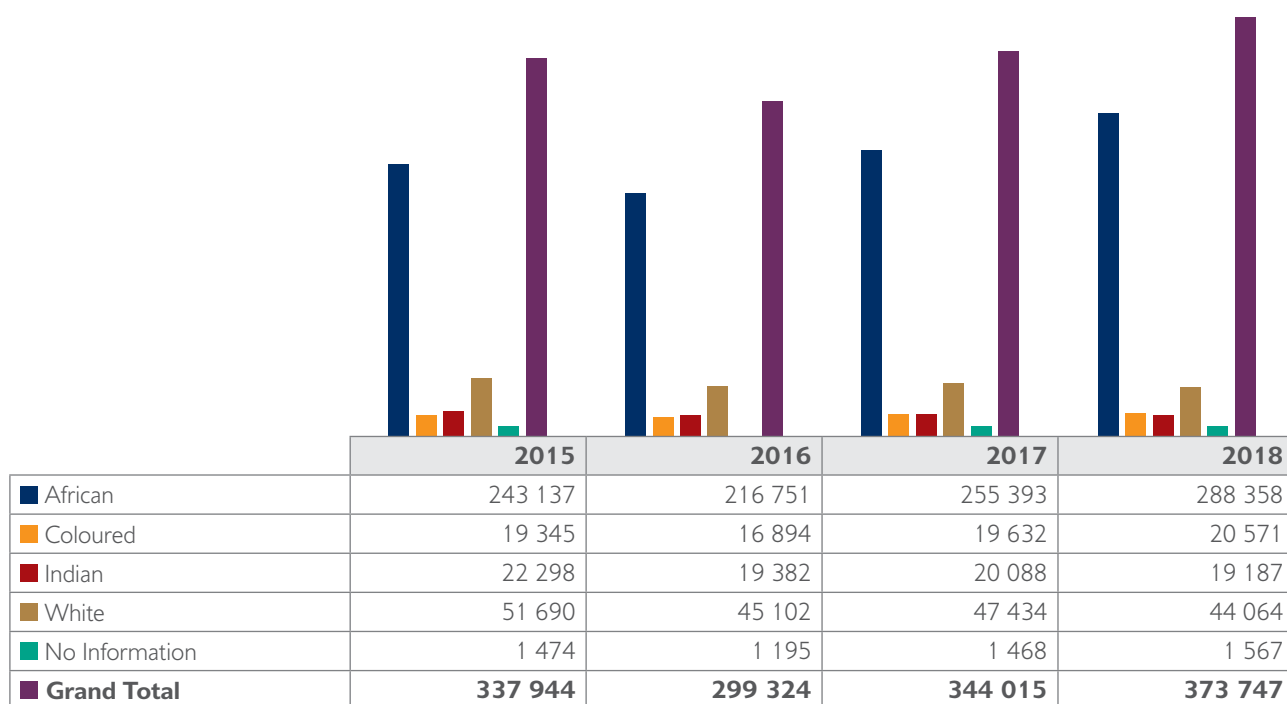
STUDENT PROFILE

The following graphs reflect the Unisa student profile and the changes experienced over the past six years in terms of total enrolments, race, gender, college and region and nationality.

Student enrolments: 2014 to 2018

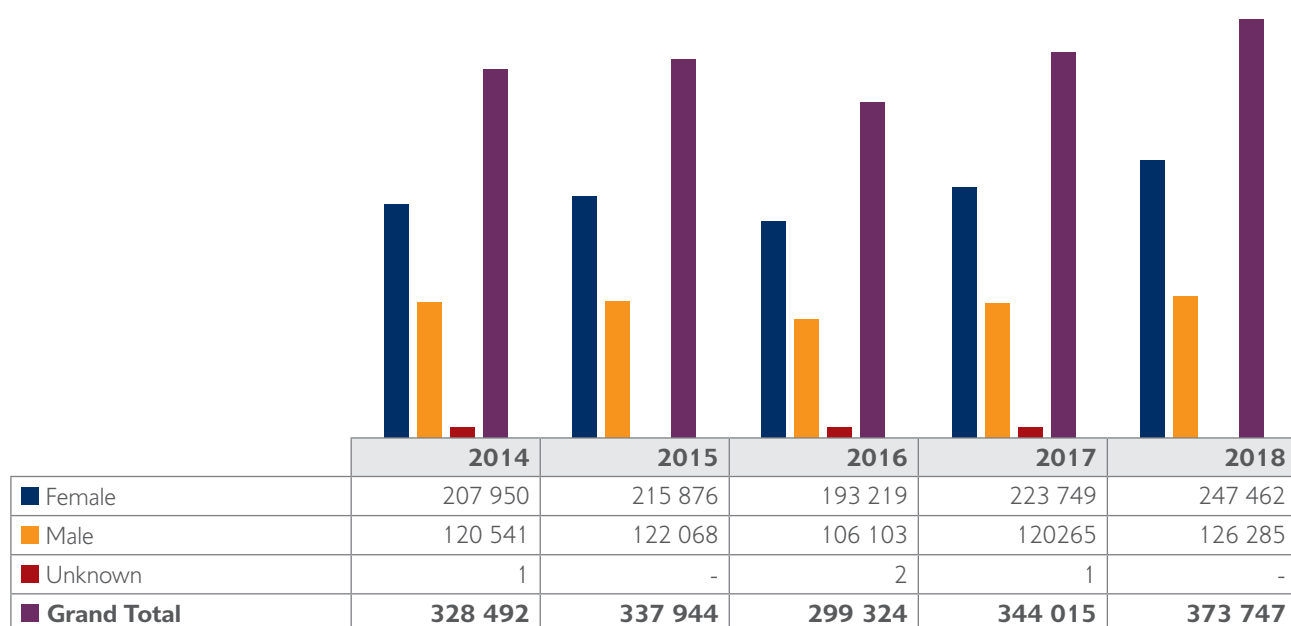


Student enrolments by race group



The 2014 to 2017 student figures presented are based on data extracted from the final audited HEMIS submissions to the Department of Higher Education and Training (DHET). The 2018 figures represent information extracted from preliminary HEMIS student data and is subject to final verification and auditing.

Student enrolments by gender

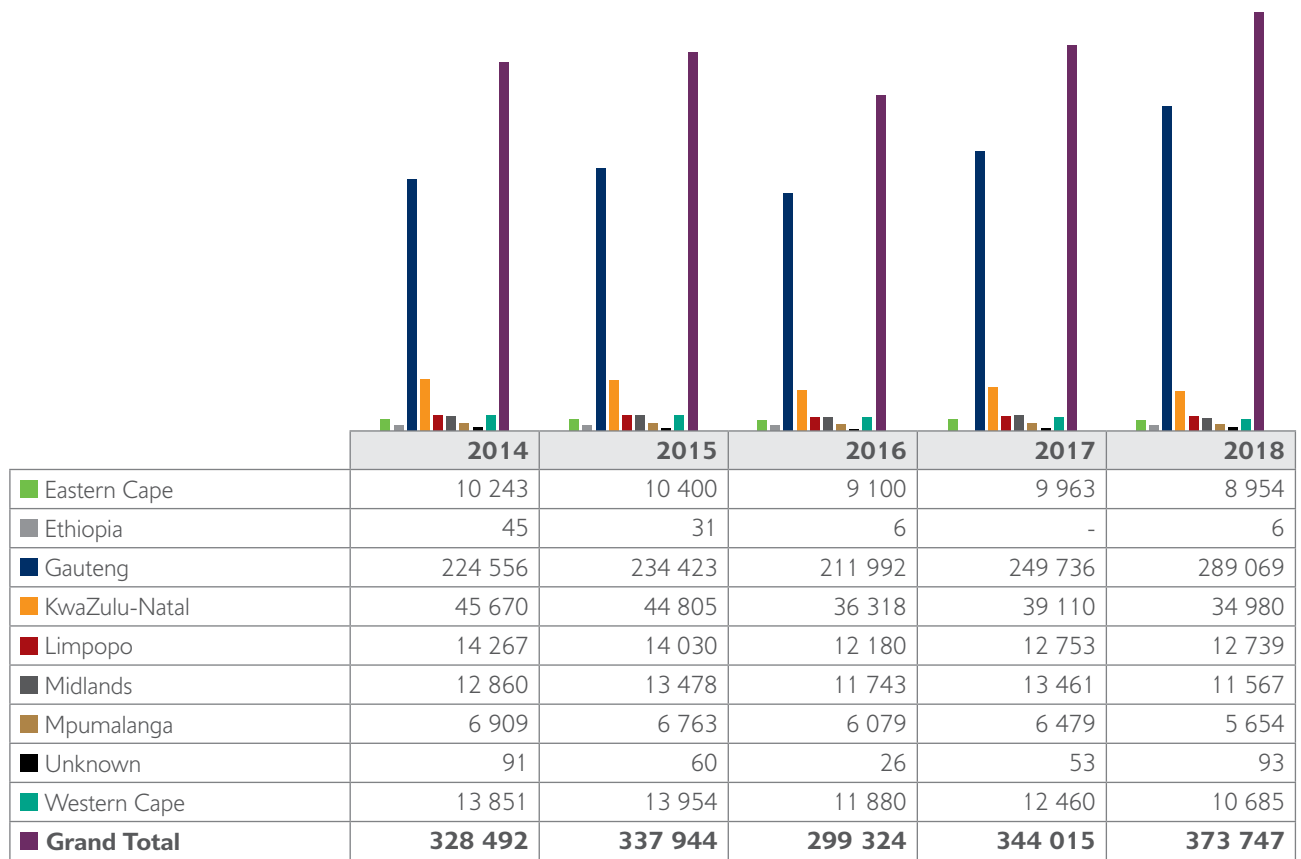


Student enrolments by college

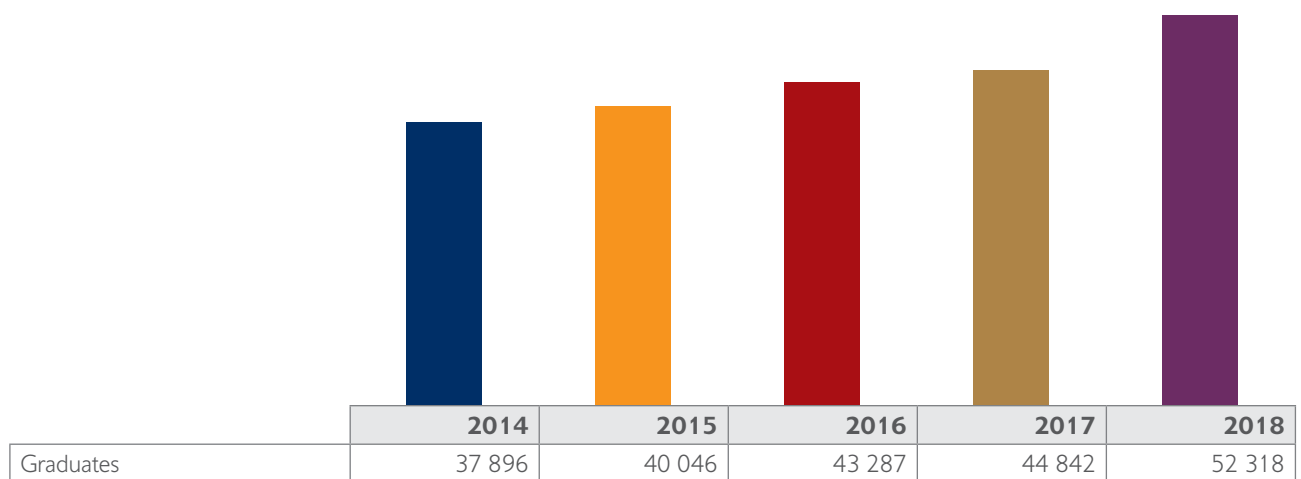
Department	2014	2015	2016	2017	2018
College of Accounting Sciences	33 394	33 147	31 880	37 414	38 639
College of Agriculture and Environmental Sciences	9 710	9 662	8 555	9 762	11 081
College of Economic and Management Sciences	82 652	80 057	62 496	66 823	69 721
College of Education	75 384	84 273	78 088	95 266	113 872
College of Graduate Studies			31	48	157
College of Human Sciences	51 955	51 533	45 254	47 936	49 015
College of Law	37 309	41 121	39 684	49 893	55 963
College of Science Engineering and Technology	21 801	21 853	18 609	19 530	19 798
Graduate School of Business Leadership	2 015	1 864	1 870	1 684	1 375
Occasional	14 272	14 434	12 857	15 659	14 126
Grand Total	328 492	337 944	299 324	344 015	373 747

The 2014 to 2017 student figures presented are based on data extracted from the final audited HEMIS submissions to the Department of Higher Education and Training (DHET). The 2018 figures represent information extracted from preliminary HEMIS student data and is subject to final verification and auditing.

Student enrolments by region



Graduates



The 2014 to 2017 student figures presented are based on data extracted from the final audited HEMIS submissions to the Department of Higher Education and Training (DHET). The 2018 figures represent information extracted from preliminary HEMIS student data and is subject to final verification and auditing.

HOW WE CREATE VALUE

Vision

Towards the African university shaping futures in the service of humanity.

Mission

Unisa is a comprehensive, open distance learning institution that produces excellent scholarship and research, provides quality tuition and fosters active community engagement. We are guided by the principles of lifelong learning, student-centredness, innovation and creativity. Our efforts contribute to a knowledge and information society, advance development, nurture a critical citizenry and ensure global sustainability.

Values

- Ethical and collective responsibility
- Integrity
- Innovation and excellence
- Responsive student-centredness
- Dignity in diversity

Value proposition

Accessible, flexible and globally recognised

Inembombono

Kufikelela kuba iyunivesithi ye-Afrika erhuluphelele ukwakha ingomuso ngokusebenzela abantu boke

Umnqopho

I-Unisa iliziko elibanzi, elinehlelo lefundo elivuleleke ukufunda ukude, izikweli likhiqiza ifundo nerhubhululo ehle khulu, yobujamo obuphezulu begodu efaka umoya wokuzibandakanya nemiphakathi ngamajadu. Sirholwa phambili migomo yefundo yepilo yoke, ukutjheja iindingo zabafundi, amaqhinga wokwenza izinto ezitjha begodu nekghono lokwakha amano amatjha. Imizamo yethu isiza isitjhaba ngelwazi lwetheknoloji, isiza ukuletha ituthuko eya phambili, yakha ikghono lezakhamizi lokuziphendulela nokubuka izinto ngeliso elihlabako nokuqinisekisa ituthuko yehlabathi edzimelekile nokuragela phambili.

Iminqopho eyisisekelo sekambiso

- ikambiso yokuziphatha okulungileko begodu nokuziphendulela ngokuhlanganyela

- ukuthembeka
- amaqhinga wokwenza izinto ezitjha nomsebenzi weqophelo eliphezulu
- ukutjhetjha simnyazana iindingo zabafundi
- ukuhloniphana kwabantu ngokwahlukahlukana

Iminqopho emihle nelindelweko

Ukufumaneka lula, ukujuguluka ngokulandela ubujamo begodu nokwaziwa liphasi loke

Umbono

Sijolise ekubeni yiyunivesithi yeAfrika equlunqa ikamva kwinkonzo yoluntu.

Umnqophiso

I-Unisa liziko elivulelekileyo ngokubanzi nelilemfundo yabafunda bekude. Elivelisa imfundo enzulu nophando, lilungiselela izifundo ezikumgangatho ophezulu kwaye liphembelela ukusebenzisana ngenkuthalo noluntu ekuhlaleni. Sikhokelwa ziinqobo zemfundo eqhubeka ubomi bonke, iinqobo ezingqale ukusabela iimfuno zabafundi, ubuchule bokuyila izinto ezintsha nobugcisa. Iinzame zethu zancedisa ukuphuhlisa inkcukatha yezeteknoloji, ukuqhubela phambili uphuhliso loluntu, ukuseka abemi abathe gqolo ngengqwalasela nemibuzo, kwaye nokuqinisekisa uzinzo lwehlabathi ngakwicala lokusingqongqileyo.

Iinqobo zentsulungeko ezisemgangathweni

- uxanduva lweenqobo ezisesikweni ezilawula ukuziphatha okulungileyo
- intembeko nokunyaniseka
- ukuvelisa izinto ezintsha nezibalaseleyo ngokugqwesa
- ukusabela ngokugqala kwiimfuno nezidingo zabafundi
- ukunonelela ngesidima nembeko iintlobo ezahlukeneyo zabantu

Isindululo seenqobo ezisemgangathweni

Ukufikeleleka lula, ukwenza iinguqu ngokulandela imeko, kunye nokwamkeleka kwihlabathi liphela

Umbono

Ukufinyelela ekubeni inyuvesi yase-Afrika ebumba ikusasa ngokusebenzela uluntu ngokubanzi

Injongo enkulu

I-Unisa iyisikhungo esijulile, esinohlelo lwemfundo oluvulekile lokufunda kwabantu bekude, lesi sikhungo semfundo

sikhiqiza imfundo kanye nocwaningo oluhlaba umxhwele, sihlizeka ngemfundo ekwiqophelo eliphezulu futhi siqikelela ukusebenzisana ngenkuthalo yokuzibandakanya nemiphakathi. Sihlwa phambili yimigomo yokuthi abantu bafunde impilo yabo yonke, sigxila ekunakekeleni izidingo zabafundi, ubuqambi nokudala izinto ezintsha. Imizamo yethu ithela esivivaneni nokujulisa ulwazi lwezethknoloji, ukuqhubela phambili intuthuko, ukondla kanye nokukhwezela ikhono lokuthi abantu babeyizakhamuzi ezihlolisiza izinto ngeso elibukhali ngomqondo okhaliphile kanye nokuqikelela ukuthi siba nomhlaba osimeme nokwazi ukuqhubekela phambili nangekusasa.

Izisekelo nezakhelo ezibalulekile eziwugqozi nomfutho

- inkambiso yokwazi okuhle nokubi nokusebenzisana ngokuhlanganyela
- ubuqotho nokuthembeka
- ubuqambi bezinto ezintsha neziseqophelweni eliphezulu
- ukuphendula masishane kwizidingo zabafundi
- isithunzi nenhlonipho yabantu ngokwehlukahlukana kwabo

Okusemqoka nokulindelwe

Ukufinyeleleka kalula, ukuguquguquka ngokulandela izimo nokwaziwa kumhlaba wonke

Ponelopele

Ho fihlella univesithing ya Afrika e ahang bokamoso tshebeletsong ya botho.

Maikemisetso kgolo

Unisa ke setsi se bulehileng sa thuto se pharalatseng se hlhisang ditsebi le dipatlisiso tse babatsehang, mme se fana ka thuto ya boleng bo phahameng le ho kghothalletsa dikamano tse mafolofolo tsa tshebedisano le setjhaba. Re tataiswa ke metheo ya thuto e sa feleng ya bophelo bohle, e shebaneng le dihloko tsa baithuti, tshibollo le boqapi ba bokgabane. Boiteko ba rona bo thusa ho tsebo le tlhahisoleseding ya theknoloji, ho susumetsa tswelopele, ho hodisa hore ho be le baahi ba shebang dilo ka leihlo la ho lekola, le ho netefatsa tswelopelo ya lefatshe lohle ka ho sa feleng.

Makgabane a boitshwaro

- boitshwaro bo molemo le boikarabello bo kopanetsweng
- botshepehi
- tshibollo le boqapi ba bokgabane
- ho mamelo dihloko tsa baithuti
- hlomphe ya ditjhaba tse fapaneng

Tshusumetso ya makgabane a rona

Ho fumaneha ka bonolo, ho feto-fetoha ho ya ka maemo ebile le ho amohelwa lefatscheng ka bophara

Ponelopele

Go fitihela yunibesithi ya Afrika ya go bopa bokamoso bja go direla setshaba

Maikemisetso kgolo

Unisa ke institusene e bolegilego ya go pharalatsenga ya go ithuta o le kgole, ye e akaretšago dithuto ka kakaretšo e bile e tšweletšago go ithuta ga maemo a godimodimo le go dira dinyakišišo, gape ye e fago thuto ya boleng bja godimo le go godiša dikamano tša mahlaha le setshaba. Re hlhlwa ke metheo ya go ithuta bophelong ka moka, go bea dihlokwa le dikgahlego tša baithuti pele, boitšhimolloši le bokgoni bja go hlola dintho tše mpsha. Maitekelo a rena a thuša setshaba go hwetša tsebo le tshedimošo ya teknolotše, tšwelopele ya tlhabologo, kgodišo ya setshaba sa badudi ba go lebelela dintho ka bohlale le go sekaseka, le go netefatsa tirišo ye e tšwelelago ya dithuši nkgokolofaseng.

Ditumelo tša šušumetšo tše bohlokwa ka ga boitshwaro

- maitshwaro a mabotse le boikarabelo bja kopanelo
- botshepegi
- boitšhimolloši bja go hlola dintsho tše mpsha le go šoma ka maemo a godimodimo
- go bea dikgahlego tša baithuti pele
- go tlotla ditšhaba tše fapanego

Tshepišo ya boleng bjo bo tlo hlagišwago

Go fihlelelega ga bonolo, go fetoga go ya ka maemo, go amogelwa le go lemogwa nkgokolofaseng

Ponelopele

Go fitihela kwa go nneng yunibesithi ya Aforika e e bopang isago mo ditirelong tsa batho.

Maitlhomogolo

Unisa ke setheo se se akaretsang, sa go ithuta o le kgakala se se tlhagisang borutegi jo bo kwa godimo le dipatlisiso tse di matsetseleko, se tlamela ka thuto ya boleng mme se rotloetsa dikamano le dipuisano tse tlhaga le baagi. Re kaelwa ke dithaego tsa go ithuta botshelo jotlhe, go lebana le ditlhokwa tsa baithuti,

botlhami le boitshimoleledi. Maiteko a rona a tshwaela mo setšhabeng se se nang le kitso le tshedimosetso ya thekenoloji, go tswelatsa tlhabololo, go nosetsa boagi jo bo lebanago le dilo ka go sekaseka mme le go netefatsa go nnela leruri ka kakaretso ga lefatshe.

Dithaego tsa tlhotlheletso ya maitshwaro

- maikarabelo a maitsholo a molemo le a a tlhakanetsweng
- boikanyego
- botlhami le boitshimoleledi
- go lebana le ditlhokwa tsa baithuti
- tlotlo ya ditšhaba tsa go fapana

Tlhotlheletso ya tsholofetso ya dithaego

Go fitlhelesega ka bofefo, go kgona go fetoga go ya ka maemo, le go lemogwa lefatsheng ka bophara

Umbono

Kufinyelela kuba nyuvesi yase-Afrika leyakha likusasa lekunakekela nekusebentela bantfu kumhlaba wonkhe.

Injongo lenkulu

I-Unisa sikhungo lesibanti, semfundvo yakashane levulekile lesiniketa imfundvo nelucwaningo, lesikhungo sikhicita tifundvo letisezingeni leliphakeme kantsi sikhutsata kutibandzakanya nemiphakatsi. Siholwa ngumgomosisekelo wekufundza imphilo yonkhe, kubeka tidzingo tebafundzi phambili, kucamba tintfo letinsha nelikhono lebungcweti. Imitamo yetfu kuba neligalelo elwatini lwetetheknoloji, intfutfuko lesezingeni leliphakeme, kutfutfukisa nekukhutsata likhono letakhamuti lekucabangisisa ngekuhlaba nekuhluta tintfo nekucinisekisa kusimama kwemhlaba wonkhe.

Timiso letinemtselela kunchubo yetfu

- sibopho sekutiphatsa lokulungile nekusebenta ngekubambisana
- bucotfo
- kucamba tintfo letinsha nekusebenta ngelizinga lelisetulu
- kunaka nekubeka tidzingo tebafundzi phambili
- kuhlonipha sitfunti sebantfu labahlukene

Lekusemcoka nalokulindzelwe

Kufinyeleleka malula, kwenta tingucuko ngekuvumelana netimo nekwatiwa mhlabawonkhe

Xivono

Hi tirhela ku va yunivhesiti ya Afrika leyi antswisaka vumundzuku bya vanhu.

Xikongomelonkulu

Unisa i instituxini ya dyondzo leyi anameke no pfuleka leyi nyikaka dyondzo eka lava va dyondzaku va ri kule, leyi yi humesaka swikolaxipi swa xiyimo xa le henhla na mindzavisiso, yi nyika dyondzo ya nkoka na ya xiyimo xa le henhla na ku khutaza ku tirhisana na vaaki hi ndlela ya migingiriko. Hi leteriwa hi minsinya ya dyondzo ya vutomi hinkwabyo, ku angulana na swilaveko swa machudeni, vutumbuluxi bya swilo leswintshwa na vuqambi. Matshalatshala ya hina ya na xiavo xa nhluvuko ya swa theknoloji, ku yisa emahlweni nhluvuko, ku kondletela leswo ku va na vaakatiko lava va langutaku swilo hi tihlo ra vaxiyaxiyi na ku tiyisisa nhlayiseko wa mhango wa misava hinkwayo.

Nseketelo na nsusumeto wa swikongomelo swa nkoka swa fambiselo ra hina

- vutihlamuleri bya mikhuva leyinene ya vululami na ntirhisano hi nhlanganelo
- vutshembeki
- vutumbuluxi bya swilo leswintshwa na tirhelo ra le henhla swinene
- ku angula hi xihatla eka swilaveko swa machudeni
- ku xixima vanhu hi ku hambana ka vona

Xivuto xa nkoka na leswi rindzeriweke

Ku fikeleleka hi ku olova, ku cinca-cinca hi ku landza xiyimo no tiveka eka misava hinkwayo

Bono

U swikelela kha u vha yunivesithi i vhumbaho vhumatshelo kha u shumela vthathu.

Ndivho khulwane

Unisa ndi tshiimiswa tshi angaredzaho, tsha ngudo ya u guda vthathu vha re kule tshine tsha bveledza skoļashipi na ngudo dza maļakaheni na tšhoļisiso, u nšetshedza pfunzo ya maimo na u tšutšwedza u dzhenelela na shumisano na tshitshavha. Ri dededzwa nļila nga mitheo ya vhuļifari ya ngudo ya vhutshilo hoļhe, u fusha tšhoļea dza matshudeni, u tumbula na vhusiki. Maga hashu a shela mulenzhe na u tšutšwedza nļivho na mafhungo a zwa theknoļodzhi kha tshitshavha, mveledziso i re phanļa, u tšutšwedza u vha hone ha vhudzulapo vha humbulaho zwithu nga u tšola na u sedzulusa, na u vthona uri hu na mvelaphanļa ya ļifhasi i vhulungelaho na zwa matshelo.

Mikhwa ya vhuḁifari

- vhuḁifhinduleli nga mikhwa ya vhuḁifari, thikedzo na shumisano
- vhufulufhedzei
- u tumbula na vhukoni vha maimo
- u fusha ṭhoḁea dza matshudeni
- u ṭhonifha vhathu vha u fhambana

Mikhwa yo dzinginywaho

U swikelelea nga u sa konḁisi, u fhinduka u ya nga tshiimo na u ḁivhalea kha ḁifhasi

Visie

Onderweg na die Afrika-universiteit wat in diens van die mens toekomsdrome verwesenlik.

Missie

Unisa is 'n omvattende, oop afstandsonderriginstelling wat voortreflike vakkundigheid en navorsing voortbring. Die Universiteit bied onderrig van hoogstaande gehalte en moedig aktiewe betrokkenheid by die gemeenskap aan. Ons word gelei deur die beginsels van lewenslange leer, studentgerigtheid, innovasie en kreatiwiteit. Unisa dra by tot 'n kennis-en-inligtingsamelewing, bevorder ontwikkeling, kweek 'n kritiese burgers en verseker globale volhoubaarheid.

Waardes

- etiese en kollektiewe verantwoordelikheid
- integriteit
- innovasie en uitnemendheid
- simpatieke studentgerigtheid
- waardigheid in verskeidenheid

Waardeaanbod

Toeganklik, soepel en internasionaal gereken

TRANSFORMATION CHARTER

Preamble

We, the Council, Management, Staff and Students of the University of South Africa –

Affirming

that the context of transformation in Unisa is unprecedented political and social change following the advent of democracy in South Africa

Endorsing

the need to

- galvanise the university to help fulfil societal aspirations for a just, prosperous society as encapsulated in the Constitution
- provide equitable access to higher education institutions, programmes and knowledge
- redress previous injustices referred to in the Constitution and the Higher Education Act 101 of 1997 based on race, gender, class and ethnicity
- provide scholarship and tuition aimed at social and human resource development that is socially responsive

We declare that

Transformation is a fundamental and purposeful advancement towards specified goals: individual, collective, cultural and institutional, aimed at high performance, effectiveness and excellence. It entails improvement and continuous renewal guided by justice and ethical action, and achievement of a state that is demonstrably beyond the original.

Individual and collective change requires regular and frequent introspection and self-criticism to examine how assumptions and practices are expressive of and resonant with transformational goals.

Cultural change requires the creative disruption and rupture of entrenched ways of thinking, acting, relating and performing within the institution and a willingness to adapt.

Institutional change entails the reconfiguration of systems, processes, structures, procedures and capabilities to be expressive of transformational intent. Transformation is monitored, milestones agreed, progress evaluated and measured, with individual and collective accountability for clearly identified responsibilities.

Transformation is sponsored, driven and led by the Vice-Chancellor. It is also articulated and advocated by the entire institutional leadership.

Transformational leaders are to be found at all levels and in all sectors of the organisation, not necessarily dependent on positional power. They are distinguished from mere actors by their insight into how things are in comparison to where they need to be, with the resolve and capability to act catalytically in pursuit of institutional and societal change imperatives in the face of opposition, resistance and limited resources.

Transformation keeps us at the frontier as pathfinders: to find ever better and innovative ways of enriching the student experience, elaborating and building upon African epistemologies and philosophies, developing alternative knowledge canons and advancing indigenous knowledge systems that ground us on the African continent, without averting our gaze from the global horizon.

We commit to

constructing together a new DNA for Unisa, characterised by openness, scholarly tradition, critical thinking, self-reflection and the values of African cultures – openness, warmth, compassion, inclusiveness and community.

This we will accomplish through

- **COMMUNICATION:** Ensuring shared meaning and promoting mutual understanding at all levels, by making explicit relevant decisions, actions, choices and events timeously and transparently
- **CONVERSATION:** Actively participating in dialogue that transforms the relationship and narrows the scope of differences while enhancing understanding and empathy
- **CONSERVATION:** Preserving and utilising what is best from our legacy, making choices and decisions and taking actions in the present which ensure a sustainable future
- **COMMUNITY:** The university staff, students and alumni cohering around our shared vision, aspirations and interests in the spirit of Ubuntu, while embracing diversity in its multiple forms
- **CONNECTION:** Reinvigorating stakeholder relations to find greater synergy, harmony and meeting of minds in pursuit of transformational goals
- **CARE:** Fostering a sense of belonging among the members of the Unisa community so that they feel accepted, understood, respected and valued
- **COLLEGIALITY:** Cultivating an ethos of professionalism, shared responsibility, mutual respect, civility and trust while understanding and acknowledging one another's competencies and roles
- **COMMITMENT:** Dedicating ourselves individually and collectively to promoting and upholding the vision, goals and values of Unisa
- **COOPERATION:** Working together proactively and responsively towards the realisation of Unisa's goals and aspirations

- **CREATIVITY:** Nurturing an environment that is open and receptive to new ideas, liberates potential and leads to imaginative and innovative thinking and action
- **CONSULTATION:** Taking into account, in good faith, the views, advice and contributions of appropriate stakeholders and individuals on relevant matters ... and
- **COURAGE** to act, decide and make choices with conviction and resolution in the best interests of the institution

This pledge we make, confident that the institutional climate we seek to create will free us from the shackles of our pasts in order that we may face the future with confidence, pride and dignity.

STRATEGIC FOCUS AREAS

Strategic Focus Area 1: To be a leading ODeL, comprehensive university in teaching and learning, research, innovation and community engagement based on scholarship.

Strategic Focus Area 2: To craft and embed an agile, innovative, sustainable and efficient operational environment.

Strategic Focus Area 3: To harness ICTs to support the transformation of the core business, to enable high performance, service and quality to all its communities.

Council approved the *Unisa 2030 Plan*, which sets out the university's vision, mission, values and strategic focus areas for the 15-year period. However, in the interests of efficacy and acknowledging that the future may often be uncertain, Council approved that the implementation of the 15-year plan be engaged over discreet five-year planning frameworks. The first of the frameworks thus covers the period 2016-2020, which has now been revised to 2018-2020.

While it is anticipated that the strategic focus areas will remain constant over the period of the 2030 Plan, there will nevertheless be a review of the plan at determined intervals. The annual targets form the basis of the year-on-year Annual Performance Plan and Compact with Council. There is thus an ongoing annual (light touch) review of the pre-set planning frameworks in the preceding year to ensure that the actions identified continue to be of material and strategic importance, and relevant and that targets have been appropriately set.

EXECUTIVE MANAGEMENT

The organisational structure is designed to support the university in executing its core business areas of teaching and learning, research, innovation and community engagement, and to give practical effect to the identified and agreed institutional strategic and operational priorities. It introduces an equitable distribution of functions across the portfolios and promotes horizontal integration of activities.

Overall accountability resorts with the Vice-Chancellor. All the Vice-Principals report directly to the Vice-Chancellor and they constitute the senior management team of Unisa.



*Prof MS Makhanya
Principal and Vice-Chancellor*



*Mr PZR Zwane
Vice-Principal: Finance/Chief
Financial Officer*



*Ms PH Tshabalala
Vice-Principal: Information &
Communication Technology/Chief
Information Officer*



*Dr P Mokgobu
Vice-Principal: Institutional
Development*



*Dr M Socikwa
Vice-Principal: Operations and
Facilities*



*Prof T Meyiwa
Vice-Principal: Research,
Postgraduate Studies, Innovation
and Commercialisation*



*Prof SK Ndlovu
Vice-Principal: Strategy, Risk and
Advisory Services*



*Prof MOC Moche
Vice-Principal: Teaching, Learning,
Community Engagement and
Student Support*



*Dr F Goolam
Registrar*

A photograph of a person sitting at a desk in a library, writing in a notebook. The background is filled with bookshelves. The image is overlaid with a dark red, semi-transparent shape that frames the text. The text 'OUR CONTEXT' is written in a bold, sans-serif font, with 'OUR' in white and 'CONTEXT' in white on a dark red background.

OUR CONTEXT



OUR BUSINESS MODEL

Unisa has adopted the ODeL model which reduces the impact of the barriers usually associated with accessing tertiary education, such as location, cost, as well as exclusionary matric results. As such, within a Unisa context, access to tertiary education may be regarded as a unique selling proposition, and the task team strongly feels that it should be included as one of Unisa's primary capitals. Failing to recognise and leverage reputation and access as primary capitals will significantly inhibit Unisa's ability to deliver its desired outputs and outcomes.



KEY PARTNERS

To the value proposition

1. SA statutory bodies
2. Research institutions
3. PSET sector
4. Professional bodies
5. Donors, foundations and alumni
6. Employer groups, and
7. SA community

To key support processes

1. Provincial and local government structures
2. Service providers for deliveries, printing, ICT, regional facilities
3. Print and online media



KEY PROCESSES

For the value proposition

1. Curriculum development and programme accreditation
2. Decentralised tuition, assessment and learning support
3. Research and innovation
4. Community engagement

Supporting the value proposition

1. Provision of ICT systems
2. Provision of decentralised/regional
 - a. learning and research resources
 - b. printing of study material on demand
 - c. ICT support
 - d. facilities and infrastructure
 - e. focused and dedicated student support services
 - f. Smart Buildings to support 24/7 access to all students
3. Provision of Multipurpose Infrastructure / Facilities
4. Continuous staff recruitment, retention, development and deployment
5. Funding applications and submissions
6. Branding and marketing of programmes



KEY RESOURCES

1. A well-qualified and diverse staff cohort
2. Decentralised learning and research resources
3. Robust and modern ICT system on all campuses
4. Modern, appropriate facilities and infrastructure at all campuses
5. Appropriate, flexible and open systems, policies and procedures
6. Adequate funding



COST STRUCTURE

1. Staff: Academic, professional staff, primary and institutional support
2. Research, learning and teaching resources
3. Decentralised infrastructure, equipment and facilities for full decentralised services and support
4. Infrastructure that allows multipurpose uses and easy access (including students/staff with disabilities)
5. Maintenance Technology to ensure continuous support of teaching and learning
6. ICT infrastructure, staff training and development associated with ODeL
7. Academic and other consumables
8. Research support and development cost

Corporate requirements, such as strategic planning, risk management, branding and marketing



VALUE PROPOSITION

1. Offering and certification of formal and non-formal learning, structured in an Africanised comprehensive and accredited programme qualification mix, delivered via open distance e-learning, informed and enriched by contextualised research and community engagement, with the purpose of educating and empowering individuals to meet the social and economic needs of society.
2. Cutting-edge research, innovation and knowledge creation.



STAKEHOLDER RELATIONSHIPS

1. Positive and formative student experience from 1st enrolment until graduation
2. Globally competitive and recognised programmes
3. Reputation for excellent service, decolonised quality programmes, and cutting-edge research
4. Affordability of access and participation
5. Graduateness and employability of graduates
6. Mutually enriching relationship with community and society
7. Institutional values of ethics, integrity, innovation and excellence, student-centeredness, and dignity in diversity.



CUSTOMER SEGMENTS

1. Diverse and geographically dispersed undergraduate, postgraduate and occasional students who choose distance education (for various reasons).
2. Researchers within identified niche areas.



DELIVERY MODEL

1. Open distance e-learning, supported by
 - a. robust state-of-the-art technology-enhanced systems,
 - b. an open and flexible academic plan
 - c. appropriately resourced regional facilities.
2. Publication and commercialisation of research output in high quality journals and reports

**The African university
shaping futures in the
service of humanity**



REVENUE STREAMS

1. Study fees
2. Central government grants and contracts
3. Investment income
4. Private donations, -grants and contracts
5. Sales and services of educational activities and facilities
6. Other third stream income sources



OUR VALUE CHAIN

The King IV report intrinsically incorporated integrated reporting as one of the primary mechanisms to enhance organisational governance, aiming to advance the principle of integrated thinking, by removing the disruptive effects of silo-thinking prevalent in many organisations – which inhibits their ability to create sustainable value. Like most South African organisations, Unisa is on a journey towards comprehensive integrated reporting. As we refine our integrated reporting approach, the university voluntarily adopts and embraces integrated thinking as an important way to fundamentally demonstrate our accountability to our stakeholders.

Unisa actively considers the interrelationships between its operating and functional units and the capitals that it uses to achieve its desired outputs and outcomes. Integrated thinking underpins the adoption of a stakeholder-inclusive approach, which recognises that organisations do not operate in isolation, but within a societal context. Recognising that organisations represent an integral part of society, they may accordingly be categorised as “corporate citizens”.

Even though the capitals listed in the International Integrated Reporting Framework (Integrated Reporting Framework) are applicable to all types of organisations, they were developed primarily for commercial enterprises. The Unisa proposal therefore sets forth an alternative set of capitals to be adopted by the institution. The IIRC accommodates the information needs of relatively diverse organisations that voluntarily adopt integrated reporting, to adapt the Integrated Reporting Framework to suit their organisational uniqueness, but guided by the fundamental principles of strategic focus and future orientation; connectivity of information; stakeholder relationships; materiality; conciseness; reliability and completeness; as well as consistency and comparability. Only the interactions of those capitals that are significant, important and/or material to the organisation, should therefore be disclosed in the integrated report.

UNISA CAPITALS

Collectively, the identified capitals below do not reflect discrete silos, but operate within an integrated manner to facilitate the ability of Unisa to deliver on its mandated tuition and learning, research, community engagement and academic citizenship objectives.



Reputational capital:

The inherent value of Unisa's reputation and accordingly its perceived credibility among its stakeholders. In particular, academic institutions (locally, regionally and internationally); professional bodies and associations that accredit/endorse its qualifications, programmes and research; organisations employing Unisa graduates; media (both traditional and social); government (DHET that provides subsidies and funding in terms of its predetermined objectives); student bodies; labour organisations; donors that provide funding for various programmes, projects and activities.



Access capital:

Leveraging one of Unisa's unique selling propositions, i.e. the ability to use ODeL to provide students access to affordable high-quality tertiary education, irrespective of their geographic location. Access capital allows employed and pre-employed students from around the world, and particularly in remote locations, to pursue credible and accredited qualifications that will enhance their employability. In addition, access is also granted to students who would be excluded from the traditional residential universities due to budgetary and accommodation constraints, or do not qualify due to the higher Admission Point Scores (APS) required for admission to the traditional universities, or because they are unable to attend classes full time. This capital includes the physical and other infrastructural objects that Unisa utilises to provide tuition and research services, including property, buildings, facilities, equipment, systems (ICT and other) and technology.



Financial capital:

Represents the pool of funds that Unisa has available to provide tuition and research services and support. This source of capital is provided by funding sources such as student fees, DHET funding subsidies, bursaries and scholarships, generated through third stream income sources, alumni grants and donations, and other grants and donations (including from corporations, foundations, professional bodies).



Human capital:

Represents the competencies, skills, capabilities and experience of Unisa's academic, professional and support staff, and management, including their motivation to ensure a sustainable university through innovation and by consistently providing quality student-centred tuition and research.



Intellectual capital:

Represents Unisa's knowledge-based intangibles, such as intellectual property (including patents, copyrights, software, rights and licences) and organisational capital, such as tacit knowledge, systems, procedures and protocols.



Social and relationship capital:

Represents Unisa's relationships within and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective well-being. Social and relationship capital includes shared norms, and common values and behaviours; key stakeholder relationships, and the trust and willingness to engage that Unisa has developed and strives to build and preserve with external stakeholders; intangibles associated with the brand and reputation that Unisa has developed and strives to maintain; as well as Unisa's social licence to operate. This capital includes all renewable and non-renewable environmental resources and processes that Unisa has control over that supports Unisa's historical, existing and future prosperity, and Unisa's ability to preserve biodiversity and eco-system health within its sphere of influence and its sphere of control.



**VIEW FROM OUR
LEADERSHIP**



REPORT OF THE CHAIRPERSON OF COUNCIL

UMBIKO KASIHLOLO WOMKHANDLU



It gives me great pleasure, on behalf of the Council, to present our report for the year under review.

As Africa's largest open distance e-learning institution, Unisa prides itself on its sound and transparent corporate governance. Integral to the university's philosophy is the conviction that Unisa should strive to become "the African university shaping futures in the service of humanity". In this report we outline the many ways in which Unisa is working towards this goal.

Mr AS Simelane, Chairperson, Unisa Council

Ehlangothini loMkhandlu, kulithabo elikhulu kimi ukuthi ngethule umbiko wethu womnyaka ngobufitj hazana.

Njengeziko elikhulukhulu e-Afrika lehlelo lokufunda ukude nge-inthanede, i-Unisa iyazikhakhazisa ngetjebiswano layo elizwakalako nelisetjhatjhalazini lemigomo yokuziphatha kwamahwebo. Okuqakatheke khulu kufilosofi yeyunivesithi kuyikolelo yokuthi i-Unisa kufanele izabalazele ukuba yi "the African university shaping futures in the service of humanity". Kulombiko sendlala iindlela ezinengi i-Unisa esebenza ngayo ekufikeleleni irhuluphelo.

uNom AS Simelane, onguSihlalo, woMkhandlu we-Unisa

Today Unisa is the largest university in Africa with an annual student intake of over 370 000 students. The university produces in the order of 50% of South Africa's teachers and social workers, while our College of Law accounts for a significantly large number of the country's law graduates. Therefore, the importance of delivering quality education and continuous improvement cannot be overemphasised.

Namhlanjesi i-Unisa iyiyunivesithi ekulu kunazo zoke e-Afrika inenani labafundi elilamukelako qobe mnyaka elingaphezu kwama-370 000 wabafundi. Iyunivesithi ikhiqiza 50% yabotitjhere beSewula Afrika kanye nabasebenzi bezehlalakuhle, kanti iKholiji yethu yezomthetho ikhiqiza imbalo ephezulu yamagrajuweyithi wezomthetho enarheni. Yeke-ke, ukuqakatheka kokuletha ifundo yekhwalithi kanye netuthuko eragela phambili angekhe kweqiselwa amehlo.

OPERATING ENVIRONMENT AND TRANSFORMATION

Like all South Africans, members of Council are committed to a thriving South Africa. While acknowledging the challenging and uncertain macroeconomic environment, Council is committed to working harder to contribute to Unisa and to allow the institution to help build the country as a whole. Unisa maintains an efficient and effective process of risk management to manage key risks and accordingly Council is not aware of any key risk that may threaten the sustainability of Unisa. Council's Audit and Enterprise Risk Management Committee oversees Unisa's responses to the changing environment. Council has dealt with risk management, the university's risk profile and key risks in detail as set out in the sections on risk management and combined assurance.

We are pleased to report that Unisa has not been guilty of any material or immaterial regulatory penalties, sanctions and fines for contraventions or non-compliance with statutory obligations for the year under review.

In our *Statement on governance*, we outline the highlights from the meetings of Council in 2018. Among these highlights is the fact that Unisa was hailed as exemplary in the handling of matters referred to the South African Human Rights Commission. In addition, Unisa is particularly pleased with the approval of the consolidated scorecard submitted to the Department of Higher Education and Training for advice on how the template could be improved. The *Governance report* also provides highlights per strategic Council committee.

IBHODULUKO LOKUSEBENZELA KANYE NETJHUGULUKO

NjengamaSewula Afrika woke, amalunga woMkhandlu azimisele ekwakheni iSewula Afrika ethuthukako. Njengombana samukela isitjhijilo kanye nobujamo obuqokamileko bezamarhwebo amakhulu, uMkhandlu uzibophelele ekusebenzeni budisi ukuba negalelo e-Unisa kanye nokuvumela iziko kobana lakhe inarha yokana. I-Unisa iliiraga kuhle nangendlela esebenzako ihlelo lokulawula ubungozi ukobana kuqedwe amathuba wobungozi kanti ngokwekhabo lakhona uMkhandlu awukatjheji ngokwehlakala kwananyana ngiyiphi ingozi engakhinyabeza ukusimelela kwe-Unisa. IKomiti yoMkhandlu wezokuLawulwa kokuHlolwa kobuNgozi kanye nobuNgozi kezamaRhwebo (Council's Audit and Enterprise Risk Management Committee) litjhejisisa isizo le-Unisa malungana nebhoduluko elitjhugulukako. UMkhandlu sele uyilungisile indaba yokulawulwa kobungozi, isithombe seyunivesithi kezobungozi kanye neminingwana yeengozi ezikulu sekwendlaliwe eengabeni ezimalungana nokulawulwa kobungozi kanye nokuqinisekiswa okuhlangeneko.

Kuyasithabisa ukubika ukobana i-Unisa akhange kheyibonwe umlandu ihlawuliswe ngananyana ngiyiphi indlela yokuhlawuliswa ngokwemali nokungasi ngokwemali, ngokutswinywa kanye nokuhlawuliselwa ukuphikisana nomthetho nanyana ukungalandeli umthetho emnyakeni odlulileko lo.

Esitatimendeni sethu esithi:Statement on governance, sendlala izinto ezihle kusukela emihlanganweni yoMkhandlu ka 2018. Hlangana nalezi zinto kunendaba yokuthi i-Unisa ibukwa njengesibonelo

Unisa is a leader in transformation. During the year under review, the university continued to address the issues of transformation across portfolios, in line with identified responsibilities to ensure that transformation in general, as well as related issues, such as the language policy, employment equity (EE), and ICT provision, are all incorporated in the annual performance plan. The details of the transformation approach, initiatives and achievements of Unisa in 2018 can be found in the section titled *Driving transformation*. The transformation efforts of Unisa's nine colleges, including their moves towards African scholarship, are detailed in the *Academic report*. Details of additional initiatives such as the university's digital transformation journey are available in the *Governance report*. Details of curriculum transformation is in the *Academic report*. Unisa makes ongoing efforts to ensure effective and ethical leadership and held a Council workshop on transformation during 2018. During 2018, deans of colleges were challenged to correct any enrolment anomalies that might arise.

Unisa takes seriously its role in responsible corporate citizenship. The Social and Ethics Committee of Council serves as an advisory, oversight and monitoring committee. Its functions include monitoring the university's activities in terms of social and economic development, and good corporate citizenship. Details are in the *Council Statement on Governance*. During 2018 students, researchers, management and the executive leadership were involved in increasing activities in 140 Community Engagement projects. Details of the projects can be found in the *Academic report*.

In transforming Unisa we have transformed the lives of millions. This is, in no small measure, due to the fact that Unisa has been privileged to attract and retain the active support and involvement of some of South Africa's most respected and visionary leaders in its governance and management structures, and I thank them most sincerely for their service and dedication during the past year.

ACCESS AND AFFIRMING AN AFRICAN IDENTITY

Unisa's role is to provide relevant education to a wide cross-section of people from the continent of Africa, particularly those who, for whatever reason, find themselves beyond the reach of (or are unable to afford) universities where the student-teacher relationship takes the form of face-to-face interchange.

Today the university makes use of courier services for efficiency, but we operate in a digitised environment where study material can be the click of a button away. Mindful that many of its students are from rural areas, Unisa has to strike a balance by making study material available both in hard copy and electronic format. Unisa is also rolling out a programme of action to assist our students with access to devices and the internet. Council approved a strategy, plan and financing model for student access to devices in early 2018 and pilot implementation commenced

ekuragweni kweendaba esele zikhulunywe kuKomitjhani yezamaLungelo woBuntu eSewula Afrika. Ngaphezu kwalokho, i-Unisa khulukhulu ikareke khulu ngokuphumelela ngokwamakarada wamatshwayo womsebenzi omuhle athunyelwa kuMnyango oPhakemeko wezeFundo nokuBandulwa ngesiyeeleliso sokuthi ngabe ithemplyidi le ingathuthukiswa bunjani. UMBiko wezokuziPhatha kweeNhlango (Governance report) nayo godu inikela imisebenzi emihle ngokwamano wekomiti ngayinye yoMkhandlu.

I-Unisa imurholi wezamatjhuguluko. Ngomnyaka ophelako lo, iyunivesithi iragele phambili nokulungisa iindaba zamatjhuguluko eminyangweni yoke, okukhambisana nemisebenzi ekhethiweko ukuqinisekisa ukobana amatjhuguluko woke, kanye neendaba ezihlobeneko, ezinjengomthethomgomo, welimi.

Amathuba alinganako wezokuqatjiswa (employment equity (EE), kanye nokuphakelwa ngobuchwephetjhe be-ICT, koke kutlolwe emtloveni wehlelo lomnyaka lokusebenza. Imininingwana yezamatjhuguluko, imizamo kanye neempumelelo ze-Unisa zomnyaka ka 2018 zingatholakala esigabeni sesihloko esithi : Driving transformation. Imizamo yamatjhuguluko wamakholiji alithoba we-Unisa, kufakwa phakathi imisebenzi yawo ephokophelele ekufikeleleni izinga lokuba liziko lezefundo elingcono e-Afrika (African Scholarship), imininingwana yalokho itholakala esihlokwini esithi: Academic report. Imininingwana yemizamo engezelelweko enjengamatjhuguluko weyunivesithi wedijithali ekhambeni ikhona ku: Governance report. Imininingwana yezamatjhuguluko wekharikhyulamu itholakala ku: Academic report. I-Unisa yenza imizamo eragela phambili ukuqinisekisa ukuthi kunoburholi obusebenzako nobuziphatha kuhle begodi ibamba isifundobandulo soMkhandlu esimalungana namatjhuguluko ngomnyaka ka 2018. Ngomnyaka ka 2018, amadini wamakholiji aphoselwa iintjijilo ukobana alungise nginyanya ngibuphi ubutjhaptha bezokutlolisa obungavela.

I-Unisa ithathela indima yayo phezu, indima yayo emalungana nokuba sisakhamuzi esinetjhebiswano. IKomiti yoMkhandlu wezoMphakathi kanye nokuziPhatha isebenza njengekomiti emyelelisi, etjhejisako nethuthukisa zomnotho, kanye nokuba sisakhamuzi esinetjhebiswano. Imininingwana yalokho itholakala ku:, Council Statement on Governance. Ngomnyaka ka 2018 abafundi, abarhubhululi, abaphathi kanye nabarholi besigungu bebazibandakanye ekungezeleleni imisebenzi yamaphrojekhi ali-140 wokuCocisana noMphakathi Imininingwana yamaphrojekhi ingatholakala ku: Academic report.

Ekutjhugululeni i-Unisa sesitjhugulule iingidigidi zamaphilo. Le akusiyo imbalo encani, nasiqala indaba yokuthi i-Unisa kade inetjhuu lokudosa kanye nokubamba isekelo elimajadu kanye nokubandakanyeka kwamanye amaSewula Afrika abarholi abahlonipeke khulu nabanebonelophambili ezakhiweni zayo zehlelo lokuzilawula kanye nokuphatha, begodu ngiyabathokoza angjwualu umlomo ngomsebenzi wabo kanye nokuzimisela kwabo ngomnyaka ophelileko.

in June 2018. Assistive devices and study materials in accessible formats were made available to students with disabilities. A policy on e-Devices for e-Learning at Unisa affirms the need to support students with access to digital technology devices to access the Unisa e-classroom in line with the institution's ODeL character. This policy was approved by Senate in 2018, setting the stage for the provision of access to and use of e-devices with data and support to students.

Unisa's intention is to promote student access and connectivity to devices underpinned by student digital portals and as such introduced free-to-browse teaching, learning and research content. The free-to-browse access was implemented with one service provider network while negotiations have commenced with additional providers. Procurement of student devices was approved in 2018 and the public tender process for student laptops was finalised. The process included formally constituted tender committees.

The university needs to take a hard look at enrolment patterns. Central to the focus on enrolment patterns must be how Unisa views itself as a strategic player in the developmental agenda of the country and must therefore increase the number of black and women students enrolled in science, technology, engineering and mathematics (STEM) subjects. No college should be undersubscribed by students from these designated groups. The college leadership must be challenged to correct any enrolment anomalies that might arise. Unisa must pursue this trajectory acknowledging constraints in terms of how many students the institution may be able to absorb. Related to enrolment patterns are throughput rates. Council's overall concern is that Unisa's throughput rate is just too low, despite meeting targets. While not advocating for an artificial inflation of throughput rates the university must address the causes. Of concern relating to throughput numbers is the number of black students who graduate with designated degrees such as Bachelor of Accounting Science, Bachelor of Science, and others.

On a positive note, Unisa is unashamedly an African university. This is by no means in conflict with the move towards globalisation. On the contrary, it ensures that this move is enriched with the flavours of mother Africa, humanity's birthplace. Unisa's research should be focused on serving African development. Unisa must further improve and perfect systems of teaching and learning; the criteria for prioritising research projects; the way it serves the student population, including those with disabilities; and ways to offer additional support. There's a lot more work waiting in the field of transformation, and Unisa must lead the way.

COMPETITION IN DISTANCE EDUCATION

For many years Unisa owned the field of high-level, distance education; but recent developments, including the rising role of technology, have tempted others to contest this sector. Unisa

UKUTHOLA KANYE NOKUQINISEKISA ISITHOMBE SOMU-AFRIKA

Indima ye-Unisa kuphakela ngefundo efaneleko kwingcinye enabileko yabant abavela enarhakazini ye-Afrika, ikakhulukazi labo bantu ngananyana ngisiphi isizathu, bazifumana babhalelwa kufikelela amayunivesithi lapho ubudlelwano bukatitjhere nomfundi buthatha ihlelo lefundo yokuqalana notitjhere.

Namhlanjesi iyunivesithi isebenzisa izenzelwa zekhoriya ngendlela efaneleko, kodwana sisebenza ebhodulukweni elinedijithali lapho matheriyali yokufunda ingatholakala kwaphela ngokugandelela ikunupe. Sikhumbule ukuthi abafundi bayo abanengi bavela eendaweni zemakhaya, i-Unisa kufanele yenze inzinzise izinto kuhle ngokuqinisekisa ukobana ngeendlela ezimbili yephepha eliphathekako kanye nekhophi ye-inthanede. I-Unisa begodu iphezu kwephrogremu yomsebenzi wokusiza abafundi bethu ngokutholakala kweensetjenziswa kanye ne-inthanede. UMkhandlu utlikitle imodeli yamano, ipulani kanye neyeemali ukobana abafundi bathole iinsetjenziswa ekuthomeni komnyaka ka 2018 begodu nehlelo lokulinga ukusebenza elithome ngoMgwengweni ka 2018. Iinsetjenziswa ezisizako kanye namamatheriyali wokufunda anikelwa abafundi abanokukhubazeka. UMthethomgomo othi isiSetjenziswa ngasinye sokuFunda uqinisekisa isidingo sokusekela abafundi ngokutholakala kweensetjenziswa zethekinoloji zedijithali ukobana kungeneke kumatlasi we-inthanede ngetshwayo le-ODeL yeziko. Lo thethomgomo watlikitlwa yiSineyithi ngo 2018, bewuhloma ivadla ezokusiza ngokutholakala kanye nokusetjenziswa kweentlabagelo ze-inthanede ngamadatha kanye nesekelo kubafundi.

Ihloso ye-Unisa yokuthuthukisa ihlelo lokutholakala kanye nokuthintaniswa namaphothali wedijithali wabafundi ngalokho yangenisa ihlelo lokufundisa, lokufunda kanye nokurhubhulula ummango ngaphandle kokubhrawuza ngokukhululeka. Ukutholakala kwehlelo lokubhrawuza ngokukhululeka lasetjenziswa ngesenzelwa senediwege yinye kanti ngakelinye ihlangothi besele lithomile ngeminye imisebenzi engaphezulu. Ukuphakelwa kwabafundi ngeensetjenziswa kwatlikitlwa ngomnyaka ka 2018 kanti nehlelo lethenda lokuphakela abafundi ngamalephthobho laphethwa. Ihlelo leli lafaka ngokusemthethweni amakomiti wamathendara.

Iyunivesithi idinga bona iqalisise amaphetheni wezokutlolisa. Okuqakatheke khulu malungana nokuqalwa kwamaphetheni kufanele kube ngendlela yokuthi ngabe i-Unisa izibona njani njengomdlali onamano ku-ajenda yezokuthuthukiswa yenarha kanti kufanele ingezelele inani labafundi abanzima kanye nabafundi ababomma abatlolisele iimfundo zesayensi, zethekinoloji, zobunjiniyere kanye nezemethamethiksi (STEM). Akunakholoji ekufanele itjhodiswe ngabafundi abavela eenqhemeni ezibaliweko. Uburholi bekhiliji kufanele buphoswe ngeentjhihilo zokuthi bulungise nginanyana ngibuphi ubutjhaptha

welcomes competition. It keeps the university sharp and alert. But opportunists should be aware of the many pitfalls that line the pathway to success; pitfalls which Unisa has adjusted to over 70 years of distance education experience.

Unisa's experience and systems, give it many advantages over potential competitors. Nonetheless, the university expects the market to be contested over the next five years or so, after which it will even out, and it is anticipated that the would-be rivals will stick to short courses and similar offerings. Unisa has licence for distance learning, meaning it must not venture into face-to-face tuition. Much the same thing applies to new entrants. Similarly with contact universities; they would be foolhardy to venture into Unisa's core. Ultimately however, the best defence is setting a higher standard.

UNISA'S CORE BUSINESS

Unisa measures its successes by way of various indicators; and as mentioned above, one of them is throughput rates. In 2018, Unisa retained its 12th position in the sector for weighted research output per capita, but fell from 13th place to 11th for overall research outputs per capita.

Students should complete their studies within seven years and then exit the system. Successful students are also important to the university's financial sustainability, as the subsidy received from government is given on the basis of throughputs. During the year under review Unisa has exceeded targets set. In addition, throughputs must be underpinned by significant research outputs. And I believe that as a distance learning facility Unisa should generate more throughputs on research.

Academic offerings must prepare students who are highly conscious of developments in the country and the continent. Students must be equipped with the tools of analysis that identify with the country and continent's needs. They must, of necessity, preoccupy their minds with how they will contribute towards the advancement of the continent and its people.

Free higher education for students is to be widely encouraged. But you have to bear in mind that someone has to pay the bill. In the case of Unisa, practically all our students are employed and studying part-time, and therefore should be able to pay the study fees. The impact is further lessened by the fact that Unisa is required by law, to take no more than 25% of its students straight from school.

Unisa may offer the same degrees as contact universities, but at a fraction of the cost. However, the money comes from the same pot. This points to a need for the same curricula – and we should agree that the same curricula goes through the same accreditation process. So something needs to be sorted out from the source to regulate the fees. The present system is

bezokutloliswa obungavela. I-Unisa kufanele ilandelele umraro lo yamukele iinqabo ezimalungana nokuthi ngabe iziko lizokwazi ukuthatha abafundi abangaki. Okukhambisana namaphetheni wezokutlolisa kuziinlinganiso zezinga lokukhiqiza. Umnako omkhulu woMkhandlu kukuthi izinga lokukhiqiza le-Unisa lincani khulu, naphezu kokufikelela iminqopho. Njengombana kungekho ukulwela i-infleyitjhini yokuzenzela phezu kwezinga lemikhiqizo yeyunivesithi kufanele ilungise iimbangela zalokho. Okumnako khulu ngeembalobalo zezinga lomkhiqizo kuyimbalo yabafundi abanzima abaqeda iimfundo zabo kuziqu ezinjenge: Bachelor of Accounting Science, Bachelor of Science, kanye nezinye iziqu

Ngendlela ephikisako, i-Unisa ayinamahloni ngokuba yiyunivesithi ye-Afrika. Lokhu akuphikisani nakancani negadango lokukhambisana nehlelo letuthuko yephasi. Okuphikisana nalokho, i-Unisa iqinisekisa ukobana leli gadango linothiswa ngeenongo zenarhakazi ye-Afrika, ubuntu benarha yokubelethwa. Irhubhululo le-Unisa liqalane nokusebenzela ituthuko ye-Afrika. I-Unisa kufanele iragele phambili nokuthuthukisa beyinothise isistimu yokufundisa nokufunda; ithuthukise indlela yokubeka phambili amaprojekhi wezerhubhululo: indlela esebenzela isitjhaba soke sabafundi, kufakwa phakathi abafundi labo abakhubazekileko, kanye nokuthuthukisa iindlela zokunikela ifundo isekelo elinye elingezelalako. Mnengi umsebenzi osilindeleko emkhakheni wezamatjhuguluko, kanti i-Unisa kufanele ibe mndosiphambili.

UKUPHALISANA KANYE NEHLELO LEFUNDO LOKUFUNDA UKUDE

Eminyakeni eminengi i-Unisa kade iphethe umkhakha weqophelo eliphezulu, wehlelo lokufunda ukude; kodwana amatjhuguluko wamhlapha nje, kufakwa phakathi indima ekhulako yethekinoloji, sekalinge abanye ukobana bazihlanganise kupikiswano ekulomkhakha. I-Unisa yamukela ukuphalisana. Iphaliswano libeka iyunivesithi lisebujameni obuhle begodu ihlale ivule amehlo. Kodwana abagade amathuba kufanele batjheje ukubakhona kweenthekamezi ezinengi ezigcwele indlela eya epumelelweni; okuziinthikamezo i-Unisa edlule kizo eminyakeni ema-70 yelwazi enalo ehlelweni lokufunda ukude.

Ilwazi kanye mamahlelo i-Unisa enawo, ilinikele amathuba amanengi wokuhlala iimbangi zayo. Nanyana kunjalo, iyunivesithi ilindele imaraga kobana ibangwe neembangi eminyakeni emihlanu ezako, bese ngemva kwalokho, i-Unisa izakuhlala, kanti kuqalwe bona amaziko abonakala azokuphalisana azakunamathela phezu kweemfundo ezifitrijhazana kanye nezinye iimfundo ezifana nayo. I-Unisa inelayisensi yehlelo lokufunda ukude, lokhu okutjho bona ayikafaneli bona ingene ehlelweni lokufunda useduze. Ngokufanako lokhu kuyenzeka kumaziko wezefundo asafikako. Ngokufanako, namaziko anehlelo lokufunda ngokuthintana, amayunjivesithi lawa kuzoba budisiakhambisane nesisekelo se-Unisa. Kwamaswaphela, isiviko esihle kubeka izinga eliphezulu.

contributing to inequality and there must be some attempts at equalisation before going forward. That said, I believe that free education should be there for the poor.

While attending to these urgent issues, Unisa is aware of the need to up its game in terms of quality assurance management around its course offerings. This starts with course compilers, who must be experts in the different fields and should know what is required by the industry and related professional bodies. We must fulfil all the strictures laid down by the Department of Higher Education and Training (DHET), the Council for Higher Education (CHE), and the South African Qualifications Authority (SAQA). Course leaders, departmental leadership, school leadership, college leadership, and institutional quality assurance managers must keep their eyes on the bouncing ball of qualifications accreditation and standards.

Our research output has improved, compared to previous years. Yet, the yardstick that we should use for any improvements should not be the low output rates of the yesteryears. Our yardstick must reflect the size and strategic importance of this university. Our research output in the form of publications is still low. We should not be comfortable with our status. We should do more. Our publication rates must therefore be increased substantially.

But it is not just the quantity of research output that we should be preoccupied with. We must place an emphasis on publishing in high impact journals and with top academic publishers. Our academics should also be seeking to attend top conferences.

We must position the university to remain relevant and respond to the developmental needs of both our country and the continent. Ours is a university located within and serving a developing country and emerging economy. Unisa must therefore influence the shape and content of the ideal society that we all wish for – a prosperous society whose resources are shared equitably by all.

In addition to the academic transformation that is underway, as part of our commitment to make Unisa more accessible and equitable – and as a demonstration of our appreciation of our context and our students – Council and management are investing in earnest in student facilities. Unisa has expanded its network within the rural space. We are now represented in Mthatha, Polokwane, and KwaZulu-Natal in the Margate region. This has been made possible by donations of land in Mthatha, Margate, and Johannesburg. We remain committed to providing these services to our students. In each instance of land donation we have worked with communities who appreciate the need and the value of education for their young people. That is how it should be. These collaborations, in my view, represent the African ethos of community and sharing.

UMSEBENZI OQAKATHEKILEKO WE-UNISA

I-Unisa imeda ipumelelo yayo ngamatshwayo amanengi, njengombana kutjiwe ngaphezulu, yinye yawo kumazinga wokukhiqiza. Ngomnyaka ka 2018, i-Unsa ibuyelele ubujamo bayo be-12 emkhakheni nakuqalwa isisindo ngokomphumela werhubhulolomfundi ngamunye, kodwana yasuka ebujameni be-13 yaya ebujameni be-11 nakuqalwa nakuqalwa umphumela wo ke werhubhululo womfundi ngamunye.

Abafundi bafanele baqede iimfundo zabongeminyaka elikhomba bese baphume. Abafundi abaphumeleleko nabo baqakathekile malungana nokunziza kweziko ngokweemali, njengombana imali yokusiza etholakala kurhulumente iphuma ngokuqala izinga lokukhiqiza. Emnyakeni odlulileko i-Unisa seyidlule iminqopho yayo ezibekele yona. Ukungezelela kilokho, izinga lokukhiqiza kufanele liphakanyiswe miphumela yerhubhululo ebonakalako. Begodu ngiyathemba bona njengeziko elisikhungo sokufunda ukude, i-Unsa kufanele ingezelele ngeminye imikhiqizo yezerhubhululo.

Iimfundo zeziko lezefundo kufanele zilungiselele abafundi abazimisele ngetuthuko enarheni kanye nenarhakazini. Abafundi bafanele bahlonyiswe ngamathulusi wokutsenga akghona ukwehlukana iindingo zenarha kanye nezenarhakazi. Kufanele iimfundo lezi zinothise iingcondo ngokuthi zizokusiza bunjani ekuthuthukiseni inarhakazi kanye nabantu bayo.

Ifundo yasmahla yabafundi bemazikweni aphakemeko kufanele ikhuthazwe ngokunabileko. Kodwana kufanele ukhumbule ukobana omunye kufanele abhadele isikolodo. Malungana ne-Unisa, ngokwepilo yamambala boke abafundi bethu kubabantu abasebenzako begodu abafunda ngokugcweleko, yeke kufanele bakghone ukuzibhadelela iimfundo zabo. Umthintela walokhu uragela phambili nokwehliswa yindaba yokuthi i-Unisa ikatelelwa mthetho ukobana ayikafaneli ukuthatha ngaphezu kwama-25% wabafundi bayo abasesehlaza abavela esikolweni.

I-Unisa inganikelanangeziqo ezifana nezamayunivesithi wefundo etholwa bunqopho, kodwana ngemali encani. Yeke-ke, imali isavela emthonjeni munye. Lokhu kukhomba bona kunesidingo sekharikhulamu yinye-kanti kufanele sivumelane ukobana ikharikhulamu efanako leyo ikhamba indlela yinye malungana nehlelo lesisindo esifanako. Ngakho-ke, kufanele kube nento elungiswako malungana nomthombo olawula iimali. Ihlelo lagadesi linegalelo ehlelweni lokungalingani kanti kufanele kube nemizamo yokulinganisa ngaphambi kokuhlabela phambili. Njengombana lokho sekutjiwe, ngiyathemba ukobana ifundo yasimahla kufanele ibe khona ukwenzela labo abadobha phasi.

Continently, we have extended our facilities in Ethiopia – mostly focused on postgraduate students – and are presently in discussions to open an office in Swaziland. We are constantly seeking out opportunities elsewhere in Africa.

Council approved the Infrastructure Management Policy and Development Framework and approved the Campus Master Plan as statutorily required. Investments in infrastructure were overseen by Council and details are in the report of the Chief Financial Officer and that of the Finance, Investment and Estates Committee.

APPRECIATION

This integrated report would not be complete without acknowledging the hard work of the people of Unisa and their ongoing commitment to the development and sustainability of our great institution. This fine institution exists because of the close to 6 000 staff members who work here. I would like to take the opportunity to thank my Council colleagues for their support and wise counsel. My gratitude to Prof Makhanya and his leadership team for ensuring stakeholder value and maintaining sound governance. The remuneration policies for Council and senior executives and how performance criteria relate to objectives can be read in the governance report and in the annual financial statements. Thank you as well to academic and support staff for their critical role in ensuring ongoing improvement.

In conclusion, I acknowledge our responsibility as Council towards all Unisa stakeholders and undertake to remain alert and respond with agility and ingenuity to the needs of our partners and collaborators, and to the environment in which we operate. Unisa is a place for optimists and innovators, a place for achievers and leaders. We embrace the challenges that the future may bring with the same level of enthusiasm and competence that we applied in 2018.

BATHO PELE

In October 1997, Nelson Mandela's administration introduced the concept of 'batho pele' – meaning 'people first'. It is an African concept, and like 'ubuntu' has echoes in the humanity that underscores the essence of Africa. In this context I foresee a healthy future for Unisa as it continues to shine the light of learning into the deepest recesses of our once dark continent, transforming Africa and its people. In the year ahead we must continue to lead the way.



Mr AS Simelane, Chairperson, Unisa Council

Njengombana kusaqalwana naleziindaba, i-Unisa isitjhejile sokuphakamisa umsebenzi wayo malungana nokuphathwa kwehlelo lezokuqinisekisa ngekhwalithi lokha nayethula iimfundo zayo. Lokhu kuthoma ngabahleli beemfundo, abafanele ukuba bosozazi emikhakheni eminengi begodu kufanele bazi bona amabubulo kanye neenhlango ezikhambisana nawo zifuna waphi amakghono. Kufanele silandele yoke imikhawulo eyendlalwe Mnyango weFundo ePhakemeko kanye nokuBandula (DHET), uMkhandlu weFundo ePhakemeko (CHE), kanye nePhiko eliGunyaza iziQu eSewula Afrika (SAQA). Abarholi bezeemfundo, uburholi bomnyango, uburholi bezeenkolo, uburholi bekholoji, kanye nabaphathi behlelo abaqinisekisa ikhwalithi yeziko kufanele babeke amehlo wabo phezu kwehlelo elisebenzako lezokugunyazwa kweziQu kanye namazinga.

Imiphumela yerhubhululo lethu seyithuthukile, nayimadaniswa neminyaka edlulileko. Yeke solo, isimedo esifanele bona sisisebenzise sananyana ngiyiphi ituthuko kufanele kungabi lizinga eliphasi lemikhizozo eminyakeni edlulileko. Isimedo sethu kufanele siveze ubukhulu kanye namano aqakathekileko weyunivesithi. Imiphumela yethu yerhubhululo ngokweencwadi zerhubhululo esele zikhitjhiwe isese phasi. Kufanele singazikhakhazisi ngobujamo esikubo. Kufanele sisebenze khulu. Amazinga wethu wezokukhizwa amarhubhululo kufanele angezelelwe khulu.

Kodwana akusibo ubunengi bemiphumela yerhubhululo esifanele sizitshwenye ngabo. Kufanele bona sigandelele indaba yokukhipha amarhubhululo wamajenali anomthintela ophezulu kanye nabakhiphi beziko lezefundo abaphezulu. Iimfundiswa zethu kufanele zikhambele amakhonferensi aphezulu.

Kufanele sibeke iyunivesithi phezulu ihlale ikhambisana nathi begodu ikhambisane neendingo zetuthuko zenarha kanye nenarhakazini. Thina kwethu siyiyunivesithi etholakala ngaphakathi begodu isebenzela inarha kanye nenarha esakhasako kezomnotho. I-Unisa kufanele ibe nomthintela phezu ekwkhweni kanye nommango womphakathi ofunakalako ofiswa mumuntu woke –umphakathi othuthukakop imithombo yawo esetjenziswa babantu boke.

Ukungezelela ehlelweni lezamatjhuguluko enzekako, njengengcenywe yokuzibophelela kwethu ukwenza bona i-Unisa itholakale begodu ngokulinganako. –njengesitjengiso sokuthokoza kwethu ubujamo kanye nabafundi bethu– uMkhandlukanye nabaphath batjala iimali ngokuzimisela eentlabagelweni zabafundi. I-Unisa seyinabise iinkhungo zayo eendaweni zemakhaya. Kwanjisi sesijamelekile eMthatha, ePolokwane, kanye na naKwaZulu-Natalesiyingini se-Margateregion. Lokhu kuphuyeleliswe ngenca yomhlaba onikelwe eMthatha, eMargate, kanye neJwanasbhege. Sihlala sizibophelele ekusizeni abafundi bethu ngezenzelwa. Kiuyo yoke imisebenzi yokuphiwa komhlaba sikwazile ukusebenzisana nemiphakathi ethabela isidingo nokuqakatheka kokufunda kwabantu abasebatjha. Kungendlela izinto kufanele zibe ngakho.

Amatjhebiswano lawa, ngokubona kwami, ajamela iimfundiso ze-Afrika zomphakathi kanye nokusizana.

Ngokwenarhakazi, sesinabise iinkhungo zethu e-Ethiopia- ikakhulukazi siqale abafundi abamaphosgrajuweyithi-sikhuluma nje sisakhulumisana ngokuthi sivule esinye isikhungo eSwatini. Sihlala siqale amathuba angavela eendaweni ze-Afrika

UMkhandlu wamukele uMthethomgomo wokuPhathwa koMthangalasisekelo kanye nokuThuthukiswa kwesakhiwo kanye neMastapulani yeKhamphasi njengombana ifuneka ngokomthetho. Amahlelo wezokutjalwa kweemali ngokwakhiwa komthangalasisekelo bekatjhejwa Mkhandlu kanti imininingwana yalokho ingaphakathi kombiko kaMphathiimali oMkhulu begodu nembikweni weKomiti yezeMali, yokuTjalwa kweemali kanye neyePahla eligugu.

UKUTHOKOZA

Umbiko ohlangeneko lo angekhe waphelela ngaphandle kokwamukela umsebenzi obudisi wabantu be-Unisa kanye nokuzimisela kwabo okuragela phambili ekuthuthukisweni kanye nokusimelelisa iziko lethu elikhulu kangaka. Iziko elihleli likhona ngenca yamalunga aseduze kwe-6000 wabasebenzi abasebenza lapha. Bengingathanda ukuthatha ithuba leli ngithokoze abasebenzindawonye bami boMkhandlu ngesekelo labo kanye neenyeleliso ezihlakaniphileko. Ngithokoze uPhrof Makhanya kanye nesiqhema sakhe sobuphilo ngokuqinisekisa ukuqakatheka komdlalindima kanye nokutshi kubekhona ukuphatha okubonakalako. Umthethomgomo wemirholo yoMkhandlu kanye namalunga amakhulu wesiGungu nangendlela amahlelo wezokuhlola umsebenzi ahlobene neenhloso ngayo angafundwa ngayo embikweni wezokuphatha kanye neentatimendeni zeemali zomnyaka. Nginithokoze kanye nabasebenzi bephiko elisekelako kanye nephiko lezefundo ngendima yabo eqakathekileko ekuqinisekiseni ituthuko eragela phambili.

Nangiphethako, ngamukela umsebenzi wethu njengoMkhandlu wabadlalindima boke be-Unisa nokuzinikela ekutjhejisiseni kanye nokuqalana neendingo zababambisani kanye nabasekeli bethu, kanye nebhodulukweni esisebenza kilo. I-Unisa iyindawo yabanethemba nabakhi bamaqhinga amatjha, iyindawo yabaphumelelako kanye nabarholi. Samukela iintjhihilo ezingalethwa likusasa ngommoya ofanako wokuzimisela kanye nangekghono esalisebenzisa ngomnyaka ka 2018.

I-BATHO PELE

NgoSewula ka1997, umbuso kaNelsonMandela wafaka igama elithi 'bathopele'-elitjho bona kutjhejwa abantu qangi. Kusisitjho sesi-Afrika, esifana negama elithu "ubuntu" igameli liyatholakala ebuntwini obutjengisa ubuhle be-Afrika. Ngaphasi kwalobu bujamo nginebonelophambili lekusasa elirhanyazelako le-Unisa njengombana liragela phambili nokuletha umkhanyo wokufunda utjhinga ngaphakathi komgodi wobumnyama othingako wenarhakazi emnyama, umkhanyo otjhugulula i-Afrika kanye nabantu bayo. Emnyakeni ozako kufanele siragele phambili sirhole phambili..



Nomzana AS Simelane, onguSihlalo woMkhandlu we-Unisa

REPORT OF THE VICE-CHANCELLOR

TLALEHO YA MOTLATSİ WA TJHANSELARA



During 2018 the University of South Africa celebrated its 145th anniversary. The institution has a long and illustrious history as South Africa's oldest and largest university. Tracing its journey as the first dedicated provider of distance education in the world, to its current status as the largest quality assured and accredited university on the continent – and one of the world's mega institutions – one discerns that Unisa's longevity can in large part be ascribed to its ability to adapt to prevailing socio-political and economic dynamics, both locally and internationally.

Prof MS Makhanya, Principal and Vice-Chancellor

Ka selemo sa 2018, Yunifisithi y Afrika Borwa e ketekile sehopotso sa yona sa bo 145. Theo ena e na le nalane e telele le e hlomphehang e le yunifisithi e kgolo ka ho fetisisa le e kgolohadi ya Afrika Borwa. Ho tloha ho leeto la yona jwalo ka mofani wa pele ya inehetseng wa thuto ka ngollano lefatsheng, ho ya ho boemo ba yona ba hajwale e le yunifisithi ya boleng bo phahameng e kgolo ka ho fetisisa le e molaong kontinenteng – le e nngwe ya ditheo tse kgolohadi tsa lefatshe – motho a ka elellwa hore bophelo bo bolelele ba Unisa bo ka amahannngwa ka karolo e kgolo le bokgoni ba yona ba ho ikamahanya le maemo a teng a dipolotiki tsa phedisano le moruo, mona hae le matjhabeng ka bobedi.

Moprof MS Makhanya, Hlooho ya Sekolo le Motlatsi wa Tjhanselara

“Unisa’s end goal is to grow quality higher education as a public good, bearing in mind that the future does not belong to us. It belongs to those whom we are educating and shaping right now.”

“Morero wa Unisa ke ho hodisa thuto e phahameng e nang le boleng e le molemo wa setjhaba, re ntse re hopola hore bokamoso hase ba rona. Ke ba bao re ntseng re ba ruta le ho ba bopa hona jwale.”

The university continues to evolve. At the last meeting of Council in 2017, Council adopted transformation as its mantra. The university made it clear that 2018 would be a year of reinvention of the very idea of the university. Coupled with this would be vigorous implementation of transformation at all levels, including those of curricula, employees and students. Revisiting the *Unisa 2030 Strategic Plan*, the Transformation Plan and taking stock of the university’s progress in implementing these key imperatives took centre stage at the Unisa Council’s annual lekgotla in September 2018. Council engaged in robust discussions, particularly on what defined Unisa’s identity as a university and its transformation to becoming a truly African university. The details of Unisa’s ongoing transformation journey are provided in the *Driving transformation* section.

DISTANCE EDUCATION ON THE AFRICAN CONTINENT

Our institution today is a key pillar of South Africa’s higher education landscape, producing more than a third of South Africa’s graduates and contributing significantly to the graduate pools of a number of our countries on the continent and, to a lesser extent, abroad. This is what makes us so unique. We are a well-recognised African brand.

Unisa is the only dedicated distance education university in South Africa, and as an Open Distance and e-Learning (ODEL) university, like any innovative and forward looking institution of higher learning, we are moving with the times and ensuring that our business and teaching models make full use of the affordances of technology, so that our students reap the benefits of being appropriately equipped 21st century graduates.

Studies reveal that globally the higher education sector is fragmenting and giving rise to divergent views on the nature and value of the role of the university, and of education itself. Declining socio-economic conditions and volatile politics are making it increasingly evident that older, more traditional dependencies and collaborations are not certain or relevant and that, all things

Yunifisithi e ntse e tswela pele ho fetoha. Kopanong ya ho qetela ya Lekgotla ka 2017, Lekgotla le ile la amohela phetoho e le lepetjo la lona. Yunifisithi e ile ya hlakisa hore 2018 e ne e tla ba selemo sa ho ntjhafatsa mohopolo oo wa yunifisithi. Ho kopantswe le sena ho ne ho tla ba le ho kenngwa tshebetsong ho matla ha phetoho maamong ohle, ho kenyelletswa a dikharikhulamo, basebetsi le baithuti. Ha ho lekolwa botjha Leano la Tshebetso la Unisa la 2030, Leano la Phetoho le tlhahlobo ya tswelopele ya yunifisithi ya ho kenya tshebetsong dintlha tse tsa bohlokwa e bile ditaba tse ka sehloohong Lekgotleng la Unisa la selemo le selemo la lekgotla ka Lwetse 2018. Lekgotla le ile la e ba le dipuisano tse matla, haholo-holo hodima se hlahosang boitsebiso ba Unisa e le yunifisithi le phetoho ya yona ya ho ba yunifisithi ya nnete ya Seafrika. Dintlha tsa leeto le tswelang pele la phetoho la Unisa di fanwe karolong ya Tsamaiso ya phetoho.

THUTO KA NGOLLANO KONTINENTENG YA AFRICA

Theo ya rona kajeno ke pilara ya bohlokwa ya tikoloho ya thuto e phahameng ya Afrika Borwa, e hlahisang hofeta karolo e le nngwe borarong ya baithuti ba nang le mangolo ba Afrika Borwa le ho ba le seabo ka tsela e bonahalang matamong a baithuti ba nang le mangolo a dinaha tsa rona tse ngata kontinenteng le, boemong bo fokolang, mose. Sena ke sona se etsang hore re ikgethe haholo. Re letshwao le tsebahalang la Afrika.

Unisa ke yona feela yunifisithi e inehetseng ho thuto ka ngollano Afrika Borwa, mme jwalo ka yunifisithi ya Bohole bo Bulehileng le e-Learning (ODEL), jwalo ka theo e nang le boqapi e nang le tjhebelo pele ya thuto e phahameng, re kgema le dinako mme re etsa bonnete ba hore kgwebo ya rona le mekgwa ya rona ya ho ruta e sebedisa ditshenyehelo tsa theknoloji ka botlalo, e le hore baithuti ba rona ba fumane molemo wa ho ba baithuti ba nang le mangolo ba hlometseng ka ho nepahala ba lekgolo la bo 21 la dilemo.

Diphuphutso di senola hore lefatsheng ka bophara lefapha la thuto e phahameng lea arohana mme le hlahisa maikutlo a

considered, the time has perhaps come to forge new relationships and collaborations with neighbours and friends, whose education strategies and strivings are more closely aligned with our own.

Unisa is committed to being “the African university shaping futures in the service of humanity”, and it is in this spirit that the institution wants to offer a concrete demonstration of its willingness to share and collaborate with its peers and friends on the continent.

Administrative structures and resources, regarding both personnel and systems, are assessed in terms of realistic expectations. The first draft of the Unisa Business Model was compiled by the Executive Deans and Deputy Executive Deans during 2015. Since the document reflected mostly an academic view of Unisa, the Vice Principal: Teaching, Learning, Community Engagement and Student Support (TLCESS) requested that the various support and administrative departments be consulted for a more inclusive and representative business model. This process was concluded during 2018 and the revised Unisa Business Model was approved by Senate on 30 May 2018. The new business model was submitted to Council in June 2018. Council did not approve the business model, but requested a revision of the Unisa regional model, so that the business model could speak more clearly to the university’s regional footprint.

After an intense consultation process the new Unisa regional model was approved by Council in December 2018. The implementation of the model, which is still largely at a conceptual level, requires an implementation plan to be developed that covers ICT, HR and infrastructural implications and the costing thereof. This process continues in 2019.

OPPORTUNITIES

In South Africa, Unisa has always been an integral part of formal quality assured higher education provision and it receives government funding for its operations – in fact the lion’s share of national higher education spend, given its size. This gives ODeL in South Africa a growing legitimacy and quality that is virtually impossible to find anywhere else in the world. Unisa is in a league of its own when it comes to national acknowledgment of, reliance on, and support for quality distance education.

Our institution attracts the largest number of undergraduates of any university on the continent. Distance provision opens access to post-schooling education opportunities for those who cannot or who choose not to attend traditional campus-based provision. We pride ourselves in taking such students and turning them into valuable members of society. Open learning implies minimal infrastructure and economies of scale. It is our responsibility to ensure that we produce quality, relevant and employable graduates. Also, access is not meaningful unless it offers a reasonable chance of success and therefore the quality assurance of distance education provision, and attention to improving retention, pass rates and throughput remain critical.

fapaneng a sebopeho le boleng ba karolo ya yunifesiithi, le ya thuto ka boyona. Ho theoha ha maemo a moruo wa setjhaba le dipolotiki tse fetohang ho etsa hore ho bonahale ka tsela e hlakileng hore boitshetleho ba kgale bo tlwaelehileng le ditshebedisano ha di na bonnete kapa ha dia nepahala, le hore ha dintho kaofela di nahannwe, nako e tlile ho theha dikamano tse ntjha le ditshebedisano le baahisane le metswalle, bao mekgwa ya bona ya thuto le dintwa di amanang haholo le tsa rona.

Unisa e ikemiseditse ho ba “yunifesiithi ya Afrika e bopang bokamoso tsebeletsong ya botho”, mme ka moya ona theo e batlang ho fana ka pontsho e tiileng ya boikemisetso ba ho arolelana le ho sebedisana le balekane ba yona le metswalle kontinenteng.

Dibopeho tsa tsamaiso le mehlodi, mabapi le basebetsi le ditsamaiso ka bobedi, di hlahlojwa ho latela ditebello tsa sebele. Moralo wa pele wa Mmotlolo wa Kgwebo wa Unisa o ile wa hlophiswa ke Baokamedi ba ka Sehloohong le Batlatsi ba Baokamedi ba ka Sehloohong ka 2015. Kaha tokomane e ne e bontsha pono ya thuto ya Unisa haholo ka ho fetisisa, Motlatsi wa Mookamedi: Ho ruta, Ho ithuta, Tshebedisano le Setjhaba le Tshehetso ya Baithuti (TLCESS) o kopile hore ho buisanwe le mafapa a fapaneng a tshehetso le tsamaiso bakeng sa mmotlolo wa kgwebo o kenyelletsang le wa boemedi. Tshebetso ena e ile ya phethelwa ka selemo sa 2018 mme Mmotlolo wa Kgwebo wa Unisa o Ntlafaditsweng o ile wa amohelwa ke Senate ka la 30 Motsheanong 2018. Mmotlolo o motjha wa kgwebo o ile wa romelwa Lekgotleng ka Phupjane 2018. Lekgotla ha lea ka la amohela mmotlolo wa kgwebo, empa le ile la kopa ntlafatso ya mmotlolo wa sebaka wa Unisa, e le hore mmotlolo wa kgwebo o bue haholwanyane ka mekgwa o hlakileng le mohlala wa sebaka wa yunifesiithi.

Ka mora tsebetso ya puisano e matla mmotlolo wa sebaka wa Unisa o ile wa amohelwa ke Lekgotla ka Tshitwe 2018. Ho kenngwa tsebeletsong ha mmotlolo, ho ntseng ho le maemong a mantlha, ho hloka hore moralo wa ho kenngwa tsebeletsong o tla kenyelletsa ICT, HR le ditabatabelo tsa meralo ya tsamaiso le ditshenyehelo o ntlafatswe. Tsebetso e tswela pele ka 2019.

MENYETLA

Afrika Borwa, Unisa esale e le karolo ya bohlokwa ya tokisetso ya thuto e phahameng e molaong e netefaditsweng mme e fumana tjehele ya mmuso bakeng sa ditsamaiso tsa yona – ha e le hantle karolo ya tau ya ditshenyehelo tsa thuto e phahameng ya naha, ho latela boholo ba yona. Sena se fa ODeL e Afrika Borwa ho ba molaong ho holang le boleng boo ho leng thata ho bo fumana kae kapa kae lefatsheng. Unisa e tlhodisanong e le nngwe ha ho tluwa tsebong ya naha ya, ho itshetleha, le tshehetso bakeng sa thuto ka ngollano e nang le boleng.

Our humanities and social sciences will become increasingly important, even critical, as originators of new social contracts to prepare and equip our citizens for the world that is emerging and for generating new knowledges, whose educators are equipped to incubate and produce graduates who will be able to traverse and succeed in this brave new world.

Botho ba rona le disaense tsa phedisano di tla ba bohlokwa le ho feta, le ho teba, e le ditshimollo tsa dikonteraka tse ntjha tsa phedisano ho lokisa le ho etsa hore baahi ba rona ba hlomele bakeng sa lefatshe le ntseng le hlaha le ho hlahisa ditsebo tse ntjha, tseo barupedi ba tsona ba hlometseng ho fuama le ho hlahisa baithuti ba nang le mangolo ba tla kgona ho tsamaya le ho atleha lefatsheng lena le sebete le letjha.

Ensuring that we demonstrate observable and measurable improvement in these areas, was a key focus area during 2018 and continues to be going forward. The Directorate Information and Analysis (DIA) provides relevant and reliable institutional information and analysis in support of strategic and operational management and in support of the university's statutory reporting requirements. We are confident that the quality of information provided is satisfactory. Controls have been instituted to ensure the integrity of the data. DIA provides a valuable service to Unisa and is appropriately resourced. Formal institutional information and data from Unisa are provided to DHET at regular intervals, in the prescribed manner.

Another opportunity lies in the area of technological progress, the fourth industrial revolution and artificial intelligence. From the vantage point of higher education these developments indicate a growing emphasis on the science, technology, engineering and mathematics (STEM). The view is that these subject choices and related career paths are what is necessary for our country to leap-frog, from being a developing economy to a developed one. On the other hand, some caution against binary thinking, which seeks to treat the sciences and the arts as being diametrically opposed disciplines. Hence the shift now towards the sciences, technology, engineering, arts and mathematics (STEAM). Surely, that is where we are as South African universities, where we assign equal premium to the arts as we do to the sciences? We should develop technical skills at the same time as we encourage critical thinking and compassion for all of humanity – the rich and the poor.

We are already well on our journey of revitalising the academic project and I have already made it abundantly clear that our focus in the short term will be on the academe – on our core business. The transformation of a university would mean nothing if its

Theo ya rona e hohela palo e kgolo ya baithuti ba so be le lengolo ba yunifisithi efe kapa efe kontinenteng. Tokisetso ya ngollano e bula phihlollo menyetleng ya thuto ya ka mora sekolo bakeng sa ba sitwang kapa ba kgethang ho se kene tokisetso e tlwaelehileng ya ho ya khamphaseng. Re motlotlo ka ho nka baithuti ba jwalo le ho ba fetola ditho tsa bohlokwa tsa setjhaba. Ho ithuta ho bulehileng ho bolela ditshebetso tse fokolang le melemo ya ditshenyehelo. Ke boikarabelo ba rona ho netefatsa hore re hlahisa baithuti ba nang le mangolo ba nang le boleng, ba loketseng le ba ka hirwang. Hape, phihlollo ha e na moelelo ntle le haeba e fana ka monyetla o utlwahalang wa katleho mme ka hona, netefatso ya boleng ya tokisetso ya thuto ka ngollano, le tlhokomelo ya ho ntlafatsa poloko, ditekanyo tsa ho pasa le tlhahiso di dula di le bohlokwa.

Ho netefatsa hore re bontsha ntlafatso e bonahalang le e ka lekanngwang dibakeng tseena, e ne e le karolo ya bohlokwa eo re tsepamisitseng maikutlo ho yona ka 2018 mme e ntse e tswela pele ho ba yona ha re ntse re ya pele. Tlhahisoleseding ya Bookamedi le Manollo (DIA) e fana ka tlhahisoleseding e nepahetseng le e tshepahalang le manollo ho tshhetsa botsamaisi bo hlophisitsweng le ba tshebetso le ho tshhetsa ditlhoko tsa tlaleho tsa semolao tsa yunifisithi. Re na le kgodiseho ya hore boleng ba tlhahisoleseding e fanwang boa kgotsofatsa. Ho behilwe melawana ya tsamaiso ho netefatsa ho tshepahala ha boitsebiso. DIA e fana ka tshebetso ya bohlokwa ho Unisa mme e na le mehlodi e loketseng. Tlhahisoleseding e molaong ya theo le boitsebiso ho tswa Unisa di fanwa ho DHET nako le nako, ka tsela e behilweng.

Monyetla o mong o sebakeng sa tswelopele ya theknoloji, phetoho ya bone ya indasteri le bohlahe ba maiketsetso. Ho tlaha maikutlong a thuto e phahameng dintlafatso tseena di bontsha

A transformation barometer measures progress as the transformation implementation plan is rolled out – not in a mechanistic fashion, but to actually measure the progress we are making. It allows us to demonstrate our commitments and achievements.

Sesupo sa phethoho se lekanya tswelopele ha moralo wa ho kenngwa tshebetsong wa phetoho o senolwa – eseng ka mokgwa wa tshebetso, empa ka ho lekanya tswelopele eo re hlileng re e etsang. Se re dumella ho bontsha boitlamo ba rona le tseo re di finyelletseng.

core offering, which is teaching, learning and research were not transformed to reflect the context within which it operates, which is the African continent. The university must, therefore, also reflect decolonial knowledge systems which seek to disrupt northern epistemologies and replace them with knowledge systems that reflect humanity's contribution to development from all continents. The university should also aim to contribute to the development of African languages as languages of science and commerce.

COMPETITION

In southern Africa, open distance learning has increased significantly over the past decade, with many conventional, face-to-face institutions introducing distance and variants of blended learning. The challenge, however, has been a limited understanding of these modes of provision by the majority of academics in our institutions, resulting in institutional dissonance around the variant of ODeL being implemented; a sometimes uncritical acceptance or uptake of hyped-up technologies which come to naught; a lack of appreciation of the ODeL policy contexts globally and nationally; a somewhat limited appreciation and vision of the real merit and potential of open learning; and ultimately – and critically – the compromised quality of teaching and learning. This must be remedied if we are to flourish as a region and as a continent.

Much has been said about possible threats to Unisa's sustainability from the growing numbers of private higher education providers. My sense is that Unisa is unlikely to be impacted by these developments to any great extent. A simple comparison of the current fee structures will indicate that students who are able to afford the very expensive fees charged by private institutions, are unlikely to consider Unisa as their university of choice. Those who cannot afford face-to-face tuition or who cannot get into our public institutions are unlikely to be able to afford expensive private education, and so Unisa will remain their university of choice. Unless private institutions begin offering fee-free education or

kgatiso e holang hodima saense, theknoloji, boenjiniere le dipalo (STEM). Maikutlo ke hore dikgetho tse na tsa dithuto le ditsela tsa mosebetsi tse amanang le tsona ke tsona tse hlokalahalang hore naha ya rona e ntlafale, ho tloha ho ho ba moruo o tswelang pele ho ya ho o tswetseng pele. Lehlakoreng le leng, temoso kgahlanong le ho nahanwa ha dikgoneho tse pedi feela, ho shebaneng le ho nka disaense le bonono e le dithuto tse pedi tse fapanang. Ke kahoo ho bang le ho fetohela ho disaense, theknoloji, boenjiniere, bonono le dipalo (STEAM). Ke na le bonnete ba hore ke moo re leng teng re le diyunifesithi tsa Afrika Borwa, moo re fanang ka lekgetho le eketsehileng le lekanang ho bonono jwalo ka ha re etsa ho disaense? Re tlameha ho ntlafatsa bokgoni ba setegeniki ka nako e le nngwe le eo re kgothalletsang monahano o tebileng le kutlwelo-bohloko bakeng sa batho bohle – barui le mafutsana.

Re se re ntse re le leetong la rona la ho ntjhafatsa morero wa thuto mme ke se ke hlakisitse hore sepheo sa rona sa nako e kgutshwanyane e tla ba tikelohlo ya thuto – mosebetsi wa rona wa mantlha. Phetoho ya yunifesithi e ne e ke ke ya bolela letho haeba sepheo sa yona sa bohlokwa, e le ho ruta, ho ithuta le dipatlisiso ha dia fetoha ho bontsha maemo ao a sebetsang ho yona, e leng kontinente ya Afrika. Kahoo, yunifesithi e lokela ho bontsha ditsamaiso tsa tsebo e tlositsweng bokolone tse shebanang le ho sitisa ditsebo tsa leboya le ho beha bakeng sa tsona ditsamaiso tsa tsebo tse bontshang seabo sa botho sa ntlafatso ho tswa dikontinenteng kaofela. Yunifesithi e boetse e lokela ho ikemisetsa ho kenya letsoho ntlafatsong ya dipuo tsa Afrika e le dipuo tsa saense le kgwebo.

TLHODISANO

Afrika e borwa, thuto ka ngollano e bulehileng e eketsehile haholo dilemong tse leshome tse fetileng, hobane ditsi tse ngata tse tlwaelehileng, tsa kopano di hlakisitse thuto ka ngollano le mefuta ya thuto e kopantsweng. Leha hole jwalo, phephetso e

competitive fee structures, they are unlikely to pose a significant threat to universities such as Unisa.

Furthermore, now that all universities in South Africa may offer distance education I suspect that the Department of Higher Education and Training (DHET) will be even more reluctant to allow us to deviate from our typology. We are an ODeL university and we should embrace and develop that to become the best African ODeL university, shaping futures in the service of humanity. That is our role in the current higher education agenda.

Our biggest risks include the current failure rate. It is unforgivable. I want to see a fundamental shift from the current position. We need to turn the corner.

FUNDING, FREE EDUCATION AND ACCESS

Statistically, Unisa is the pillar of South African higher education. Given that we enrol over one-third of all students in South Africa and a sizeable number on the continent, Unisa is critical and fundamental to the success and sustainability of the South African higher education sector.

However, despite our changing environment Unisa needs to understand its legislated typology and mandate, and its role and responsibility as an ODeL institution. For example, any attempts to secure funding for strategic initiatives or projects which are not aligned to our typology or our business model, are unlikely to be entertained by the DHET – who are themselves operating on a tight budget.

Engagement with DHET served to confirm that the proposed changes to the funding model that were mooted late in 2018 for implementation in 2019, have been put on hold. This reduces the financial risk to Unisa of a potential revenue drop had these changes gone ahead as initially planned. DHET has indicated that they will consult fully and ensure that any future changes will be discussed and implemented in a financially sustainable way for Unisa. This offers a temporary alleviation for the university, but finance, risk and planning have flagged the future implementation of the funding model in terms of potential impact on the institution's enrolments, funding and operations.

Most recent statistics indicate that our student cohort under the age of 25 years, comprises approximately 24.5 % percent of the student body. The rest, 75.5% are over the age of 25. The advent of free education might change that trajectory, but it is logical to assume that it is not only school leavers who will seek out Unisa for fee-free education. It is equally likely that many more mature citizens will also want to take advantage of that benefit, including to improve existing qualifications, particularly in light of the high unemployment rates. So it needs to be understood that any deviations from that will have to be self-funded – making the need for third stream income even more urgent.

bile kutlwisiso e lekanyeditsweng ya mekgwa ena ya tokisetso ke bongata ba barutehi ba ditheong tsa rona, e bakileng ho se dumellane ha ditheo mabapi le mofuta wa ODeL o kenngwang tshebedisong; kamohelo e sa dumellaneng le ditheo tsa manollo kapa tshebediso ya ditheknoloji tse thabisang tse hlolehang; phokolo ya kananelo ya maemo a leano la ODeL lefatsheng ka bophara le ka hare ho naha; kananelo e fokolang le pono ya tshwaneleho ya sebele le bokgoni ba ho ithuta ho bulehileng; mme qetellong – le habohlokwa – boleng bo sekisetsang ba ho ruta le ho ithuta. Sena se tlameha ho lokiswa haeba re batla ho atleha re le sebaka kapa kontinente.

Hona le ditaba tse ngata tse buuweng mabapi le ditshoso tse kgonehang polokehong ya Unisa ka lebaka la dipalo tse holang tsa bafani ba thuto e phahameng ba poraefete. Mohopolo wa ka ke hore Unisa ha e na monyetla wa ho susumetswa ke dintlafatso tse na haholo. Papiso e bonolo ya dibopeho tsa ditefo tsa sekolo e tla bontsha hore baithuti ba kgonang ditefo tsa sekolo tse phahameng tsa ditheo tsa poraefete, ha ba na monyetla wa ho nahana Unisa e le yunifisithi ya bona ya kgetho. Ba sa kgoneng thuto ya kopano kapa ba ke keng ba kena ditheong tsa rona tsa setjhaba ha ba na monyetla wa ho kgona thuto ya poraefete e theko e phahameng, mme kahoo Unisa e tla dula e le yunifisithi ya bona ya kgetho. Ntle le ha ditheo tsa poraefete di ka qala ho fana ka thuto e sa lefelloweng kapa dibopeho tsa ditefo tsa sekolo tsa tlhodisano, ha di na kgona ho ba le kotsi e kgolo diyunifisithing tse jwalo ka Unisa.

Hofeta moo, jwalo ka ha diyunifisithi tsohle tsa Afrika Borwa di se di ka fana ka thuto ka ngollano ke belaela hore Lefapha la Thuto e Phahameng le Kwetliso (DHET) le ka ba leqe le ho feta ho re dumella ho kgeloha tlwaelong ya rona. Re yunifisithi ya ODeL mme re lokela ho amohela le ho ntshetsa pele seo hore re be yunifisithi ya ODeL e hantle ka ho fetisisa ya Afrika, e bopang bokamoso tshebeletsong ya botho. Seo ke seabo sa rona lenaneong la hajwale la thuto e phahameng.

Dikotsi tsa rona tse kgolo ka ho fetisisa di kenyelletsa sekgahla sa hajwale sa ho hloleha. Sena ha se tshwarelehe. Ke batla ho bona phetoho ya bohlokwa ho tloha boemong ba hona jwale. Re lokela ho etsa diphetoho.

LETLOLE, THUTO YA MAHALA LE PHIHLELLO

Ho latela dipalo-palo, Unisa ke pilara ya thuto e phahameng ya Afrika Borwa. Ho latela hore re ngodisa ka hodimo ho karolo le nngwe hodima tse tharo ya baithuti kaofela mona Afrika Borwa le palo e lekaneng kontinenteng, Unisa e bohlokwa mme e ka sehloohong katlehong le botsitsong ba lekala la thuto e phahameng Afrika Borwa.

Leha ho le jwalo, ho sa tsotellehe tikoloho ya rona e fetohang Unisa e hloka ho utlwisisa tlwaelo ya yona e molaong le taelo, le seabo sa yona le boikarabello e le theo ya ODeL. Mohlala,

Access has to be accompanied by success otherwise you just increase frustration. We have to provide proof that students who are entering the university are provided support to grow and pass through the system. For students, the business model ultimately implies that they need access to a digital device as well as the internet, to enable them to apply, register and pay the university digitally, and to conduct all administrative interactions and transactions.

Having said that the new business model means that as we move into the future study material will all be available digitally (except for prescribed books that have to be bought by the students). Students will submit assignments digitally and receive feedback digitally (continuous assessment enabled).

In September 2018, the Unisa Management Committee approved the implementation plan of the Student Communication Service Centre (SCSC), which prioritised telephone system rollout and mobilisation of staff to the SCSC. The Senate report highlights student services achievements during 2018, as well as details of Unisa's community engagement projects.

OUR PERFORMANCE AND TRANSFORMATION PROGRESS

Unisa's activities are closely aligned to the institutional indicators that measure our performance and sustainability, as well as the performance plan, which builds on previous efforts towards achieving the 2030 Unisa Strategy. Our performance has improved over the previous year and details are to be found in this report. We are also beginning to see the benefits of our investments in ICT and infrastructure. Our performance plan, aligned to the risk register gives expression to the key strategic risks associated with the strategic intent of the university and supports the delivery of all the Council's approved objectives together with sound risk management arrangements to ensure that resources and activities are concentrated on those areas of greatest risk and the priority areas of Council. The performance plan is also intricately linked to our transformation charter.

In the last year we have made strides in various areas, for example leadership. The following appointments were made: VP: Research, Postgraduate Studies, Innovation and Commercialisation; VP/ Chief Information Officer: Information Communication and Technology; VP: Institutional Development and Transformation; the Deputy Registrar: Governance; Executive Dean- College of Law; Chief Audit Executive and several Executive Directors. For the first time we have reached 50% females at executive level. Broader personnel and staffing details can be found in the CFO's report and in the HR report.

The pedagogical aspect of curriculum transformation speaks to how knowledge is produced, disseminated and assessed. The aim in this domain, is for the co-production of knowledge, cascading

diteko dife kapa dife tsa ho fumana tjehelete bakeng sa maano a tlhophiso kapa merero e sa amaneng le tlwaelo ya rona kapa mmotlolo wa kgwebo ya rona, ha di na monyetla wa ho tshhetswa ke DHET – bao ka bo bona ba sebetsang ka tjehelete e lekanyeditsweng.

Ho sebedisana le DHET ho thusitse ho netefatsa hore dipheleho tse hlalishitsweng tsa mmotlolo wa tshetso ya tjehelete tseo ho ileng ha qothisanwa ka tsona morao selemong sa 2018 bakeng sa ho kenngwa tshetsong ka 2019, di sa ntse di emisiswe. Sena se fokotsa kotsi ya ditjehelete ho Unisa ya ho theoha ho kgonehang ha lekgetho ha e ne e ba dipheleho tse di ile tsa tswela pele jwalo ka ha ho ne ho rerilwe pele. DHET e bontshitse hore ba tla buisana ka botlalo le ho etsa bonnete ba hore dipheleho dife kapa dife tsa nako e tlang di tla sekasekwa mme di kenngwe tshetsong ka mokgwa o tsitsiseng wa ditjehelete bakeng sa Unisa. Sena se fana ka phokotso ya nakwana bakeng sa yunifesihi, empa ditjehelete, kotsi le moralo di bontshitse ho kenngwa tshetsong ha nako e tlang ha mmotlolo wa ditjehelete ho latela tshusumetso e kgonehang hodima dingodiso tsa theo, tshetso ya ditjehelete le ditsamaiso.

Dipalo-palo tsa morao-rao di bontsha hore sehlopha sa baithuti ba rona ba ka tlase ho dilemo tse 25, ke karolo ya 24.5% ya sehlopha sa baithuti. Ba bang kaofela, 75.5% ba ka hodimo ho dilemo tse 25. Ho hlalishwa ha thuto e sa lefelloweng ho ka nna ha fetola maemo ana, empa hwa utlwahala ho nahana hore ha se feela ba tlohang dikolong ba tla batlana le thuto e sa lefelloweng ya Unisa. Ho ka etsahala hore baahi ba bangata ba hodileng ba batle ho sebedisa monyetla oo, ho kenyelletswa ho ntlafatsa mangolo a se a ntse a le teng, haholo-holo nakong ena ya tlhokahalo ya mosebetsi. Kahoo ho tlameha ho utlwisiswa hore ho kgeloha hofe kapa hofe ho tswang moo ho tla tlameha ho lefellowa ntle le tshetso – eleng se etsang hore tlhoko ya ho kenya tjehelete ka molapo wa boraro e be e potlakileng ho feta.

Phihlelo e lokela ho tsamaisana le katleho ho seng jwalo pherekano e ya eketseha. Re lokela ho fana ka bopaki ba hore baithuti ba kenang yunifesihi ba fuwa tshetso ya ho hola le ho feta tsamaisong ena. Bakeng sa baithuti, qetellong mmotlolo wa kgwebo o bolela hore ba hloka phihlelo ho disebediswa tsa dijithale hammoho le inthanete, ho ba nolofalletsa hore ba etse dikopo, ba ngodise le ho lefa yunifesihi ka dijithale, le ho etsa ditshebedisano tsohle tsa tsamaiso le dithekisetsano.

Ha re se re boletse jwalo mmotlolo wa kgwebo o motjha o bolela hore ha re ntse re ya nakong e tlang disebediswa tsa ho ithuta kaofela di tla fumaneha ka dijithale (ka ntle ho dibuka tse behetsweng tse tlamehang ho rekwa ke baithuti). Baithuti ba tla romela dikabelo ka dijithale mme ba fumane dikarabo ka dijithale (tlahlobo e tswelang pele e dumelletswa).

Ka Lwetse 2018, Komiti ya Tsamaiso ya Unisa e ile ya amohela moralo wa tshetso wa Setsi sa Tshebetso ya Puisano ya

from the recognition of diverse knowledges brought by learners to the learning environment and underpinned by ICTs.

Transformation in institutional culture is lagging behind. This is true of all universities, ourselves included. People need to see themselves as part and parcel of what is unfolding.

For the foreseeable future transformation is the foundation upon which everything at Unisa, is premised. Therefore, our efforts towards curriculum transformation encompass what is being taught, the relevance thereof, and the method used to teach. Curriculum transformation aims to address the interrelated challenges of access with success, the relevance of education and cognitive justice, all aimed at delivering an education that is relevant in regard to its knowledge content, the calibre of the graduate and the usefulness of the qualification itself.

Unisa is committed to a student-centred approach that gives students flexibility and choice over what, when, where, and how they learn, and we are striving to provide them with extensive student support. More recently Unisa has incorporated e-learning support services to improve student success and throughput.

RESEARCH

Unisa has met its targets in terms of ratings and moved up in the rankings in terms of research outputs, after consistent investments in this endeavour. Women have come to the fore in research as well. We emphatically acknowledge the African context of our research and innovation trajectory, but this will not limit the niche focus areas of knowledge production. The key focus is on increasing the number of research outputs in the identified research focus areas; postgraduate students; and improving research outputs produced in the research focus areas as a percentage of all Unisa outputs. While we are actively growing research at Unisa, we cannot run away from our role of being excellent in teaching in practice. The teaching to research split at Unisa is currently about 73: 17.

ETHICAL AND TRANSPARENT GOVERNANCE

As Principal and Vice-Chancellor I am obligated to practice and facilitate ethical and transparent governance. This is true as well of the rest of the leadership team. And the entire institution has been structured in terms of its various committees and roles and functions to be compliant with governance policy and regulations. During the year under review I have committed all efforts towards attaining the objectives set out in the performance plan. Realised achievements are included in this *Report of the Vice-Chancellor*. Unisa leadership must live and promote ethical and transparent governance – and to do that it must lead by example in conduct and practice. When it comes to governance, Council sets the tone and management leads from the front, by example. During 2018 Council considered and focused on the Unisa Compliance

Baithuti (SCSC), e neng e beha ka pele phatlalatsa ya mohala le tlhophiso ya basebetsi ya ho ikamahanya le SCSC. Tlaleho ya Senate e bontsha kateleho ya ditshebeletso tsa baithuti ka 2018, hammoho le dintlha tsa merero ya tshebedisano ya setjhaba sa Unisa.

TSHEBETSO YA RONA LE TSWELOPELE YA RONA YA PHETOHO

Mesebetsi ya Unisa e hokahane haufi le matshwao a theo a lekanyang tshebetso ya rona le botsitso, hammoho le moralo wa tshebetso, o hahang hodima boiteko ba pejana bo mabapi le ho fihlella Leano la 2030 la Unisa. Tshebetso ya rona e ntlafetse selemong se fetileng mme dintlha di tla fumanwa tlalehong ena. Re se ntse re qala le ho bona melemo ya matsete a rona ho ICT le meralo. Moralo wa rona wa tshebetso, ka kgokahano le rekoto ya kotsi di supa dikotsi tsa bohlokwa tsa morero tse amanang le sepheo sa tlhophiso sa yunifeisthi mme o tshehetsa phetiso ya dipheo tsohle tse amohetsweng tsa Lekgotla hammoho le kotsi e utlwahalang ya ditlhophiso tsa tsamaiso ho netefatsa hore mehlodi le mesebetsi e tsepamisitswe hodima dibaka tseo tse kotsing e kgolo le dibaka tse fuwang sebaka sa pele tsa Lekgotla. Moralo wa tshebetso o boetse o hokahangwa ka matla le selekane sa rona sa phetoho.

Selemong se fetileng re nkile mehato dibakeng tse ngata tse fapaneng, mohlala, boetapele. Ditlhomamiso tse latelang di ile tsa etswa: VP: Dipatlisiso, Dithuto tsa Lengolo le ka hodimo le phahameng, Ntlafatso le Kgwebo; VP/ Ofisiri ya Boitsebiso e ka Sehloohong; Phatlalatsa ya Tlhahisoleseding le Theknoloji; VP: Ntlafatso ya Theo le Phetoho; Motlatsi wa Mongodi e Moholo; Tsamaiso; Mookamedi ya ka Sehloohong – Sekolo sa Molao; Mookamedi ya ka Sehloong wa Ditlahlobo tsa ditjhelete le Baokamedi ba mmalwa ba Tsamaiso. Ka lekgetlo la pele, re fihlile ho 50% ya basadi ba boemong ba bookamedi bo ka sehloohong. Dintlha tse pharalletseng tse mabapi le basebetsi di ka fumanwa tlalehong ya CFO le tlalehong ya HR.

Karolo ya thuto ya kharikhulamo ya phetoho e bua ka kamoo tsebo e hlahiswang, e fetiswang le ho hlahlojwa. Sepheo sebakeng sena, ke bakeng sa tlhahiso e kopaneng ya tsebo, e tswang temohong ya ditsebo tse fapaneng tse tliswang ke baithuti tikolohong ya ho ithuta mme e etelletswang pele ke di-ICT.

Phetoho setsong sa theo e salletse morao. Sena ke nnete diyunifesithing tsohle, le rona re kenyelleditswe. Batho ba tlameha ho inka e le karolo ya se etsahalang.

Bakeng sa bokamoso bo bonahalang phetoho ke motheo oo ho ona ntho e nngwe le e nngwe mona Unisa, e hahlileng hodima ona. Kahoo, boiteko ba rona mabapi le phetoho ya kharikhulamo bo akarelletsa se rutwang, ho nepahala ha sona, le mokgwa o sebediswang ho ruta. Phetoho ya kharikhulamo e ikemiseditse

Framework, part of the university's approved Enterprise Risk Management Framework. The Compliance Framework is geared towards strengthening the effectiveness of compliance with regulatory requirements within Unisa and, accordingly, describes the role and responsibilities of the different role players within the university and provides the tools for the management of compliance risk.

Unisa is a very complex institution, and as with any complex institution we need to keep our finger on the pulse and to ensure that everything is operating as it should be. Management of a complex institution such as ours requires managers who are not only responsible but also accountable. Management has to work as a team, but with the understanding that they must do so knowing fully well that they are being watched and used as an example for the behaviours of those whom they lead and manage. We cannot afford to fail.

APPRECIATION

None of our efforts in regard to ensuring academic relevance and excellence; developing appropriate pedagogical models and practices; ensuring our active participation in the Fourth Industrial Revolution; being community and stakeholder engaged, and conducting relevant and cutting edge research will be of any use, if our academic project is not supported by quality, efficient and effective teaching and learning; administration; and crucially, staff support, initiative and loyalty.

I would like to thank the entire team of executive deans, executive directors and directors, as well as every member of staff of Unisa for working together during the past year both for the good of our students, and for the health and wellbeing of our university.

In closing, I wish to thank the Council, my executive team, and management for their hard work during the past year. I would like also to extend my appreciation especially to the Chairperson of Council and to all my fellow Council members for their guidance and stewardship in seeking to ensure that Unisa continues to remain one of the leading universities in South Africa and on the continent. I thank them for this selfless contribution to society.



Prof M Makhanya, Principal and Vice-Chancellor

ho sebetsana le diphephetso tse amanang tsa phihlelo ka katleho, ho nepahala ha thuto le toka ya kelello, tseo kaofela di reretsweng ho fana ka thuto e nepahetseng mabapi le dikateng tsa yona tse nepahetseng, boleng ba moithuti ya fumaneng lengolo le molemo wa lengolo ka bo lona.

Unisa e ikemiseditse ho latela katamelo e tsepameng hodima baithuti e fang baithuti monyetla wa ho feto-fetoha ha maemo le kgetho hodima eng, neng, hokae, le hore na ba ithuta jwang, mme re ikemiseditse ho ba fa tshehetso e batsi ya ho ithuta. Haufinyane tjena Unisa e kenyelletitse ditshebetso tsa tshehetso ya e-learning ho ntlafatsa katleho ya baithuti le tekanyo ya tlhahiso.

DIPATLISISO

Unisa e fihletse sepheo sa yona mabapi le ditekanyetso mme e nyolohetse hodimo mabapi le dipheho tsa dipatlisiso, ka mora matsete a tsitsitseng boitekong bona. Basadi ba hlalelletse kapele le dipatlisisong. Re amohela ka matla maemo a Seafrika a dipatlisiso tsa rona le tsela ya ntlafatso, empa sena ha sena ho lekanyetsa dibaka tseo ho tsepamisitsweng maikutlo ho tsona tsa tlhahiso ya tsebo. Sepheo sa mantlha ke ho eketsa palo ya dipheho tsa dipatlisiso dibakeng tseo ho tsepamisitsweng maikutlo ho tsona tsa dipatlisiso tse hlwauweng; baithuti ba lengolo le phahameng; le ho ntlafatsa dipheho tsa dipatlisiso tse hlahiswang dibakeng tseo ho tsepamisitsweng maikutlo ho tsona tsa dipatlisiso e le phesente ya dipheho tsohle tsa Unisa. Ha re ntse re hodisa dipatlisiso ka mafolo-folo mona Unisa, re ke ke ra baleha seabo sa rona sa ho kgaba ka ho ruta. Ho arolwa hwa ho ruta kgahlanong le ho etsa dipatlisiso mona Unisa ke hoo e ka bang 73:17.

TSAMAISO E NANG LE MEKGWA E METLE LE E NANG LE TOKA

Jwalo ka Hlooho ya sekolo le Motlatsi wa Motjhanselara ke tlamehile ho sebedisa le ho tsamaisa tsamaiso e nang le mekgwa e metle le e nang le toka. Sena ke nnete le ho sehlopha sohle sa boetapele. Mme theo yohle e hlophisitswe ho latela dikomiti tsa yona tse fapaneng le dikarolo le ditshebetso ho latela leano la tsamaiso le melao. Selemong sena se hlahlojwang ke entse boitlamo bohle mabapi le ho fihlella dipheo tse behilweng moralong wa tshebetso. Diphihlelo tse fihletswe di kenyelletswa mona Tlalehong ya Motlatsi wa Motjhanselara. Boetapele ba Unisa bo tlameha ho phela le ho phahamisa tsamaiso e nang le mekgwa e metle le toka – mme hore bo etse jwalo ke hore bo etelle pele ka ho ba mohlala tsamaisong le tshebetsong. Ha ho tluwa taolong, Lekgotla le beha dipheho mme botsamaisi bo etella pele kapele, ka ho ba mohlala. Ka 2018, Lekgotla le ile la nahana le ho shebisisa Moralo wa Tatelo ya Melao wa Unisa, karolo ya Moralo wa Tsamaiso ya Kotsi wa Kgwebo o amohetsweng ke Yunifisithi. Moralo wa Tatelo ya Melao o reretswe ho matlafatsa tshebetso ya tatelo ya melao ka

ditlhoko tsa taolo ka hare ho Unisa le, ho hlalosa ka ho nepahala, karolo le boikarabello ba batho ba amehang ba fapaneng ka hare ho yunifisithi mme o fana ka disebediswa tsa tsamaiso ya kotsi ya tatelo ya melao.

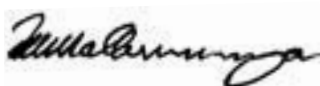
Unisa ke theo e rarahaneng, mme jwalo ka theo efe kapa efe e rarahaneng re lokela ho ela hloko dintho tsohle tse etsahalang le ho netefatsa hore ntho e nngwe le e nngwe e sebetsa kamoo e loketseng. Tsamaiso ya theo e rarahaneng jwalo ka ya rona e hloka batsamaisi bao eseng feela ba nang le boikarabello empa le ba kgonang ho emela diqeto tsa bona. Botsamaisi bo lokela ho sebetsa hammoho, empa ka kutlwisiso ya hore ba tlameha ho etsa jwalo ba tseba hantle hore ba shejuwe le ho sebediswa e le mohlala bakeng sa boitshwaro ba bao ba ba etellang pele le ho ba tsamaisa. Re ke se kgone ho hloleha.

KANANELO

Ha ho bo le bong ba boiteko ba rona bo tla ba bohlokwa mabapi le ho netefatsa ho nepahala ha thuto le bokgabane; ho ntlafatsa mekgwa ya thuto e nepahetseng le ditlwaelo; ho netefatsa bonkakarolo ba rona Phetohong ya Bone ya Indasteri; ho sebedisana le setjhaba le ba amehang, le ho tsamaisa dipatlisiso tse nepahetseng le tsa moraro-rao, haeba morero wa rona wa thuto o sa tshehetswa ke boleng, ho ruta le ho ithuta ho sebetsang le ho nang le kateleho; tsamaiso; mme habohlokwa, tshehetso ya basebetsi, boikgathatso le botshepehi.

Ke rata ho leboha sehlopha kaofela sa baokamedi ba ka sehloohong, batsamaisi ba ka sehloohong le batsamaisi, hammoho le setho se seng le se seng sa basebetsi ba Unisa ka ho sebetsa hammoho selemong se fetileng bakeng sa molemo wa baithuti ba rona, le bakeng sa bophelo bo botle le boiketlo ba yunifisithi ka bobedi.

Ha ke phethela, ke lakatsa ho leboha Lekgotla, sehlopha sa ka sa baokamedi bo ka sehloohong, le botsamaisi bakeng sa tshebetso ya bona e boima selemong se fetileng. Ke lakatsa hape le ho fetisa kananelo ya ka ka ho kgetheha haholo-holo ho Modulasetulo wa Lekgotla le ditho tsohle tsa Lekgotla bakeng sa tataiso le botsamaisi ba bona ba ho batla ho netefatsa hore Unisa e tswela pele ho dula e le e nngwe ya diyunifisithi tse etelletseng pele Afrika Borwa le kontinenteng. Ke ba leboha bakeng sa seabo sena se nang le boitelo setjhabeng.



Moprofesa M Makhanya, Hlooho ya Sekolo le Motlatsi wa Motjhanselara

REPORT OF THE CHIEF FINANCIAL OFFICER



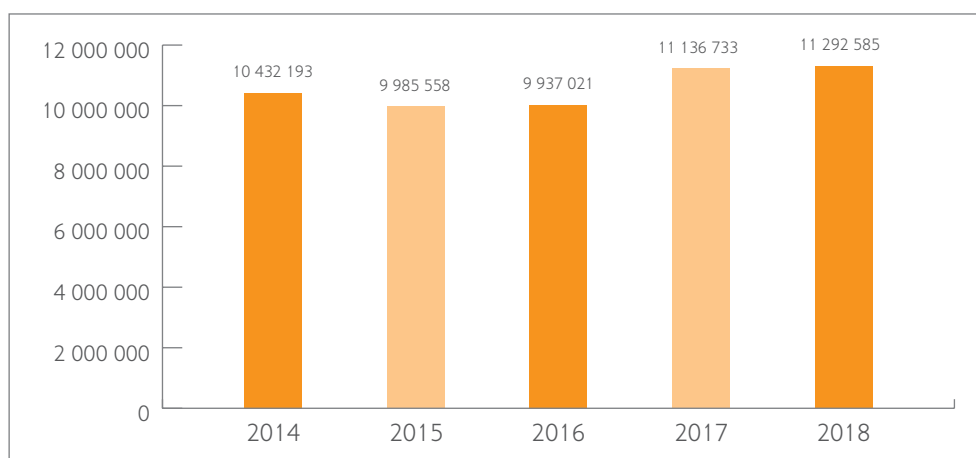
The Finance and Business Enterprises department is committed to providing a portfolio of excellent, quality and value for money services. With an operational budget of approximately R617 million, the portfolio strives to maintain prudent financial management through sound governance and stewardship.

*Mr PZR Zwane (CA) (SA), Chief Financial Officer and Vice-Principal,
Finance and Business Enterprises*

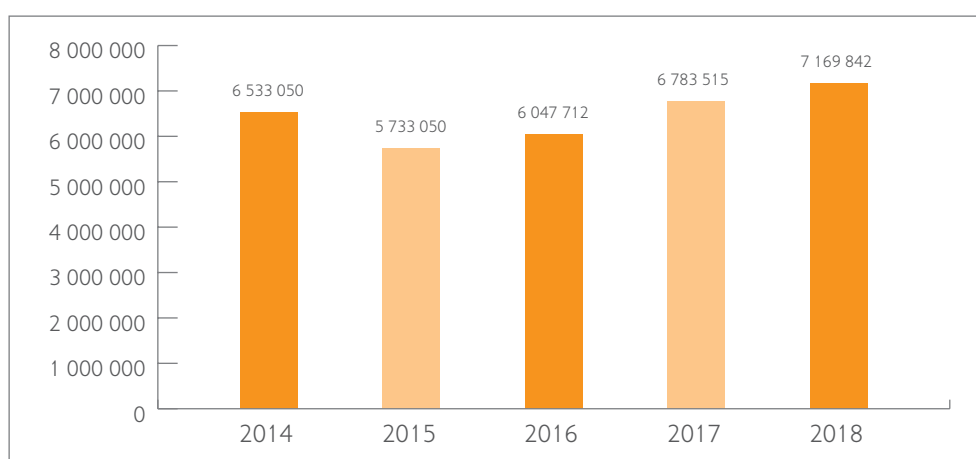
OVERVIEW OF FINANCIAL PERFORMANCE

The prevailing economic climate during the year under review has been challenging to say the least. This is reflected in Unisa's financial performance for 2018. Generally the university has managed to post a positive outcome, due to the fact that it ended the financial year on a marginal surplus. But the results are bittersweet because the investment portfolio has not performed as well as Unisa would like, due to the general economic environment and market conditions. For the financial year under review, Unisa recorded an operating surplus of R53 million (2017: R783 million). Unfortunately the markets pulled the numbers down after good performances in previous years. Unisa continues to operate in a sector that faces many challenges, thus requiring the institution to look at new and innovative ways to optimise financial resource allocation.

Total assets



Total investments



Adequate cost control, SCM, careful asset management and inventory management, supported by austerity measures have improved our final position at year-end. They are the key pillars of the CFO's cost management plan since 2016.

Consolidated statement of financial position

	2018 R'000	2017 R'000	2016 R'000	2015 R'000	2014 R'000
Total assets	11 292 585	11 136 733	9 937 021	9 985 558	10 432 193
Total liabilities	2 790 578	2 707 964	2 291 449	2 379 953	2 481 596
Total net assets	8 502 007	8 428 769	7 645 572	7 605 605	7 950 597
Investments					
Total investments	7 169 842	6 783 515	6 047 712	5 733 050	6 533 050
Fair value adjustments	(666 623)	591 352	581 457	(58 978)	337 230
Return on investments	360 051	297 339	272 577	292 216	311 898
Facilities					
PPE net of accumulated depreciation	2 518 820	2 786 329	2 877 270	2 882 816	2 751 473

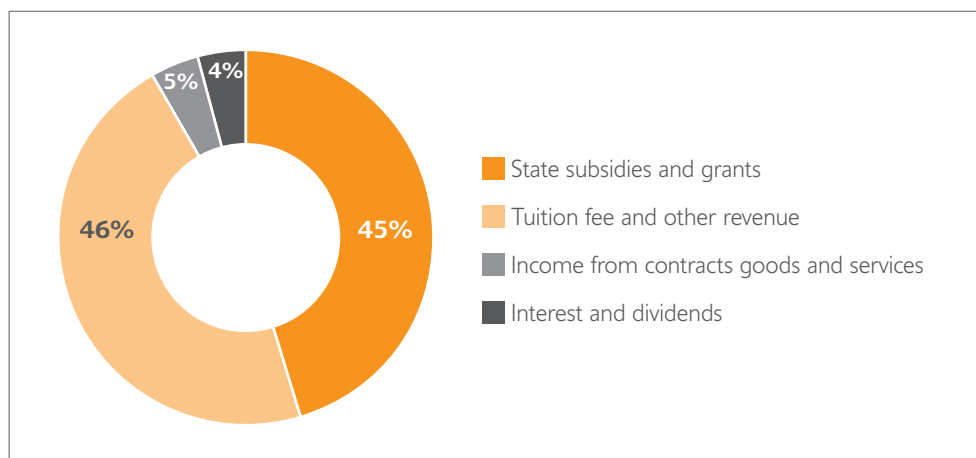
Consolidated statement of comprehensive income

	2018 R'000	2017 R'000	2016 R'000	2015 R'000	2014 R'000
Total revenue	7 467 283	7 955 672	6 986 871	6 099 720	5 926 270
State subsidies and grants	3 641 120	3 349 706	3 121 598	2 529 334	2 234 016
Tuition fee and other revenue	3 763 305	3 370 481	2 690 832	2 994 139	2 784 394
Total expenditure	7 360 264	7 219 497	6 805 090	6 441 137	5 837 100
Personnel costs	5 208 607	4 864 810	4 455 763	4 210 539	3 661 693
Other operating costs	1 829 821	2 023 980	2 067 925	1 947 371	2 930 811

REVENUE

Unisa is fortunate to have a growing student base, which results in higher revenue from that particular source. Key sources of revenue include tuition fees and the government subsidy which equates to 91% of total revenue. Revenue from student fees increased by 12% compared to 2017 due primarily to a 0% increase in student fees. Income from operations enjoyed fairly good growth due to the additional support from DHET, to fund the fee drop. There is a current adjustment to the baseline throughout the sector, giving an additional unringfenced grant designed mainly to cover the poor students. Bearing in mind that all the poor students who do not have a home at other universities are sent to Unisa.

Revenue 2018



Revenue from student fees increased by 12% compared to 2017, while tuition fees were contained at an average of 0% for the year. Included in expenses is an amount of R126 million (2017: R162 million) that was for bursaries to Unisa students. Expenses also include an amount of R228 million (2017: R42 million) written off as irrecoverable and doubtful. Net income from tuition fees for the year was therefore R3,580 billion. This trend in tuition fees is expected to remain constant in the coming years as the university enforces its admission and enrolment management policies, however this should be compensated by an increase in output subsidy.

There was an underperformance on the short learning programmes (SLPs), where the university lost some R38 million in 2018 (around the same as the previous year), due to the changing policy frameworks around profit sharing. Unisa's SLPs focus on "just in time" and "just enough" learning to meet a specific learning need identified by individuals, organisations or society at large. SLPs are offered by centres located within the different academic departments of colleges.

EXPENDITURE

Expenditure comprises operating costs and human resources (HR) or personnel costs, which represent 22% and 72% of total expenses, respectively. Total expenditure for the year, including operational and personnel costs, amounted to R7.4 billion in 2018. (2017: R7.2 billion) – an increase of 1.95%. Tight budgetary controls have resulted in the year on year increase being below the average inflation rate of 5.3%.

Analysis of expenditure

	% Increase	2018 R'000	% Increase	2017 R'000	2016 R'000
Total expenditure	1.95%	7 360 264	6.09%	7 219 497	6 805 090
Total staffing costs	7.07%	5 208 607	9.18%	4 864 810	4 455 763

Increase in number of employees

	% Increase	2018 R'000	% Increase	2017 R'000	2016 R'000
Number of permanent employees	1.27%	5 835	10.74%	5 762	5 203
Number of fixed term employees	18.80%	1 466	9.59%	1 234	1 126

In terms of expenditure, there is some concern over unsustainable payroll costs (salary increases outstripped fee increases), as well as over expenditure on fixed term contractors. Unisa has therefore introduced austerity measures, including a cost containment plan for the foreseeable future. This plan resulted in a cost saving of R254 million in the current financial year.

There has been a significant improvement of the university's policy compliance culture. Additional cost saving measures have assisted control of expenditure with Supply Chain Management (SCM) performing well to renegotiate contracts in order to save money and implement cost saving measures. The compliance improvements during the year under review ensured that SCM is definitely one of the shining stars.

STUDENT FUNDING

Unisa is committed to ensuring access with success to higher education for both needy and deserving undergraduate and postgraduate students and this is made possible through partnership with private and public donors and internal funds. Over the last three years National Student Financial Aid Scheme (NSFAS) has been a major contributor of funding in the form of bursaries and student loans.

BUDGETING AND BUDGETARY CONTROL

In order to ensure financial sustainability, Unisa has to consistently improve budgetary controls and has already undergone a consultative budget optimisation process to ensure better alignment with the Annual Performance Plan. The budget process keeps improving and this is quite advanced in the sector.

Unisa has attended to operational expenditure and HR and is now honing in on the core open business. The university is currently conceptualising an academic cost containment plan. The purpose of this plan is to make each college sustainable as a business unit going forward. Colleges will be pushed to market their offerings and prove their worth. There will be efficiency, sustainability and revenue targets. Unisa is preparing policies to reduce the number of independent contractors and so expects to streamline the academy over the next couple of years.

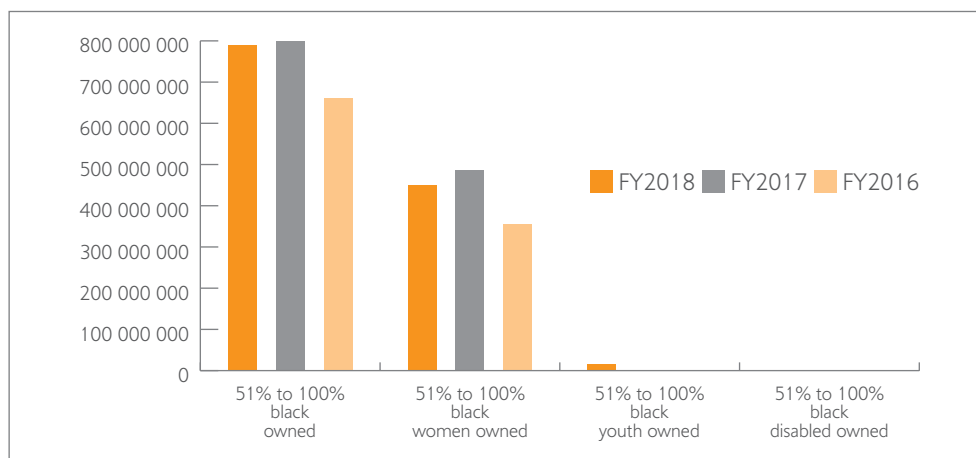
TRANSFORMATION IN FINANCIAL MANAGEMENT

In addition to maintaining the financial sustainability of the institution, the Finance and Business Enterprises team has been working tirelessly towards transformation and skills development in all its activities. A three year effort has paid off in terms of SCM transformation with 73.1% of spending on BEE compliant suppliers. This a milestone after Unisa undertook a programme of action to focus on getting youth, women and persons living with disabilities onto the supplier database. Through the supplier enterprise development programme, piloted in 2018, Unisa has, during the year under review, for the first time, managed to spend on disabled and youth owned companies.

B-BBEE Historical Spend Information

Description	2018 FY	% of spend	2017 FY	% of spend	2016 FY	% of spend
51% to 100% Black owned	788 836 973	46%	799 698 297	47%	661 541 993	35%
51% to 100% Black women owned	449 633 810	26%	486 289 348	29%	355 797 063	19%
51% to 100% Black youth owned	15 643 875	1%	0	0%	0	0%
51% to 100% Black disabled owned	1 375 364	0.1%	0	0%	0	0%

Transformation procurement spend



The enterprise development programme, piloted in 2018, will capacitate some 250 small, medium-sized and micro-enterprises (SMMEs) annually over a period of three years (2018 to 2020) and is designed to sensitise the Unisa community on the strategic role of enterprise and supplier development in terms of the university's transformation agenda, while creating an awareness of the challenges facing SMMEs at Unisa.

Another noteworthy partnership is the Black Umbrellas enterprise development incubation. South Africa has one of the lowest levels of entrepreneurship in the world, contributing to 35% of gross domestic product (GDP) compared to 60% in countries like India and Brazil. For those South Africans who do manage to start a business, fewer than 20% make it past the first two years. Unisa partnered with the Black Umbrellas to address the low levels of entrepreneurship and high failure rate of 100% black owned emerging businesses in the African continent. Results are promising and Unisa looks forward to improved performance going forward.

OPERATIONS, PRODUCTIVITY AND RENEWAL

Productivity is a massive concern, and this ties in with the proliferation of independent contractors, which is now being addressed through an austerity plan. Another way the institution is addressing underutilisation of staff is to restructure units that are misaligned, to ensure personnel are correctly placed. Structure must speak to strategy. Unisa is working with the unions to achieve this. Everyone benefits when employee skills are enhanced.

The financial sustainability of Unisa depends upon its ability to properly manage and maintain its investment portfolio, but also its extensive infrastructure. In addition to the four main campuses (Muckleneuk, Sunnyside, Florida and Midrand), University Estates manages 31 campuses across all nine provinces. Looking ahead, R1 billion has been set aside for infrastructure renewal in the year ahead. As Unisa embraces the ODeL business model, it is incumbent upon us to develop and implement the required systems to ensure performance and delivery. This includes both business systems and e-learning systems. Another R1 billion has therefore been set aside to implement the new information communication technology (ICT) strategy and invest in systems infrastructure in the year ahead.

The online booking system for travel management is 80% implemented. This process has taken two years to implement and all are in agreement that the system has not resulted in any job losses but that in fact the quality of jobs has improved. The system has ensured checks and balances are in place and has significantly improved compliance culture and actual compliance in terms of policy.

UNCERTAINTIES

The external environment remains a challenge due to the unpredictable markets – and Unisa relies a lot on the performance of the portfolio, because it covers the shortfall. Looking ahead the university expects no fee increase announcement from government, so no additional revenue is expected from that stream – unless Unisa continues to increase student numbers. Finally, the higher than expected salary increase has also had an impact, especially now the markets are not there to cushion that blow, so we Unisa is once again exposed – like in the last year when it took a huge knock.

The current uncertainty is not unique to Unisa. The entire sector is unsettled. Universities need policy clarity from DHET. They need to know how the sector gets funded. Stop gap measures are insufficient. Universities need to know how to address the missing middle issue and there are National Student Financial Aid Scheme (NSFAS) issues that are not yet fully clarified. There is clarification needed around the proposed allowance and there are outstanding sectoral issues there that need resolution by the DHET policy regime.

UNISA ENTERPRISES

The university has established Unisa Enterprises (Pty) Ltd as a vehicle to supplement its third stream income. The appointment of the head of Business Enterprises has strengthened our collective efforts towards a third stream revenue. Unisa has also created a central clearance office to facilitate the commercialisation of the university's intellectual property assets to support the thrust to supplement its third stream income.

Supply Chain Management established the Enterprise and Supplier Development (ESD) programme in May 2018. It will capacitate some 250 small, medium-sized and micro-enterprises (SMMEs) annually over a period of three years (2018 to 2020) and is designed to sensitise the Unisa community on the strategic role of enterprise and supplier development in terms of the university's transformation agenda, while creating an awareness of the challenges facing SMMEs at Unisa. The training programmes have started with 36 SMMEs undergoing the first module in early August 2018. The training programme continued until November 2018, culminating in 250 SMMEs being capacitated and allocated business opportunities.

Last year Unisa corporatised the Bureau of Market Research (BMR) as a fully-fledged proprietary company. The BMR undertakes commissioned market research with a specific focus on household wealth, behavioural and communication, economic and demographic research. They are finalising their board of directors. Previously they were a college division, so in 2018 they became a fully owned subsidiary of Unisa Enterprises.

The Unisa Fund Inc exists to fundraise via alumni. Friends, alumni and supporters in the United States are invited to be a part of advancing our mission from across the ocean. At this stage Unisa Inc. is not active.

CONCLUSION

On the back of sound financial performance for the 2018 financial year, the balance sheet remains positive and Unisa is therefore regarded as a going concern.



Mr PZR Zwane CA (SA)
Vice-Principal Finance/Chief Financial Officer



Mr TG Ramasike
Chairperson: Finance Investment and Estates Committee





REVIEWING OUR PERFORMANCE



ACADEMIC REPORT

Senate is the highest decision-making structure for academic matters and is responsible and accountable to Council for the academic, research, tuition and community service activities of the university. As the highest authority on academic matters, Senate approves all academic programmes and matters related to tuition, research, assessment and community work. Senate further performs any other function delegated or assigned to it by Council. Senate consists of 270 members. The majority of its members are academic employees.

COMPOSITION OF SENATE

Senate is constituted in terms of paragraph 22 of the Institutional Statute (2012) and consists of the following members:

- Principal and Vice-Chancellor, who is the Chairperson of Senate
- Vice-Principals
- Registrar, who serves as the Secretary of Senate
- Deputy Registrar, who acts as the Secretary in the absence of the Registrar
- Executive Deans of the colleges
- Deputy Executive Deans of the colleges
- Directors of schools and other Directors in the colleges
- Director of the Directorate: University Teaching and Learning Development
- Academic Director: Graduate School of Business Leadership
- Director: Short Learning Programmes
- Chairpersons of academic departments
- Heads of institutes, bureaux and centres that are formally constituted
- Executive Directors
- Dean of Students
- One full professor from each department of a college and the Graduate School of Business Leadership (or where there is no full professor, an associate professor) elected by the permanent academic employees of the relevant section
- A permanent academic employee, who is not a full professor, from each college and the Graduate School of Business Leadership, elected from among the ranks of the permanent academic employees in the college or Graduate School of Business Leadership
- One permanent employee (other than an academic employee) from each college elected by employees of the college who are not academic employees
- Two members of Council, who are neither employees nor students of the university
- Two students elected by the National Students Representative Council
- Not more than five additional persons designated by Senate for the special contribution that they will be able to make to the role that Senate plays at the university

Senate Highlights

- Council resolved to approve the Unisa Graduate School of Business Leadership delegation of authority framework
- Prof AVS Magwaza appointed to serve on the Council by the Minister of Higher Education and Training
- Policies approved include:
 - the revised Policy on Research Institutes and Bureaux,
 - the Policy on Research and Development Leave for Academic Approved Employees, and
 - the Policy on Research and Development Leave for Professional Employees

TEACHING AND LEARNING: COLLEGE HIGHLIGHTS

Unisa is a leading open distance e-learning university that offers a range of academic and vocational programmes in its nine colleges.

Unisa's colleges

1. College of Accounting Sciences (CAS)



Executive Dean: Prof E Sadler

The college offers several qualifications endorsed by professional financial bodies both nationally and internationally, and it produces high quality graduates for the various accounting professions. The college has four researchers rated by the National Research Foundation (NRF) – a rarity in the field of Accounting Sciences, which has fewer than 15 NRF rated researchers in South Africa. The college set a target of three academic staff members obtaining grants to fund research projects, with two staff members holding the NRF rated research grant, two with the WiR Grant. Grants from professional bodies include a grant from the SAICA for the “Tax Compliance Cost” project to establish the costs incurred by SME and large businesses and individuals in becoming and remaining tax compliant in South Africa; and a CIMA Centre of Excellence research grant, awarded for 2018/2019.

College highlights

- SAICA's Top 35-under-35: In 2018, the college had three staff members who were nominated on SAICA's Top 35-under-35.
- Student Body: The college officially recognised a student structure for the college (ASSA). Since the recognition of the structure, our relationship with the students (all students) has improved. Every activity held in the college allows the student bodies to attend and participate in the running of the programme.
- Student Indaba: ASSA executive members organised a student indaba to bring accounting students and the college in a platform in which they can engage and also provide the college with an opportunity to give an overview of what we are doing to support the students.

2. College of Agriculture and Environmental Sciences (CAES)



Executive Dean: Prof MJ Linington

The college specialises in education and training in food production and the sustainable use and management of Africa's natural resources. Based on the Unisa Science Campus with its state-of-the-art laboratories and equipment, and a dedicated group of science education professionals, CAES aims to ensure that open distance learning students are afforded the very best support and practical exposure – unique to an open distance learning institution and indeed, on par with the very best on offer from residential universities.

College highlights

- In partnership with the Gauteng Department of Education (Food and Safety Directorate), the college's Department of Life and Consumer Sciences provided training to 60 volunteer food handlers who are responsible for preparing and serving meals to school learners nationwide
- The college, together with the Association of South African Agricultural Educators (ASAAE), hosted a conference under the theme Aligning agricultural education with land reform.
- The Office of Teaching and Learning Support conducted a workshop on “The Quality Assurance (QA) Knowledge and Skills for the 21st Century and Higher Education Personnel and Higher Education Learner-Centred Teaching Skills in ODeL in the 21st Century”. The workshop was facilitated by the Association of African Universities.
- As part of an NRF-funded research project that studies landscape responses to climate change in the sub-Antarctic, a professor from the college visited Marion Island in the southern Indian Ocean during the annual relief voyage. He collaborated with researchers from various disciplines including botany and ornithology through the generation of high-resolution spatial data acquired using drones.

3. College of Economic and Management Sciences (CEMS)



Executive Dean: Prof MT Mogale

This college is the largest provider of business education in Africa and one of the largest in the world.

College highlights

- The CEMS Department of Marketing and Retail Management hosted an Academic Collaboration Forum meeting in September 2018.
- A glossary of assessment verbs was compiled and translated into 11 languages. The glossary is shared with all CEMS students on module sites.
- A college graduateness study was conducted with postgraduate students in Industrial and Organisational Psychology as well as Human Resource Management. The final data analysis was completed in November 2018.
- Programme peer reviews for four generic programmes were concluded in 2018 and panel reports with recommendations for improvement were received. The following programmes were reviewed; BCom General, the BCom Business Informatics, the Bachelor of Business Administration and the Higher Certificate in Economic and Management Sciences.
- Comprehensive tutor surveys were conducted by the college. Valuable information was harvested that will be used to improve the efficiency and effectiveness of the tutor model in the college.
- During 2018, CEMS partnered with the University of the Witwatersrand to host the Council for the Development of Social Science Research in Africa (Codesria) Doctoral Supervisor Training.
- One of the college academics was awarded a Royal Society Newton Advanced Fellowship in collaboration with the University of Kent. The R1.3 million award is for three years and part of the contributions will be used for student development here in South Africa.
- CEMS exceeded its 2018 target of 17 for PhD graduates and realised 32 doctoral graduations for 2018.

4. Graduate School of Business Leadership (SBL)



Acting Executive Dean: Prof RT Mpofu

The Unisa Graduate School of Business Leadership (SBL) became a fully-fledged college of the University of South Africa in 2017. Over the years, the SBL has built a strong brand and reputation as a leading African business school of choice, offering formal postgraduate academic programmes and a range of executive education programmes, using an open distance-learning mode.

College highlights

- In 2018, a space planner report was generated to enhance the SBL physical facilities, taking into consideration the future growth and business needs of the SBL. This report has been unpacked and various projects across different years are being developed. For 2019, basic components of the report will be implemented.
- The Unisa Council approved a revised business model (Hybrid Autonomy Model) for the SBL in 2016 and implementation of the model continued in 2018. Following Board and Council approval of the new organisation structure, the SBL began consultations at the Unisa Bargaining Forum, which culminated in a Hybrid Autonomy agreement with organised labour which was concluded at the end 2017 and signed in 2018.
- The SBL now hosts a journal by the Department of Higher Education. In 2018 there was a full migration to an online submission and review process.
- The SBL now has five researchers rated by the National Research Foundation (NRF). In 2018 one researcher was rerated, while one researcher received an NRF rating for the first time.
- In 2018 the SBL hosted its first student research symposium and also the International Academy of African Business and Development (IAABD) conference in Durban.
- 2018 proved to be a very fruitful year in terms of graduations, most notably with Master of Business Administration (MBA) qualifications exceeding the 350 mark.

5. College of Education (CEDU)



Executive Dean: Prof VI McKay

CEDU is responsible for the professional education and training of close to 50% of all qualified teachers in South Africa.

College highlights

- In 2018, CHS embarked on intervention strategies for English modules and lessons were uploaded at teacher centres and myUnisa platform. There is an improvement in the pass rate for English modules ENG1501=51%; ENG1502=62%; and ENG1511=87%.
- In addition there are attempts to work on the improvement of the throughput, for the Bachelor of Education (BED) from 2014 to 2018, the throughput ranges between 2.9% and 10.3% and for Postgraduate Certificate in Education (PGCE) 30% and 42.6%.
- CEDU launched the Scholarship of Teaching and Learning (SoTL) programme in May 2018.

6. College of Graduate Studies (CGS)



Executive Dean: Prof M Havenga

CGS endeavours to increase Unisa's postgraduate profile and improve the performance of master's and doctoral students. The college continues to play a leading role in research at the university and forms part of Unisa's Research, Postgraduate Studies, Innovation and Commercialisation Portfolio.

Multi-, inter- and transdisciplinary research is at the core of all CGS activities, thereby providing a unique range of opportunities for master's and doctoral research under high quality supervision.

College highlights

- As Unisa's answer to the national imperative to increase the number of doctoral graduates and provide for high-calibre researchers, the CGS Postgraduate Administrative Department deals with the applications, admissions and registrations of about 45 000 students registered for postgraduate qualifications, as well as with the assessment coordination for master's and doctoral dissertations and theses.
- The approximately 10 000 master's and doctoral candidates represent a large slice of the research potential in South African universities.
- The college assists to increase the number of successful graduates from this cohort to ensure our competitiveness among emerging economies.
- A steady growth has been maintained in postgraduate throughput over the past years. The number of master's and doctoral graduates increased to 1 024 and 350, respectively, in 2018.
- The 7th Annual Interdisciplinary Academy organised by the CGS offers an exciting programme for postgraduate students at Unisa.
- Eight streams are offered for postgraduate students. They address exciting societal and scientific issues ranging from water scarcity, sustainable energy, nanotechnology, sustainable development, climate change, drug discovery and cosmology to masculinities and femininities at university. The programme is unique because it brings together postgraduates in an interdisciplinary environment to design and conduct innovative research.

7. College of Human Sciences (CHS)



Executive Dean: Prof AP Phillips

The college offers high-quality general academic and career-focused programmes in the arts and humanities, social sciences, education, religion and theology. The decoloniality and Africanisation projects are actively driven by the CHS. In the College of Human Sciences, we believe that the Arts, Humanities and Social Sciences is the conscience of our country and of humanity, and the College of Human Sciences has therefore prepared and released statements on Afriphobia and on homophobia in the course of 2018.

College highlights

- The college has a large number of postgraduate students and makes a concerted effort to support students at M&D level with research workshops across the country. A total of 395 master's degrees and 395 doctoral degrees were conferred in the CHS in 2018.
- In 2018, the CHS reviewed 5 doctoral programmes by external peer review in preparation for the national reviews of doctoral programmes by the Council for Higher Education (CHE).
- The Curriculum Transformation project focused on Africanisation and migration to ODeL resulted in seven new OERs being developed in 2018.
- From 2018, all modules offered in the college for the newly developed BEd programmes will be offered in all 11 official languages.
- The elective module at honours level for all Human Sciences students in African Decoloniality received high praise from its external reviewers.
- The College of Human Sciences also espouses an African Decolonial pedagogy through the following student engagement projects:
 - o Psycho-social and other support in African languages for students at risk
 - o Finally I-can project in English
 - o Signature module (95% success rate)
 - o WhatsApp initiatives
 - o Visits to regions by tutorial staff
 - o Multilingual glossaries
- The CHS has a vibrant and engaging research programme with two flagships at college level, namely the annual Decoloniality Summer School (which again took place in 2018 with more than 100 participants from all over the country and abroad), and the Africa Speaks programme.
- The School of Social Sciences held its tri-annual conference, in addition to research seminars in the 19 departments and the Institute of Gender Studies and in the Research Institute for Theology and Religion (RITR). The RITR also underwent an external peer review process during 2018.

8. College of Law (CLAW)



Executive Dean: Prof M Basdeo (from December 2018)

Acting: Prof OS Sibanda (January 2018 to February 2018)

Acting: Prof CI Tshoose (March 2018 to November 2018)

The college confers professional qualifications that provide access to the legal profession, as well as various career-based qualifications in subjects such as police practice. The college consists of two schools, namely the School of Law and the School of Criminal Justice.

College highlights

- In 2018 the college implemented its research strategy by:
 - o Increasing and diversifying the number of researchers – especially emerging researchers
 - o Improving the postgraduate programme and offering and continuing to support structured staff development
 - o Developing and supporting young-upcoming and underrepresented researchers
 - o Increasing the number of NRF rated researchers especially amongst the designated groups
 - o Increasing the number and value of external research grants and grant holders
 - o Increasing the number of research outputs

- In 2018, the Higher Education Quality Committee (HEQC) of the Council on Higher Education (CHE) revised its accreditation decision to “full accreditation” for the Unisa Bachelor of Laws (LLB) programme.
- The college had a total of 32 NRF rated staff members at the end of 2018, an increase from 30 in 2017. The college has however, lost eight of the ratings due to other staff members leaving the university and also due to failure by some to renew their ratings.
- Seventeen staff members completed their master’s and doctoral qualifications in 2018.
- The college hosted its annual Spring Law Conference in 2018. A number of publications are produced from this annual conference.
- Two journals hosted by the college received accreditation from the Department of Higher Education and Training in 2018/2019:
 - o African Journal of Democracy and Governance (AJDG) (2019)
 - o Journal of Law, Society and Development (2018).

9. College of Science, Engineering and Technology (CSET)



Executive Dean: Prof B Mamba

The college offers general academic and career-oriented degrees, diplomas and certificates in a range of science, engineering and technology disciplines.

College highlights

- CSET continues to make great strides in research and innovation as attested by 41 NRF rated researchers.
- The Institute for the Development of Energy for African Sustainability (IDEAS) opened a joint laboratory in the Hebei University of Science and Technology (HBUST), China, on new energy worth 7.5 million
- DST collaboration took place between Unisa, UJ, CPUT and UNIVEN to work on bioremediation consortium to treat waste water
- CSET hosted the 2nd African Membrane Society International Congress
- CSET hosted the 60th Annual Conference of the South African Statistical Association
- I-SET achievements on robotics led to their participation in engagements which involved the Minister of Science and Technology and subsequently the President of RSA. Department of Basic Education has thus recommended development of coding and robotics into grade R-9 curricula. It has also partnered with Sasol Foundation to bring science and technology equipment via mobile labs (where Unisa staff are viewed as facilitators)
- IDEAS in collaboration with Exxaro, Sanedi saw the installation of 20 digesters at EARTH CENTRE in November 2018 as part of the community engagement initiative on Waste to Energy

Planning for performance

The university contracted with the Minister of Higher Education and Training to deliver on the following six predetermined objectives with regards to teaching and learning in 2018:

- Transformed Programme Qualification Mix (PQM) which includes streamlined PQM, engagements with Technical and Vocational Education and Training (TVET), curriculum transformation
- Improved throughput and quality assurance
- Enhanced teaching process
- Improved learner support
- Transformative community engagement
- Access/Retention

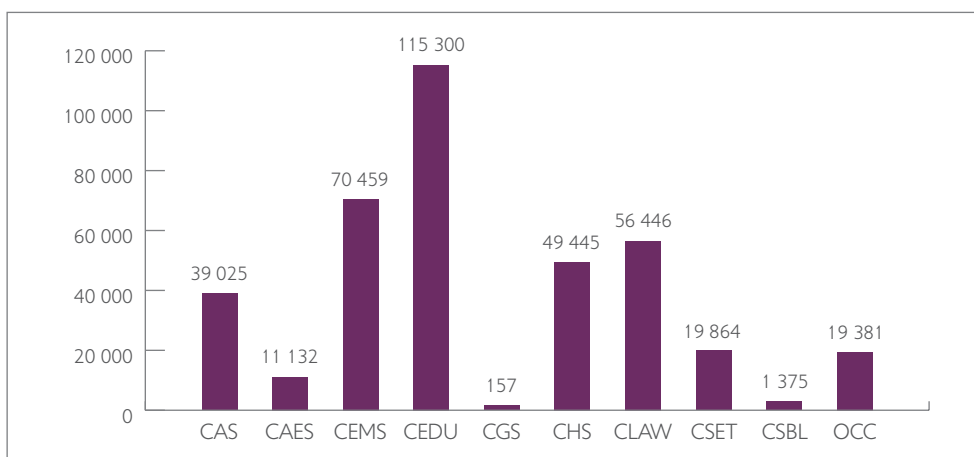
These six objectives are further expanded on below.

Numbers of modules developed and designed across the colleges during 2018

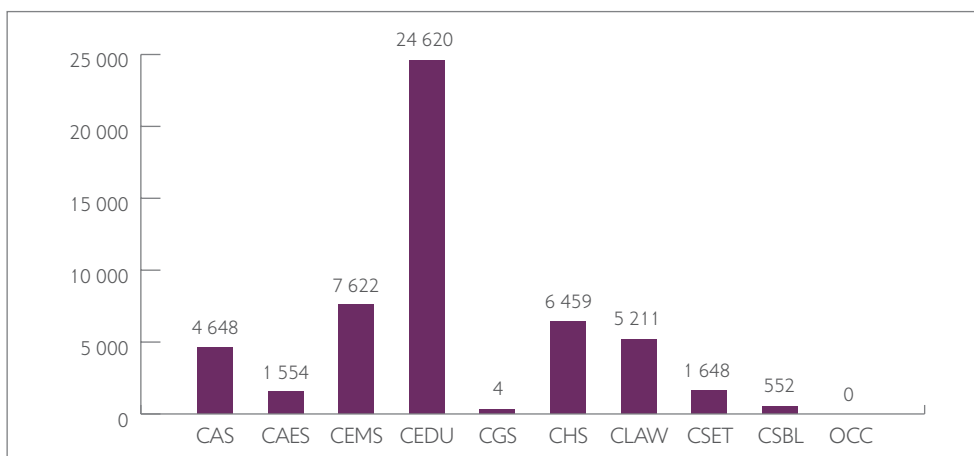
College	Number of modules
CAES	65
CAS	29
CEDU	24
CEMS	49
CHS	97
CLAW	20
CSET	67
Total	351

The design and (re-) development aimed to improve the pedagogical models and ensure continuous and formative assessment activities with a view to improving throughput rates of the large numbers of students registered across the colleges.

Enrolments per college in 2018



Graduates per college in 2018



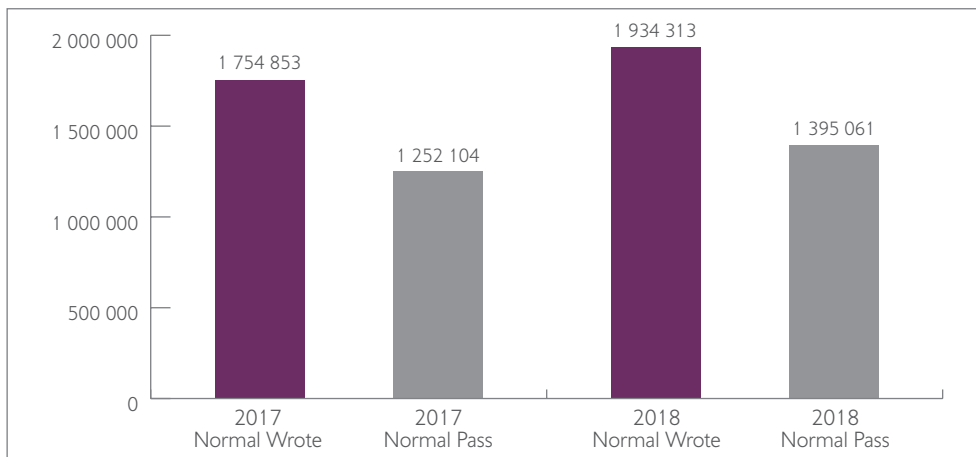
Engagements with Technical and Vocational Education and Training (TVET)

The university has contributed to the establishment of an engaged and effectively integrated Post-School Education and Training (PSET) system by signing 11 partnership agreements with TVET colleges across the country. A team consisting of representatives from the university comprising both academic and professional staff, visited the campuses of the 11 colleges, providing practical training to ensure proper implementation of the agreements. In the light of the successful implementation, further TVET colleges have approached the university to participate in the partnership. The university has made significant progress in enhancing the lecturing skills of college lecturers through the offering of relevant short learning programmes and also by offering MEd qualifications for TVET college lecturers.

IMPROVED THROUGHPUT AND QUALITY ASSURANCE

Success Rates and Graduations

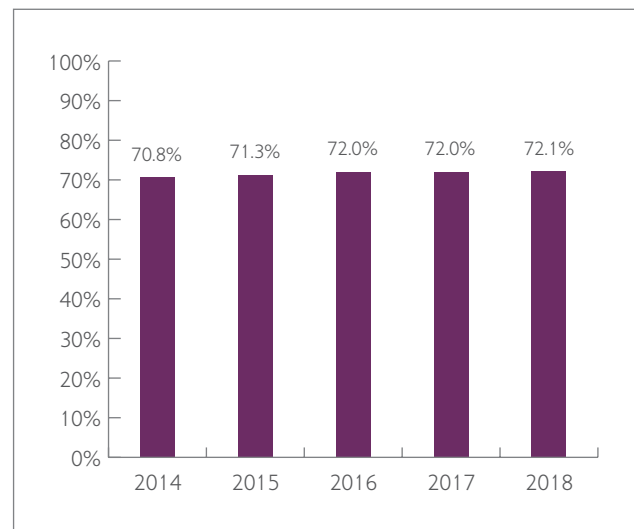
Improvements in the exam sitting rates



The 2018 sitting rate shows an increase in the number of undergraduate students that were admitted and who sat for the examinations in comparison to 2017. A normal pass rate of 72% was reported for the 2018 October/November sitting. This is 1% higher than the overall Unisa examination sitting rate of 71% for 2017.

Combined undergraduate normal pass rate

For the two undergraduate examination sittings in 2018 (May/June and October/November), a combined 1 766 472 students sat for undergraduate modules (NQF 5 to 7). A combined normal passed rate of 72.1% was reported for 2018, which is marginally higher than the 71.9% reported in 2017. Across colleges, the College of Education consistently has reported the highest normal pass rate over the past five exam sitting cycles. For the 2018 sitting, a combined pass rate of 85.8% was reported. The College of Human Sciences had the second highest normal pass over a five-year period. However, there was a slight decrease from 76.2% to 74.5% between 2017 and 2018. With the exception of 2014 in the College of Accounting Sciences, none of the colleges reported pass rates below 50%. It needs to be noted that some of the students that sat for the May/June exam sitting are supplementary exam students from the previous year.





ENHANCED TEACHING PROCESS

Some 351 undergraduate modules across all the colleges were developed in 2018 to ensure implementation of the university's ODeL business model and curriculum transformation for teaching and learning into undergraduate modules. The development process included initiatives to ensure the integration of 'continuous assessment for learning' practices as well as ensuring the blended character of all new modules.

COMPOSITION AND SIZE OF STUDENT BODY

In 2018, Unisa had 373 747 qualification enrolments, up from 344 015 in 2017. The 2018 figures represent information extracted from preliminary HEMIS student data and is subject to final verification and auditing. Details of the profile of Unisa's students by race and gender, as well as enrolments by college are available in the *Fast Facts* section of this report.

TEACHING AND LEARNING DEVELOPMENTS

We continued in 2018 with initiatives targeted at improving the quality of teaching and learning.

The Retention Unit was established in 2017. The unit is charged with the responsibility of the implementation of the "First-Year Experience" and the implementation of initiatives around retention of students in collaboration with the colleges. During 2018 the unit worked with the colleges to ensure that necessary support is provided to students in their first year of study to mitigate the high drop-out rates that are common in first year. It has provided interventions to enhance students' understandings of what it means to be a first-year student in an Open, Distance and e-Learning environment so as to increase students' chance of success. The unit is funded through DHET's university capacity development grant.

Information about the external financial aid relating to teaching and learning, including financial aid such as that of NSFAS and bursaries can be found in the Annual Financial Statements.

Curriculum transformation

The Transformation Unit was established in 2018 with the intention of facilitating curriculum transformation across the colleges and is funded by the DHET teaching grant. As part of this mandate, each college was required to produce a curriculum transformation framework. The frameworks were informed by a series of workshops hosted by the colleges and the university. In addition to the curriculum transformation interventions that were taking place in the colleges, the unit conducted workshops and seminars for students in the regions focusing inter alia on the integration of a Human Rights Pedagogy and what transformation of the curricula means for Unisa students.

An institutional conference on Curriculum Transformation was held to enhance the scholarship of teaching and learning and to focus on issues and the features of a transformed curriculum. The conference was followed by a research retreat where the presentations were refined for publication. The presentations from the conference are in process of being published in a book of abstracts and in a special journal edition dealing with educational transformation in general and specifically with curriculum transformation at Unisa. Preparation is underway for an online curriculum transformation module which aims to provide hands on training on how to use e-learning platforms in teaching and learning.

Teaching and learning festival

Unisa hosted its fourth festival, to promote the scholarship of teaching and learning and serve as a platform for academics to engage on current discourses around teaching and learning in an ODeL environment. The festival was preceded by colleges showcasing teaching excellence and sharing teaching and learning scholarship. The winners of the Excellence in Tuition Awards were announced at the IODL conference gala dinner.

Quality assurance

The university, in an attempt to strengthen its quality assurance regimen has augmented its quality assurance infrastructure by creating a dedicated Academic Quality Assurance and Enhancement Unit. Whereas this unit is largely focused on quality assurance and enhancement initiatives in the academic space, it also works closely with the university's quality assurance directorate to ensure institutional view for quality assurance and enhancement. Each college will be required to appoint a quality assurance manager to work on the quality assurance matters in the colleges and to prepare colleges for the COL and future QA audits.

Multilingualism conference

In line with its character of being *the* African university, Unisa recognises the importance of developing and supporting the use of South Africa's indigenous languages. Subsequent to the 2017 highly successful multilingualism conference that attracted notable scholars within this field, a language unit was established in 2018 with a view to implementation of the language policy. In 2018, CEDU piloted aspects of the University Language Policy by offering all CEDU's NQF level five examination question papers in 11 languages during the October/November examination period. This pilot was intended to give insights and lessons learned for offering examination question papers in all the official languages. The Language Unit will be undertaking to ensure that all high risk modules across the colleges are developed in all official languages and is working with colleges on the development of glossaries to bridge the language gap.

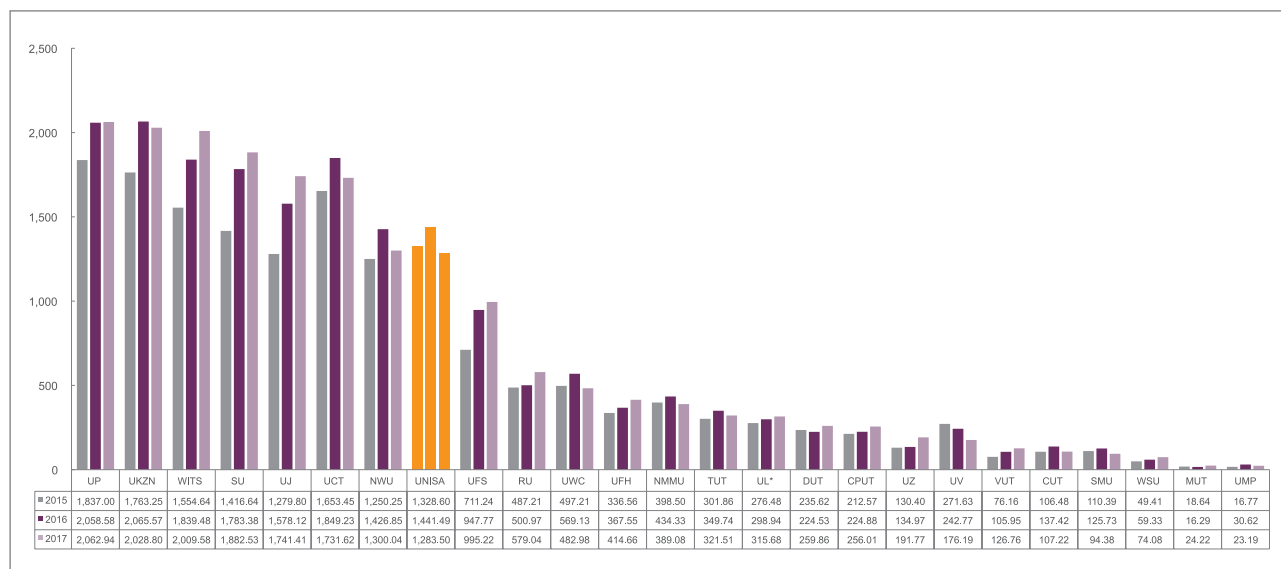
Teaching and learning achievements

Colleges have begun to focus on the scholarship of teaching and learning which will enhance teaching pedagogies and epistemologies while contributing to the improvement of outputs in the ODL research niche area.

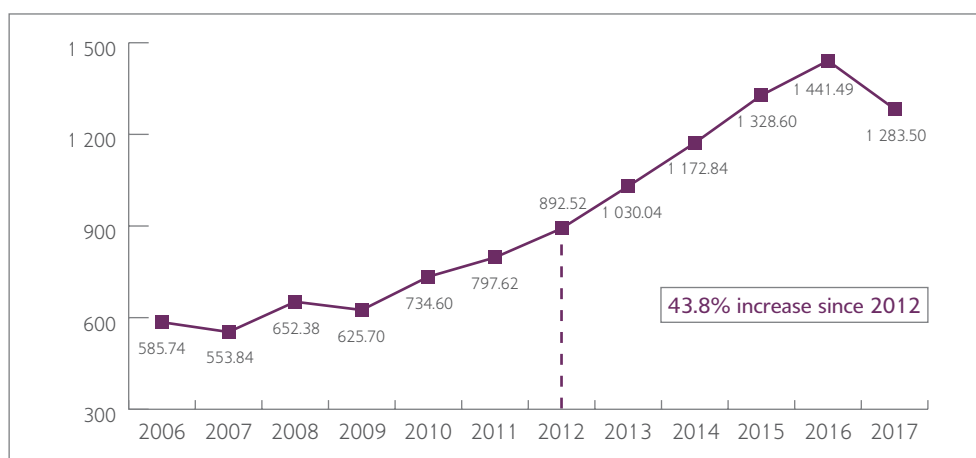
RESEARCH

Unisa continues to be ranked among South Africa's top ten research universities, having succeeded in increasing total publication outputs by 43.8% between 2012 and 2017. Of the 25 public universities whose research performance the Department of Higher Education and Training (DHET) assesses annually, Unisa was fourth for doctoral graduates, seventh for master's graduates and eighth for overall publication unit outputs for 2017.

Sector comparison of overall publication output units, 2015 – 2017



Trend in total publication output units, 2006 – 2017



However, this performance was slightly lower than for the previous year. The decline from seventh to eighth position for publication outputs stemmed from a decrease of almost 11% in total outputs, which was in turn due to substantial reductions in units awarded for books, book chapters and conference proceedings. Background to the decrease is included under research productivity below.

Slightly offsetting this were the gains made in other areas of Unisa's research and innovation project. The number of Unisa-held granted patents stood at 11 in December 2018 and R2.52 million in seed funding was received from the Technology Innovation Agency for the development of early-stage technologies. Intellectual property (IP) disclosures grew 35% compared to the previous year.

While the university's IP portfolio is still modest, it has been only six years since Unisa actively began promoting technology transfer and innovation. Given the long timeframes for IP processes such as the granting of patents, the progress made to date is solid.

Similarly, Unisa is still holding its own in National Research Foundation (NRF) ratings and endowed chairs. In 2018, the university had 232 rated researchers, including three with A ratings, and was hosting eight endowed chairs, three of which were awarded by the United Nations Educational, Scientific and Cultural Organization (UNESCO). This demonstrates the important role Unisa is playing in research that will improve the equity, quality and relevance of education in Africa.

The challenge now is to ensure that research and innovation continue to advance against the university's four strategic imperatives for research – productivity, transformation, sustainability and influence – and that both the university and society benefit from the ongoing investments being made.

Investment in research

Despite budgetary constraints, Unisa makes a sizeable annual investment in developing the next generation of researchers, amounting to R249 446 200 in 2018. The return on investment from this is the subsidy earned from publications, the enhanced reputational value that goes with a prominent presence in top journals and books, and an expanded pool of intellectual and research skills.

To optimise funds available for research capacity development and support, the university uses a combination of centralised and decentralised budgeting. The centralised budget is located at Research Administration in the Research, Innovation, Graduate Studies and Commercialisation Portfolio, and is used to fund and run programmes to develop research capacity and pay page fees for researchers publishing their work. In 2018, R216 446 200 in research support funding was paid for centrally.

Decentralised budgets in the form of college research funds enable researchers to attend conferences and publish conference proceedings. The money is available as and when needed, subject to internal controls, and the total amount spent across the colleges in 2018 was R32 000 000.

Qualifications profile

All Unisa staff, academic and professional, have the opportunity to develop as researchers and achieve master's and doctoral qualifications, and the investment made in qualifications improvement is paying off: in 2018 (despite a high number of resignations and an unusually high number of retirements), 14% of Unisa academics had master's degrees as their highest qualification and 18% had doctorates.

According to the DHET's most recent sector comparison (for 2017), Unisa was ninth out of 25 universities in the category for permanent academics with doctoral degrees, down from eighth position in the previous year. In the category for master's degrees, Unisa was ranked 18th in the sector for both years.

As the qualifications profile of its staff is one of the cornerstones of sustained research growth, this is an area of intensive investment. In 2018, 105 academic staff were participating in the Masters and Doctoral Support Programme (MDSP) and the Academic Qualifications Improvement Programme (AQIP). Women and black, coloured and Indian researchers constituted the majority of the participants, at 31% and 69% respectively.

Permanent, non-academic staff who engage in research are known as the Professional Research Group (PRG), and may apply for research funds to complete a master's or doctoral degree, attend a domestic or foreign conference to present a paper or prepare a research publication. PRG members may also take research and development leave. Unisa's PRG investment in 2018 came to R225 785 in 2018 and entailed support for 19 master's and doctoral candidates and eight approved grants to attend conferences.

In addition to opportunities to improve their qualifications, all categories of staff have access to Unisa's innovation support programme, which encourages staff members to turn their innovative ideas into commercially viable solutions to societal problems, including educational challenges. Furthermore, research support has a category specifically for open distance and eLearning (ODEL) research, enabling staff to do research that advances Unisa's capabilities to provide quality student-centred tuition.

Research productivity

Productivity refers to research outputs and deliverables, including accredited research publications, master's and doctoral graduates and weighted research output per capita. From 2011 to 2016, Unisa performed strongly across the board, recording incremental increases in DHET-awarded output for six consecutive years. In 2017, however, total awarded publication outputs declined by 11% and Unisa dropped from seventh in the sector to eighth.

The DHET's analysis shows that while Unisa's journal outputs held steady in 2017, books and book chapters declined by 50.7% and conference proceedings by 32%. These sharp declines were recorded because of higher-than-usual rejection rates by the department, which rejected over 44% of the books that Unisa claimed for 2017 and 13.2% of conference proceedings claimed. The main reason given for the rejections was that the outputs concerned did not meet the DHET's Research Outputs Policy Requirements.

With only 92.7% of Unisa's claimed research output accepted in 2017, compared to 97.4% in the previous year, the university and its researchers will have to put greater effort into ensuring that the output policy requirements are met.

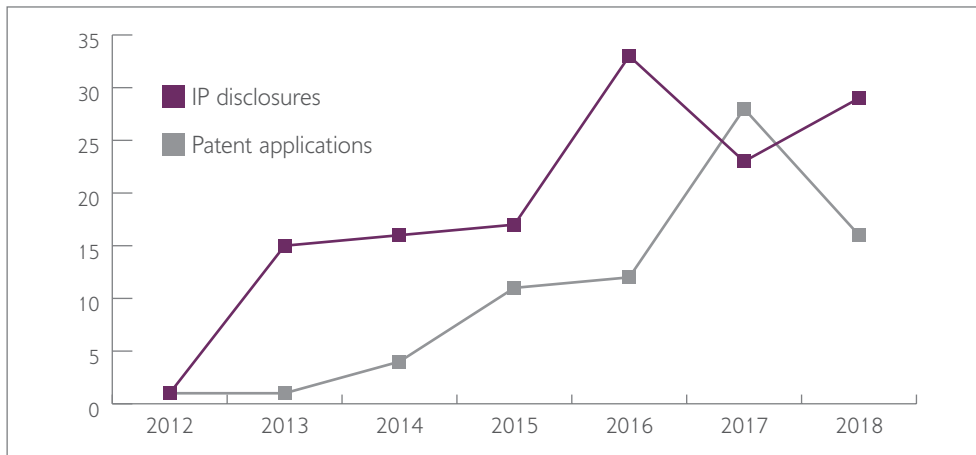
Other indicators of research productivity showed mixed results. Unisa retained its 12th position in the sector for weighted research output per capita, but fell from 13th place to 11th for overall research outputs per capita.

Protecting intellectual property

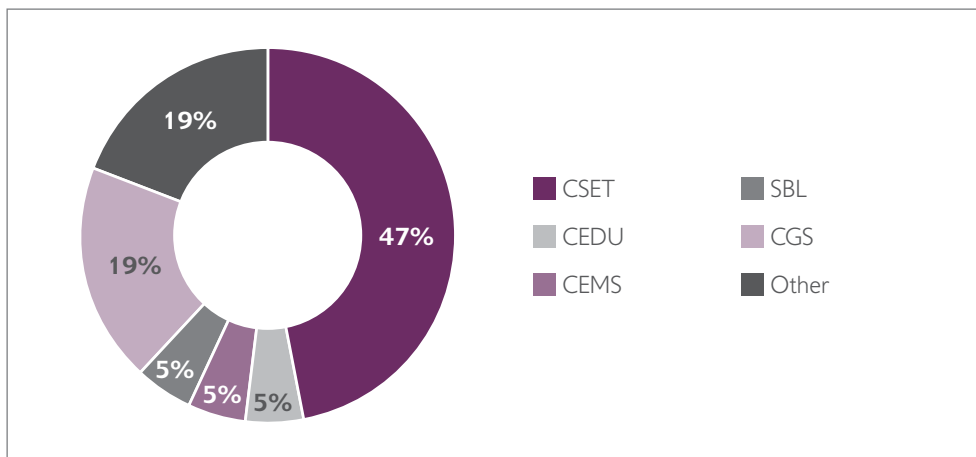
A concerted effort is being made to encourage Unisa researchers to commercialise their research and innovations and protect the intellectual property (IP) rights associated with these. The university, through its Directorate: Innovation and Technology Transfer (DITT), provides support for patent applications and IP disclosures, assists in applying for seed funding from agencies such as the national Technology Innovation Agency (TIA), and holds workshops to educate staff and students about the commercialisation of IP.

In 2018, the DITT received 29 new IP disclosures, reflecting growth of 35% compared to the previous year. The majority of the disclosures originated from the College of Engineering, Science and Technology (47%), followed by the College of Graduate Studies (19%) and then undergraduate students (19%).

IP disclosure and patent applications from 2012 to 2018



Distribution of 2018 disclosures across different colleges



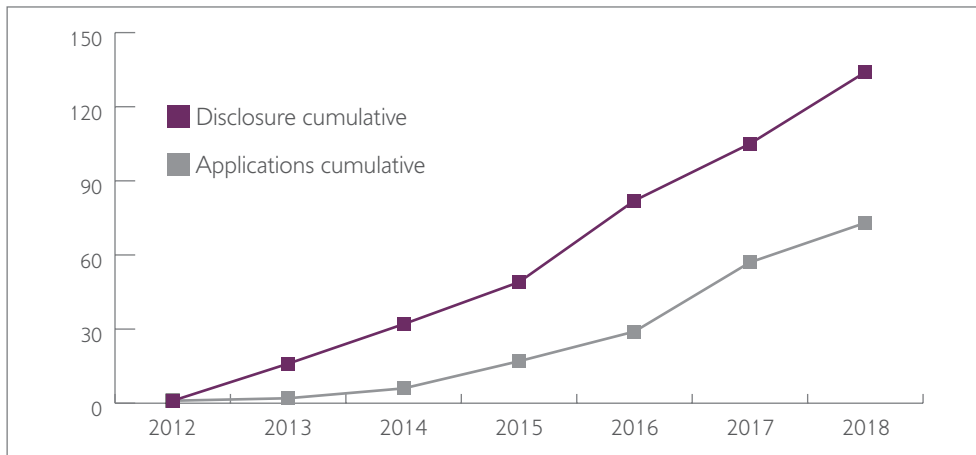
Most of the technologies disclosed in 2018 can be classified as very early to early stage technologies using the Technology Readiness Level scale. Thus, additional investment is required to mature them. One source of such funding is the TIA Seed Fund programme. TIA approved two projects in 2017 but communicated the decision in February 2018. This brings the total number of TIA-supported projects to eight. Total seed funding for 2017/18 amounted to R2 529 400.

In 2018, the DITT submitted a further two applications to TIA for funding.

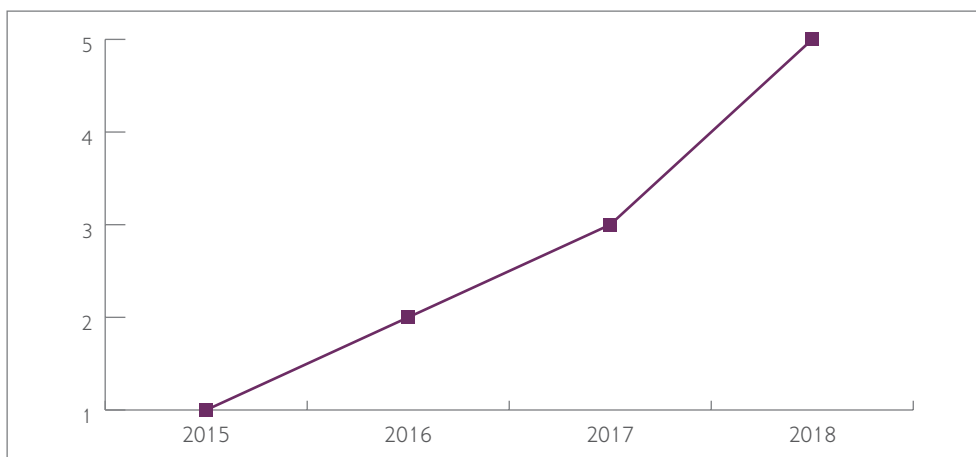
Meanwhile, on the other end of the maturity scale, granted patents continue to grow year on year and stood at 11 in December 2018.

Sixteen patent applications were processed in 2018, comprising three new provisional applications and 13 national/regional applications. This reflects a 15% reduction in the number of applications processed. A further five applications had been prepared but were not filed before the end of the year in 2018.

Cumulative patent applications from 2012 to 2017



Number of patents granted from 2015 to 2018



Overall the IP portfolio comprises 23 active technologies, referring to technologies which researchers are currently working on and which Unisa is actively pursuing in terms of further funding, patenting and/or commercialisation exploration.

Looking forward

Research plays a critical role in preserving the value of Unisa's reputation and integrity and its perceived credibility among stakeholders, particularly when this research seen as helping to address persistent societal problems. The university has done well in the past six years in expanding its research output and research base, but has its work cut out for it to sustain this momentum given constraints on research funding and the growing demands on the time of the limited academic workforce.

Government's short-term plans for the implementation of fee-free higher education have already had an effect on research funding from the DHET, DST and NRF, among others, and sources of government funding are sure to be even more limited in the long term. That, coupled with the growing teaching loads of academics as a result of growth in student numbers, places strain on the university's ability to continue growing its research project without compromising on quality.

That said, there are several opportunities that offer the university scope to grow and enhance its research endeavours. Chief among these are opportunities to attract increasing amounts of external grant funding to establish national and international collaborative partnerships with industry, government, communities and other universities. To succeed in both, it will be imperative for Unisa and its researchers to understand that the impact of the research generated has become a major criterion for external funding agencies, which expect researchers to contribute directly to the betterment of society.

Community engagement

As an institution of substantial size and reach, Unisa's local and international collaborations in community-engaged scholarship produce benefits on scale. Collectively, Unisa's colleges apply their knowledge, skills and talents in innovative and socially responsive projects, operating in diverse community contexts around South Africa.

In 2018, the colleges collectively undertook 113 registered community engagement (CE) projects (meaning projects registered with the Community Engagement office), representing a total investment in university funds of R8.9 million. Significant research outcomes were generated through this community-engaged scholarship. In 2018, our researchers produced 70 community-engaged research outputs, representing 28,24 units. The three-year total since 2016 is 172 publications and 82,89 units.

The number of registered CE projects remained similar to those of the previous year (2017). In total there were 140 registered CE projects on the database during 2018. A total of 113 projects were active and 27 were on-hold (voluntarily or due to non-compliance). The projects included:

- 62 Projects undertaking both research and teaching and learning activities
- 16 Projects focused on research, without engaging in teaching and learning activities, and
- 35 Projects focused purely on teaching and learning

The number of CE projects vary per college, mostly in relation to the size of the college.

Breakdown of CE projects per college

College	Active projects	On-hold/Inactive
CAS	11	0
CAES	7	1
CEDU	22	7
CEMS	15	7
CGS	6	2
CHS	25	6
CLAW	16	4
CSET	10	0
C2A	1	0
TOTALS	113	27

Note: CE procedure makes provision for CE projects to be placed on-hold for a maximum period of two consecutive years, where after the project must either be reactivated or deregistered.

In 2018 a greater number of projects implemented their activities in and around Gauteng. The priority areas during 2018 were Education, Vulnerable groups and Social matters.

Reach of CE projects

Main focus	Number of projects
Anti-corruption	2
Economic Sustainability	4
Education	82
Entrepreneurship	13
Environmental Sustainability	18
Health	14
HIV/Aids	6
Human Rights	14
Inequality	20
Labour	6
Poverty	13
Social Matters	24
Social Sustainability	18
Unemployment	21
Vulnerable groups	33

**Note based on 111 reports. Two projects did not respond.*

Projects that do not have any physical activities in any of the provinces and conduct their community engagement through platforms such as the internet and have a global reach are not reflected below.

Active projects for 2018

Area	Number of projects
Eastern Cape	12
Free State	11
Gauteng	77
KwaZulu-Natal	14
Limpopo	22
Mpumalanga	12
Northern Cape	5
North West	15
Western Cape	10
National reach	14
Global reach	3

**Note based on 111 report. Five projects did not respond to the question.*

The focus on different socio-economic and other issues saw project leaders reaching a total of 203 communities, a total of 687 771 people in 74 projects, through their community engagement, teaching, learning, research and outreach efforts, during 2018. The majority of community engagement projects entered into partnerships during 2018. The sectors that projects chose to interact with during 2018 ranged from small local communities to national government, to large and multinational corporations.

Student involvement in CE projects

A total of 3 401 students participated in 44 Community Engagement projects. Through this initiative Unisa contributes to delivering confident, well rounded graduates, who are ready to make a positive impact in all spheres of life.

Student involvement in and through CE projects			
Number of projects that reported no student involvement		67	
Total students involved in the remaining 44 projects		3 401	
Students were involved in the following ways:			
Implementation/Admin	76	Community-based Research	56
Short Learning Programmes	293	Community-based Service Learning	1 971
Leadership development	34	Volunteerism	157
Number of students for which the TYPE of involvement was not specified		814	

Leveraging ODeL to enhance access

Unisa harnesses the power of open distance and e-Learning (ODeL) to provide students access to affordable high-quality tertiary education, irrespective of their geographic location. The university is known for delivering well-designed and interactive study material. A wide-ranging menu of support services cater for the needs of its diverse student population and includes tutorials, peer-group support, video conferences and satellite broadcasts to a virtual learning environment, Unisa's classroom known as myUnisa allows students to engage with their lecturers and e-tutors and to participate in discussion forums and wikis.



The most visited websites relate to student communication – both in terms of administrative and academic areas. Online administrative processes including application (www.unisa.ac.za/apply) and registration (www.unisa.ac.za/register), ensure that students can apply and register from wherever they are, in this way providing all with equal opportunity to enrol at Unisa.

Considering the nature and demands of an ODeL model, Unisa assisted in developing a readiness tool (<http://readiness.unisa.ac.za/>) to guide and help prospective students to determine their readiness to study at Unisa. A Study @ Unisa brochure and website (<https://www.unisa.ac.za/sites/myunisa/default/Study@-Unisa>) also assisted students to cope with the demands of open distance and e-Learning.

In addition to the academic-related communication, by and large the responsibility of academic staff, Unisa oversees institutional student messaging in relation to issues of interest to students (<https://www.unisa.ac.za/sites/myunisa/default/Announcements>). These communications are often amplified on Unisa's social media platforms.





PRESERVING OUR REPUTATION



STAKEHOLDER ENGAGEMENT

Unisa engages with its stakeholder groupings such as Unisa students and alumni, government especially the Department of Higher Education and Training (DHET), media, other higher education institutions, donors, partners, the student representative council, labour, and last but not least communities, as part of its active community engagement efforts.

OUR CHANNELS

Unisa ensures regular and effective face-to-face communication with both internal and external stakeholders via a number of channels.

STAFF MEMBERS

Communication with internal stakeholders helps to build bridges with labour, provide updates on various institutional developments and share the vision and strategic direction of the university. Internal newsletters and notices keep staff updated on operational and management matters including Council and executive management appointments and decisions; policies and operational matters.



In support of a key objective of the Annual Performance Plan (APP), namely to foster an engaged and transformed workforce, Unisa drafted an Internal Communication Strategy to promote staff engagement and support delivery on the Unisa strategy, goals and targets. The purpose of this strategy is to improve internal communication with a view to promoting staff engagement, improving staff morale and job satisfaction, and boosting staff productivity and performance.

ALUMNI

All Unisa graduates and convocants form part of the alumni of the university. Unisa has a dedicated Alumni Relations Office which deals with all matters relating to alumni and our communication and engagement with alumni includes electronic newsletters; YO Unisa magazine for students, alumni and friends of Unisa; college communications; stakeholder specific communications; surveys and invitation to and the hosting of events. Through the various communication platforms and engagements alumni is updated on Unisa news and developments at the university.

To provide valuable networking opportunities for alumni and to encourage the active participation of alumni members, 22 alumni chapters have been established in South Africa and beyond our borders.

Unisa has a total of 797 843 alumni members on the alumni database of whom 370 264 are active, contactable members who receive regular communication from the university.

An annual convocation meeting was held in November 2018 at which first-hand information about the strategic direction of the university, policy formulations and other development issues were shared.

DONORS AND SPONSORS

Unisa engaged with its donors and sponsors and keep them informed about the university's financial position and stability throughout the year using multiple platforms including face-to-face meetings, telephone calls, events, social media and reports.

Fundraising efforts were primarily aimed at securing consistent income-generation streams to sustain the university's core business of teaching, facilitating learner progression, research and innovation and community engagement. In addition, an increase in revenue was required to assist the university in becoming more self-sustainable and delivering on our social mandate of providing students, especially from disadvantaged and marginalised communities, with increased access to higher education. This, however, came against the background of a weak economic growth, the HE environment experiencing tumultuous times with an increasing demand for

free education, and the university's decision to in-source security and cleaning staff putting additional strain on its financial resources. During the year, we retained over 75% of donors through continuous engagement and regular audits and reports on project development and progress.

Ordinarily the Chair of the Unisa Foundation Board of Trustees represents the Foundation and the interest of donor community on the Unisa Council. The university is in the process of regularising the Unisa Foundation Board of Trustees to keep it in line with new developments in corporate governance, the process which will be completed during 2019.

A donation of R4 000 000 was received from Absa Bank. The Unisa Foundation Bursary Fund raised R24 000 000. The Principal's Bursary Fund increased by over R500 000.

MEDIA

Unisa's relationship with the media is a much valued one, based on the principles of respect and transparency. Liaison and engagement with the external media include the issuing of media advisories, statements and releases; hosting of media conferences and networking events; as well as facilitation of media interviews for designated Unisa spokespeople. The unit is also responsible for pushing Unisa academics into the external media domain to provide expert commentary on a variety of topics that impact society.

In 2018, Unisa hosted a number of media events including a media conference where the media engaged executive management on the challenges of racism, harassment, bullying and victimisation that were plaguing the university at the time; and which had been referred to the South African Human Rights Commission for investigation and advice.

INTERNATIONAL RELATIONS, PARTNERSHIPS AND AGREEMENTS

Unisa has over 400 agreements with institutions throughout the world which focuses on various areas of cooperation such as research, capacity building, offering of joint degrees, administrative and tuition support, sharing of expertise and joint coordination of academic activities. In 2018, the university processed over 100 agreements which varied from new, extended, reviewed or terminated agreements. This entailed the drafting of agreements, consultations, due diligence and signing of approved agreements.

Unisa has agreements with universities, TVET Colleges, organisations such as the African Union, UNICEF, UNHR, ACDE and governments. The university has concluded agreements with key stakeholders such as City of Tshwane and City of Johannesburg, advancing the lives of people in Gauteng.

CURRENT AND PROSPECTIVE STUDENTS

In addition to administrative and academic communications, we keep our students informed about the university and create community spirit amongst students through social media platforms including Facebook, Twitter, LinkedIn and YouTube; SMS messages; the news section on the myUnisa portal as well as the distribution of the quarterly newsletter myUnisa news and YO Unisa magazine to students official myLife email accounts. Unisa provided both students and prospective students with updated information on study choices, qualifications and academic requirements at Unisa and the learning support that is available to Unisa students. Especially the social media platforms serve as an important link to keep students informed about key decisions and resolutions such as changes to registration and examination dates.

Considering the ODL character of Unisa, face-to-face communication with students is limited. However, the Vice-Chancellor has regular meetings with the National Student Representative Council (NSRC) and other student bodies and a student assembly is hosted once a year on the Sunnyside Campus where the VC and Dean of Students address new Unisa students.

At Unisa, the different directorates and divisions within the Student Affairs Department play a major role in connecting students and address issues such as student social development, student governance and leadership development, and the needs of students with disabilities. They also respond to student enquiries. The department is positioned to be a central, co-curricular support service for students' academic success, civic duties and meaningful governance participation. We offer services to all Unisa students with a view to contributing to their holistic development as well-rounded, innovative and socially responsible global leaders, in the service of humanity.

In 2018, the department continued to provide services and support to students through its various units and divisions, and through the Student Relationship Management project which culminated in the first stages of the development of a student communication service centre.



SUPPORTING THE EXPERIENCES OF OUR STUDENTS

All our work and activities are geared towards supporting the academic project, enhancing a positive student experience, and contributing toward the holistic development of our students. Guided by strategic target six of the Unisa 2016-2030 Strategic Plan, namely, 'to create a management and governance framework that allows for flexibility and innovation, and ensures efficiency, high performance, service delivery and accountability', the department was able to achieve a number of successes in 2018.

With a view to contributing to leveraging Unisa's ability to use ODeL to provide student access to affordable high-quality tertiary education, Unisa coordinated the development of a policy on e-Devices for e-Learning at Unisa. The purpose of the policy is to affirm the need to support students with access to digital technology devices to access the Unisa e-classroom in line with the institution's ODeL character. This policy was approved by Senate in 2018, setting the stage for the provision of access to and use of e-devices with data and support to our students.

In order to enhance the teaching and learning experiences of our students with disabilities, in 2018 the centre for students with disabilities finalised the launch of multi-purpose laboratories with a view to providing easy access to critical technologies and assistive devices in all Unisa regions.



Among our 2018 successes was the advancement of cooperative governance through the successful implementation of the SRC Election Project – which in 2018 achieved one of the all-time highest voter turn-outs in the history of Unisa: just over 56 000 students. Moreover, despite major challenges occasioned by the over-politicisation of our student governance not only at Unisa but across the country, the newly elected SRC was inaugurated on time, thereby averting a governance crisis that could have resulted from a student governance void. It should also be mentioned that another feather on our cap was the achievement of an unqualified external audit opinion on the management of the SRC Elections, which is affirming of the resilience of the directorate's governance processes, procedures, controls and systems.



To further advance meaningful governance participation by our students, regional forums for students with disabilities were launched following the elections that took place in mid-2018. The National Association for Students with Disabilities also elected office bearers. Apart from ensuring that the needs of students with disabilities are addressed, one of the critical tasks of the Forums and the national association is to consolidate inputs for the review of Unisa policies to ensure that they are inclusive and accommodate the needs of students with disabilities.



Our support to students with disabilities, remained a cornerstone of our contribution to positive student life experience. A total of 3 117 students with disabilities were supported and assisted with registration, information about financial support, provided with devices, study materials in accessible formats, special examinations and other needs prior to and during the graduation ceremonies.

Student Development played a critical role in enhancing the leadership capacity of our student leaders (particularly Unisa's Student Parliament office bearers) by enabling their participation at the Sixth Ordinary Session of the Pan African Parliament. This provided exposure to continental governance, geo-political nuances and leadership challenges through one of the most critical political and governance institutions on our continent.

With a view to enable the student voice in the transformation and decoloniality discourse in the higher education landscape, the department facilitated the participation and attendance of two of our student leaders at the European Distance and E-Learning Network annual conference in Italy in June 2018. The fact that our student leaders were participants and contributors in a global scholarly dialogue, bears testament to how we embrace our mandate of being a central, co-curricular support service for students' academic success. Internally, our contribution to the Student Retention Unit's First Year Experience programme was a further demonstration of our commitment to the provision of extended support to students entering Unisa for the first time.

Stakeholder engagement is at the core of our operations. In 2018, Student Affairs facilitated engagements between the Unisa leadership and the representatives of recognised student structures and associations. Among others, the purpose of these engagements is to create a platform for management – student leadership engagement on critical issues of institutional strategic importance and share thoughts and ideas on how to advance effective teaching and learning, research and meaningful community engagement.



Our Student Development division supported a career awareness initiative for engineering students held in collaboration with the Gauteng Provincial Government. And in an effort to advance work integrated learning, the division facilitated the placement of social work students in our Student Affairs Department, in collaboration with Unisa's Department of Social Work.

A woman with curly hair is looking at a laptop. The background shows a window with a plant and a decorative object on a shelf. The scene is lit with warm, golden light.

GOVERNANCE AND RELATED ISSUES





COUNCIL STATEMENT ON GOVERNANCE

This statement was approved at a full Council meeting held on 19 June 2019. The meeting was quorate and the documentation for approval by the Unisa Council was circulated with the meeting agenda in advance of the meeting and with due notice.

Unisa is committed to the principles of discipline, transparency, independence, accountability, responsibility, fairness and social responsibility as set out in the King IV Report on Corporate Governance.

The Council has endorsed and applied, for the period under review, the Codes of practices and conduct and the Code of ethical behaviour and practice, as set out in King IV, insofar as it is relevant to a public higher education institution. The members of Council are always cognizant of their role and function and participate in the deliberations of Council and Committees of Council in the best interests of the university. The engagement is robust and partisan interests on the Council, both from internal and external members, are strongly proscribed.

Council is the highest decision-making structure at the university and the custodian of good governance and the implementation thereof. The responsibilities of the Chairman of Council and the Vice-Chancellor are clearly defined and separated, as set out in the Council Charter. The Chairman is responsible for leading the Council and for ensuring the integrity and effectiveness of it and its committees while the Vice-Chancellor is responsible for the effective management and running of the university's business in terms of the strategies and objectives approved by Council and its Committees.

Matters reserved for decision-making at Council level are set out in the statutes of public higher education institutions by custom and in terms of the Higher Education Act (101 of 1997). The Council remains responsible for the ongoing strategic direction of Unisa, reviews approval of major developments and receives regular reports from management on the day-to-day operation of the university. The Council meets at least four times a year and has constituted various sub-committees to assist it in the execution of its fiduciary duties.

The membership of Council and its committees reflects authentic diversity in terms of academic qualifications, industry knowledge, experience, race and gender, enabling Council to exercise true judgment and skill in guiding the university to ensure its long-term success and sustainability.

Highlights from the meetings of Council for 2018

- Council gave attention to transformational matters relating to procurement, including development initiatives relating to companies owned by the youth, women and people with disabilities
- Council considered matters relating to bullying, harassment and racism, including subliminal racism, and expressed intolerance to such matters. Council also hailed Management's attention to these matters by means of commissioning an investigation into these matters by the South African Human Rights Commission (SAHRC)
- Council noted and encouraged progress with regard to the translation of examination papers into all official languages
- Council noted the journey from an annual report to an integrated report in its approval of the 2017 Annual Report
- Council filled several senior management positions (vice principals and Registrar), which had been vacant for some time
- Council members undertook to donate to the Unisa 145 years celebration campaign in order to lead by example in this regard
- Council finalised the process of revision of the terms of reference of its committees and its own charter, as a way of ensuring proper alignment with its delegation of authority framework

Council membership, status and attendance

The Unisa Council comprises academic and non-academic individuals, appointed in terms of the Statutes of a public higher education institution, and of whom the majority (at least 60%) are independent of the university – being neither employees nor students.

The Ministerial appointment vacancy that arose through the resignation of Dr I Tufvesson was filled by the Minister in October 2018, through the appointment of Dr B Johnson. The vacancy in the position of Vice-Chairperson that arose through lapse of term of office of Dr B Mehlomakulu was filled by Council at its November meeting through the appointment of Mr B Ngcaweni.

The membership of certain affected committees of Council was also boosted through the appointment of external non-Council members with specialist skills and expertise required by the committees. In particular, three non-Council members with specialist ICT skills were appointed to the Information and Communications Technology Committee of Council and a non-Council member with specialist brand and communication skills was appointed to the Brand and Communication Committee of Council.

The composition of Council in 2018 was as follows:

Name	Term of Office
1. Mr AS Simelane (Chairperson of Council)	10.2016 – 30.09.2020
2. Dr B Mehlomakulu (Deputy Chairperson of Council)	15.09.2014 – 14.09.2018
3. Ms FE Letlape	24.04.2015 – 23.04.2019
4. Mr MJ Maboja	25.02.2016 – 24.02.2020
5. Prof GM Nkondo	24.11.2015 – 23.11.2019
6. Mr TG Ramasike	24.11.2015 – 23.11.2019
7. Mr L Tlhabanelo	15.09.2014 – 14.09.2018 Re-elected 22.11.2018 – 21.11.2022
8. Adv. EK Tsatsi	25.02.2016 – 24.02.2020
9. Ms T Wentzel-du Toit	24.04.2015 – 23.04.2019

Ex Officio	
Name	Term of Office
10. Prof MS Makhanya: Principal and Vice-Chancellor (VC)	Mandated by the VC's contract of employment

Appointed by The Minister of Higher Education and Training	
Name	Term of Office
11. Ms BS Khumalo	01.08.2015 – 31.07.2019
12. MS NV Mokoka	01.08.2015 – 31.07.2019
13. Mr B Ngcaweni	01.08.2015 – 31.07.2019
14. Prof AVS Magwaza	22.03.2018 – 21.03.2022

Academic Staff (Non-Senate)	
Name	Term of Office
15. Dr BB Senokoane	14.09.2017 – 13.09.2019
16. Prof LI Zungu	14.09.2017 – 13.09.2019

Senate Representative		
Name		Term of Office
17.	Prof RS Tshaka	12.09.2017 – 11.09.2019
18.	Prof PH Havenga	12.09.2017 – 11.09.2019

Non-Academic Staff		
Name		Term of Office
19.	Mr OM Galane	06.10.2015 – 05.10.2017 Re-appointed 05.10.2017 – 04.10.2019
20.	Ms PJ Sekwaila	05.10.2017 – 04.10.2019

SRC Representative		
Name		Term of Office
21.	Ms Z Sodladla, President of the SRC	01.10.2016 – 01.09.2018
22.	Mr T Kgaswane, Secretary General of the SRC	01.10.2016 – 01.09.2018
23.	Mr W Mazhetese, President of the SRC	01.10.2018 – 30.09.2019
24.	Mr B Zulu, Secretary General of the SRC	01.10.2019 – 30.09.2019

Convocation		
Name		Term of Office
25.	Mr S Mhlungu, President of Convocation	07.11.2015 – 08.11.2019
26.	Mr M Modiba, Representative of the Convocation	11.11.2016 – 10.11.2020

Chairperson of the SBL Board		
Name		Term of Office
27.	Ms DD Mokgatle	01.10.2012 – 30.09.2016 Re-appointed 30.09.2016 – 29.09.2020

Local Government Representative		
Name		Term of Office
28.	Mr OSN Lebese	01.05.2014 – 30.05.2018 Re-appointed 25.04.2018 – 24.04.2022

Resignations during the year under review and prior to the publication of this integrated report		
Name		Term of Office
29.	Dr I Tufvesson	Appointed by the Minister of Higher Education and Training 01.11.2014 – 31.10.2018 Resigned with effect from 13 April 2018
30.	Dr B Mehlomakulu	15.09.2014 – 14.09.2018

Attendance for year under review

Membership	25-Apr	21-Jun	11-Sep	12-Sep	13-Sep	22-Nov	
Mr AS Simelane	√	√	√	√	√	√	6/6
Dr B Mehlomakulu	X	X	X	X	X	-	0/5
Prof MS Makhanya	√	√	√	√	√	√	6/6
Mr BS Khumalo	√	X	X	X	X	√	2/6
Ms NV Mokoka	√	√	√	√	√	√	6/6
Mr B Ngcaweni	√	X	√	√	√	√	6/6
Prof AVS Magwaza	√	X	X	X	√	√	3/6
Dr BB Senokoane	√	√	√	√	√	√	6/6
Prof LI Zungu	√	√	√	√	√	√	6/6
Prof RS Tshaka	√	√	√	√	√	X	5/6
Prof PH Havenga	X	X	X	X	X	X	0/6
Mr OM Galane	√	√	√	X	X	√	4/6
Ms PJ Sekwaila	√	√	√	√	√	√	6/6
Ms Z Sodladla	√	√	√	X	√	√	5/6
Mr T Kgaswane	√	√	√	X	√	-	4/5
Mr S Mhlungu	√	√	√	√	√	√	6/6
Mr MB Modiba	X	√	X	X	X	√	2/6
Ms DD Mokgatle	√	X	√	√	√	√	5/6
Mr OSM Lebeso	√	√	√	√	√	√	6/6
Ms FE Letlape	X	X	X	X	X	X	0/6
Mr MJ Maboa	√	√	√	√	√	√	6/6
Prof GM Nkondo	√	√	√	√	√	√	6/6
Mr TG Ramasike	√	√	√	√	√	√	6/6
Mr L Tlhabanelo	√	√	√	√	√	√	6/6
Adv EK Tsatsi	X	√	X	X	X	√	2/6
Ms T Wentzel-du Toit	√	√	√	√	√	√	6/6
Mr W Mazhetese	-	-	-	-	-	√	1/1
Mr S Zulu	-	-	-	-	-	√	1/1
Dr B Johnson	-	-	-	-	-	√	1/1

Number of meetings held for period under review

6 Council meetings	6 FIECoC meetings	4 ICTCoC meetings	5 NGCoC meetings
10 Exco of Council meetings	9 HRCoC meetings	4 SECoC meetings	5 ASACoC meetings
7 AERMCoC meetings	4 RemCoC meetings	4 BCCoC meetings	4 GSBL Board meetings
4 Institutional Forum meetings			

Council is also represented on Senate (four meetings), the honorary Degrees Committee, which is a joint Committee of Council and Senate (one meeting), the Institutional Forum (four meetings), the Thabo Mbeki Foundation and Unisa Board (one meeting) and Convocation (one meeting).

Council committees and their related role and mandate

In line with Principle 8 of King IV Council has made arrangements for the delegation of its authority to a number of committees, thus promoting independent judgment and ensuring a balance of power and the effective discharge of its duties. These committees include the Executive Committee of Council (Exco), Audit and Enterprise Risk Committee of Council (AERMCoC), Finance, Investments and Estates Committee of Council (FIECoC), Human Resources Committee of Council (HRCoC), Nominations and Governance Committee of Council (NGCoC), Information and Communications Technology Committee of Council (ICTCoC), Remuneration Committee of Council (RemCoC), Social and Ethics Committee of Council (SECoC), Brand and Communication Committee of Council (BCCoC) and the Academic and Student Affairs Committee of Council (ASACoC).

The Board of the Graduate School of Business Leadership (SBL) has been recognised as a committee of Council in terms of paragraph 20(1)(f) of the Institutional Statute. In line with the hybrid model adopted in respect of the SBL, the Board was in recent times replaced by the Supervisory Board constituted to supervise the SBL's transition into a college of the university. In the year under review the Supervisory Board resolved to wind down its operations with a view to replacing it with an Advisory Board, in line with the Council decision.

The Council's various sub-committees are formally constituted with approved Terms of Reference, setting out each Committee's full mandate, role and responsibilities. The Committees are constituted with independent members of Council, who are neither employees nor students of the institution.

Unisa does not have a separate Risk Committee and Council has delegated the functional responsibility for risk monitoring and oversight to the Audit and Enterprise Risk Management Committee. However, following a request of the Audit and Enterprise Risk Committee of Council, a recommendation was made to Council to establish a separate risk sub-committee. The risk sub-committee will focus on and implement the committee's mandate in respect of enterprise risk management, as the current regulatory responsibilities of the AERMCoC do not enable it to focus on matters relating to risk management. Council approved the recommendation and plans are underway to set up this committee.

Executive Committee of Council (EXCO)

Mandate of the committee

The purpose of the Executive Committee of Council is to advise Council on issues within its mandate and execute its delegated functions as per the Council approved delegation of decision-making in support of the core business of the university. These responsibilities are spread throughout the document although a number of its responsibilities are set out in the sections covering human resources matters.

Key outputs of the year under review

- The Exco gave more attention to matters relating to the strategy on transformation and resolved that a transformation plan be a standing item on the Exco agenda
- The Exco directed management to address issues relating to the composition of Senate in line with the transformation agenda
- The Exco approved the donation of land from the uMthatha Zimbane community as part of the initiative to build a Unisa regional hub in uMthatha
- The Exco approved the process for the insourcing of certain staff members
- The Exco finalised a Council Delegation of Authority Framework as mandated by Council
- Exco approved the conferment of honorary degrees posthumously on both Ms Winnie Madikizela-Mandela and Mr Philip Kgosana on behalf of Council

Attendance for the year under review

Exco Chairperson: Mr AS Simelane											
Date	01-Feb	13-Mar	13-Apr	08-Jun	21-Aug	29-Aug	10-Oct	07-Nov	08-Nov	10-Dec	
Mr AS Simelane	√	√	√	√	√	√	√	√	√	X	9/10
Prof MS Makhanya	√	√	√	√	√	√	√	√	√	√	10/10
Dr B Mehlomakulu	X	X	X	X	X	X	-	-	-	-	0/6
Mr OSM Lebeso	√	√	X	√	√	√	X	√	√	√	8/10
Ms NV Mokoka	√	√	X	√	√	√	√	√	√	√	9/10
Mr T Ramasike	√	X	√	√	X	X	√	√	√	√	7/10
Dr I Tufvesson (resigned on 13/4/2018)	√	X	X	-	-	-	-	-	-	-	1/3
Ms DD Mokgatle	√	√	√	√	√	√	√	X	√	√	9/10
Prof GM Nkondo	X	√	√	√	√	√	√	√	√	√	9/10
Ms T Wentzel-du Toit	-	-	-	√	√	X	√	√	X	√	5/7
Mr S Mhlungu	-	-	-	-	√	√	√	√	X	X	4/6
Mr B Ngcaweni	-	-	-	-	-	-	-	-	-	√	1/1



Nominations and Governance Committee of Council (NGCoC)

Chairperson: Mr AS Simelane

Mandate of the committee

The NGCoC has a specific mandate of ensuring that Council is constituted according to the regulatory provisions, and has the required diversity, skills and capacity to carry out its role effectively. The NGCoC recommends the composition of committees of Council to the Council (including the appointment of chairpersons and deputy chairpersons of committees); reviews the performance of members; establishes and maintains succession plans for members of Council, the chairperson of Council and the Principal and Vice-Chancellor; and deals with specific matters of governance including but not limited to annual declarations of interest by members of Council and committees of Council, conflicts of interest of members of Council and Committees of Council, assessment of individual members of Council and committees of Council, and annual evaluation of the effectiveness of Council and committees of Council. In the year under review there were five meetings.

Key outputs of the year under review

In the year under review the NGCoC championed the process of the finalisation of the revised terms of reference of the committees of Council and the adoption of the Council Charter, and recommended such for approval by Council. The NGCoC also made recommendations to Council regarding the appointment of new members and renewal of the terms of existing members of Council and its committees, and addressed the matter of the validation of the composition of Senate to ensure adherence to the principles of representivity and inclusivity, in particular in relation to race, gender and disability.

Attendance for the year under review

Membership	22-Mar	30-May	13-Jun	29-Aug	29-Oct	
Mr AS Simelane	√	√	√	X	√	4/5
Prof MS Makhanya	√	√	√	X	√	4/5
Dr B Mehlomakulu	√	X	X	X	-	1/4
Ms DD Mokgatle	X	√	X	X	√	2/5
Ms B Khumalo	√	√	√	√	√	5/5
Mr OSM Lebeso	√	√	√	X	√	4/5
Mr TG Ramasike	X	√	√	X	√	3/5
Mr B Ngcaweni	√	X	X	√	X	2/5

Remuneration Committee of Council (RemCoC)

Chairperson: Mr AS Simelane

Mandate of the committee

The committee's role extends to the determination, development and administration of the university's general policy on remuneration, which encompasses such matters as the philosophy and intent behind remuneration assessment, and the criteria for remuneration setting and remuneration components.

It is responsible for the remuneration of members of Senior and Extended Management on Peromnes grades P1-P3 and Directors on grade P4 ("affected staff"), including the payment of allowances to indicated members. The remuneration philosophy at Unisa is underpinned by the values of transparency, fairness, defensibility and consistency and aims to position remuneration relative to the national and higher education market in terms of a six-month lead-lag strategy, affordability and differentiation per level.

The committee is also responsible for setting the remuneration percentile for newly appointed affected staff, within the relevant salary range, as well approving the conditions precedent as well as value of performance bonuses to affected staff against the annual performance agreements. The formula in respect of performance bonuses is as follows: (total guaranteed package x 70%) x (IPMS rating / 5) x proportion percentage unique to post level.

The committee also ensures that the determination of the remuneration of senior management and employees is aligned to the promotion of the achievement of the strategic objectives and interests of the University and is linked to the senior manager's contribution to the performance of the university. The committee is also responsible for recommending the remuneration of Council and Committee members to the Council for approval.

Finally, the committee pays close attention to the determination of the criteria necessary to measure the performance of members of the Management Committee in discharging their functions and responsibilities taking into consideration, to a limited extent, factors affecting the university's performance outside the control of senior management. Performance-related elements of remuneration therefore constitute a substantial portion of the total remuneration package of members of the Management Committee. In the year under review there were four meetings.

Key outputs of the year under review

- The RemCoC dealt with matters relating to salary negotiations
- The RemCoC dealt with matters relating to the performance dimension of annual salary increases and performance bonuses for extended management and directors
- The RemCoC recommended to Council the approval of the remuneration and performance management policies for extended management and directors

Attendance for the year under review

Membership	13-Apr	08-Jun	21-Aug	07-Nov	
Mr AS Simelane	√	√	√	√	4/4
Dr B Mehlomakulu	X	X	X	-	0/3
Ms NV Mokoka	X	√	X	√	2/4
Mr TG Ramasike	√	√	X	√	3/4
Ms DD Mokgatle	X	X	√	√	2/4
Mr MJ Maboja	X	X	X	√	1/4
Prof MS Makhanya	√	√	√	√	4/4



Finance, Investment and Estates Committee of Council (FIECoC)

Chairperson: Mr TG Ramasike

Mandate of the committee

The FIECoC is responsible for ensuring the long-term financial sustainability and stability of the university; proper identification, mitigation and monitoring of financial risks; assessment of appropriate physical infrastructure needs; ensuring that the three-year budget projections are prepared as required by the DHET Reporting Regulations; and that all financial reporting regulations are met. The committee monitors compliance with the relevant policy, regulatory and legislative requirements. The FIECoC, among other matters, recommends Unisa's annual operating and capital budgets, and monitors performance in relation to the approved budgets. In the year under review there were six meetings.

Key outputs of the year under review

The following items were reviewed and recommended to Council.

- Policies:
 - Insurance Policy
 - Investment Policy
 - Policy on Travel, Accommodation and Related Expenses
 - Policy on student and sundry debtors
 - Policy on supply chain management
 - Infrastructure management Policy
 - Policy on Public Private Partnership
- Annual Financial Statements
- Review of the Campus Master Plan
- Sunnyside Campus development
- 2019-2021 Medium Term Expenditure Framework
- Procurement of student devices
- Developments in the Johannesburg City Centre
- Completion of the new multi-university library in East London
- Integration of BMR as a subsidiary of UNISA Enterprise (Pty) Ltd
- Appointment of new bankers and investment consultants

Attendance for the year under review

Membership	22-Mar	01-Jun	23-Aug	12-Sep	31-Oct	21-Dec	
Mr TG Ramasike	√	√	√	√	√	√	6/6
Mr J Maboja	√	√	√	√	√	√	6/6
Ms BS Khumalo	√	X	X	X	X	X	1/6
Mr S Mhlungu	√	√	√	√	√	√	6/6
Mr MP Modiba	√	X	X	X	X	√	2/6
Dr GS Moseneke	√	X	X	X	√	√	3/6
Mr L Tlhabanelo	√	√	√	√	√	√	6/6
Prof MS Makhanya	√	√	√	√	√	√	6/6
Mr OM Galane	X	X	√	X	√	√	3/6
Ms PJ Sekwaila	X	X	X	√	X	√	1/6
Ms Z Sodladla	X	X	√	X	-	-	1/4
Mr W Mazhetese	-	-	-	-	√	√	2/2



Audit and Enterprise Risk Management Committee of Council (AERMCoC)

Chairperson: Ms DD Mokgatle

Mandate of the committee

The AERMCoC is appointed by Council and comprises seven independent members, five of whom are members of Council, and all of whom are specialists in the field of internal audit and enterprise risk management. Since the inception of the new merged institution in 2004, the Council has always been supported by an Audit and Risk Management Committee. However, Unisa does not have a separate "Risk Committee" and Council has delegated full functional responsibility for risk monitoring and oversight to this committee.

To this end, the committee establishes materiality levels and determines Unisa's risk appetite. It considers all possible risks, their likelihood and where applicable, establishes risk mitigation procedures. The committee also ensures that there is a risk management system and a risk register is maintained. The register is constantly monitored and updated.

In terms of its "audit-related" mandate, the committee provides assistance to Council by ensuring the continued independence of the external auditors; overseeing the external audit process; overseeing integrated reporting; applying the combined assurance model to ensure a coordinated approach to all assurance activities; reviewing the expertise, resources and experience of the finance function; considering the appropriateness of the expertise and experience of the financial portfolio manager; overseeing the internal audit function; monitoring ethical progress and culture at the university; and overseeing risk management and compliance at the university.

Both the internal and external auditors and the internal Executive Director: Risk Management have unrestricted access to the AERMCoC, which ensures that their independence is in no way impaired. Meetings are held at least four times a year and are attended by the external and internal auditors and the appropriate members of the executive management. In the year under review there were seven meetings.

Key outputs of the year under review

The matters listed below were sent to Council for approval. An audited report will be available by end of June 2019.

- Reviewed institutional strategic risk register for 2018 to 2020 be recommended to Council for approval
- Revised Internal Audit Charter and Protocol
- Enterprise Risk Management Plan for 2018
- Approved the AERMCoC plan for 2018 subject to the inclusion of the list of findings reived from the Auditor-General as well as a quarterly cyber-risk report
- Compliance Framework submitted for approval: Council resolved to refer the Compliance Policy back for amendments
- Review of Institutional Strategic Risk Register
- Milestones for achievement be drafted and reported to enhance the review progress
- Audit fee overrun with the total of R490 938 be paid to the external auditors
- Business Continuity Management Initiative
- Revised Budget Policy
- Banking Tender
- Infrastructure Procurement Policy
- Review process of transitioning the Bureau of Market
- Investment Strategy
- DHET Mid-Year reporting
- King IV Assessment Reports
- Report on Legal Services Cases – for consideration

Members of the AERMCoC have the following combined qualifications and/or experience in business:

AERMCoC Member	Highest qualification	Years of experience	Years of service on the Unisa AERMCoC
Ms DD Mokgatle	<ul style="list-style-type: none"> ● B.Proc ● LLB (Law) – University of the Witwatersrand ● Higher Diploma in Tax Law – University of the Witwatersrand ● Attorney of the High Court of South Africa (non-practising) 	26 years	2 years, 3 months
Ms BS Khumalo	<ul style="list-style-type: none"> ● BCom Accounting – University of Natal ● Executive Development Programme – London University Cass Business School 		
Ms FE Letlape	<ul style="list-style-type: none"> ● BA (Hons) Industrial Psychology ● B Admin 	24 years	1 year, 9 months
Mr M Modiba	<ul style="list-style-type: none"> ● Professional Certificate in Public Management (PCPM) – Wits ● Bachelor of Business Administration – Unisa 		
Ms NV Mokoka	<ul style="list-style-type: none"> ● Certificate Programme in Finance and Accounting (cum laude) ● Master of Management (Public and Development Management) ● Postgraduate Diploma: Human Resources Management ● Diploma: Nursing Education ● BA (Cur) ● Diploma: Midwifery ● Diploma: General Nursing 	40 years	3 years, 2 months
Mr PM Ntsimane	<ul style="list-style-type: none"> ● Leading Executive Programme (Strategic Leadership Development Programme) ● Certificate in Business Leadership ● MBA ● Postgraduate Diploma: Advanced Taxation ● BComm (Hons) Business Management ● BComm (Accounting) 	14 years	2 years, 8 months
Ms T Wentzel-du Toit	<ul style="list-style-type: none"> ● BSocSc ● MSocSc – Clinical Social Work (cum laude) 	33 years	3 years, 2 months
Prof LI Zungu	<ul style="list-style-type: none"> ● MCur in Community Health Nursing ● PhD in Occupational Health Nursing ● Certificate in Dispensing for Health Practitioners ● Certificate in International Research Ethics ● Certificate in Global Clinical Scholars Research Training (GCSRT) Program ● Certificate in Occupational Health and Safety 		
Mr MC Jita	<ul style="list-style-type: none"> ● CA (SA) ● B Compt Hons – (Unisa) ● B TH Hons 	17 years	

Attendance for the year under review

Membership	19-Apr	21-Apr	21-May	07-Jun	12-Jun	13-Aug	08-Nov	
Ms DD Mokgatle	√	√	√	√	√	√	√	7/7
Prof MM Makhanya	√	X	√	√	√	√	√	6/7
Ms BS Khumalo	√	X	X	X	X	√	X	2/7
Ms FE Letlape	√	√	X	X	X	√	√	4/7
Mr M Modiba	X	X	X	X	X	X	X	0/7
Ms NV Mokoka	√	√	√	√	√	√	√	7/7
Mr PM Ntsimane	√	X	√	√	X	X	X	3/7
Ms T Wentzel-du Toit	√	√	√	√	√	√	√	7/7
Prof LI Zungu	√	X	√	X	X	X	X	2/7
Mr MC Jita	-	-	-	-	-	X	√	1/2



Human Resource Committee of Council (HRCoC)

Chairperson: Ms NV Mokoka

Mandate of the committee

The HRCoC's responsibilities include overseeing and monitoring plans on matters related to human resources of the university and performing the delegated duties as outlined in the Council approved Delegations of Decision Making Authority. It is also entrusted with the responsibility of advising Management and recommending human resources policies and other related business operations of the university that have an impact on human resources to Council. In the year under review there were nine meetings.

Key outputs of the year under review

Transformation was a constitutional requirement for every organisation in the country and the policies of the university cannot supersede the Constitution. The committee reviewed the Procedure for the Appointment of Extended Management and Directors to ensure that it is in support of the Institutional Transformation agenda.

A comprehensive Framework for the Employment and Deployment to Students that addressed the appointment and deployment of Unisa students in various environments and on various contract types was considered by the committee. The committee resolved that the appointment of students should be prioritised and approved the Framework.

The policies listed below were considered by the committee and referred to Council for approval:

- Policy on Employees as candidates in parliamentary, provincial and local government elections
- Policy and procedure on Executive Development leave for members of senior and extended management
- Leave Policy
- Integrated Performance Management Policy for Extended Management and Directors
- Remuneration policy for Extended Management and Directors

A framework for the minimum educational and experience requirements for all positions, excluding academic positions, was considered and approved by the committee.

The committee considered recommendations from selection committees for vacant extended Management positions and ultimately recommended the appointment of candidates in the following positions to Council:

- VP: Research, Postgraduate Studies, Innovation and Commercialisation;
- VP/Chief Information Officer: Information Communication and Technology;
- VP: Institutional Development and Transformation;
- Registrar;
- Executive Director: Human Resources
- Executive Director: Organisational Research and Business Intelligence: Information and Analysis
- Executive Director: University Estates
- Executive Director: ICT Governance and Project Management
- Executive Dean: College of Law
- Executive Director: Planning and Quality Assurance

The committee considered the revised Unisa top structure (P1 to P4) for the university and recommended the approval thereof to Council.

An Implementation Framework for the revised professional and support structures, which is designed to address the speedy implementation of the fit-for-purpose organisational structure that will contribute to the long-term financial sustainability of the university, was approved by the committee.

Attendance for the year under review

Membership	05-Mar	10-May	06-Jun	21-Jun	03-Aug	18-Oct	26-Oct	21-Nov	29-Nov	
Ms NV Mokoka	√	√	√	√	√	√	√	√	√	9/9
Mr L Tlhabanelo	√	√	√	√	√	√	√	X	√	8/9
Dr MC Kganaga	√	X	√	√	√	√	X	√	√	7/9
Ms EF Letlape	√	X	√	√	X	X	X	√	√	5/9
Prof MS Makhanya	X	X	√	√	X	√	√	√	√	6/9
Prof IOG Moche	√		-	√	-	X	√	√	X	4/6
Ms TT Ngcobo	X	√	√	X	√	X	√	√	√	6/9
Mr OSM Lebeso	√	√	√	√	√	X	√	√	√	8/9
Adv EK Tsatsi	X	X	X	X	X	X	X	X	X	0/9
Ms T Wentzel-du Toit	√	√	√	√	X	√	√	√	√	8/9
Mr T Kgaswane	X	√	X	X	X	X	-	-	-	1/6
Mr OM Galane	-	√	X	√	X	X	-	-	-	2/5
Prof BB Senokoane	-	X	√	X	X	X	X	X	X	1/8
Prof RS Tshaka	-	√	√	X	X	X	X	X	√	3/8
Mr MP Modiba	-	X	X	X	X	X	X	X	X	0/8
Mr BS Zulu	-	-	-	-	-	-	√	X	X	1/3
Ms PJ Sekwaila	-	-	-	-	-	-	√	√	X	2/3



Information and Communication Technology Committee of Council (ICTCoC)
Chairperson: Dr B Mehlomakulu; Mr S Mhlungu

Mandate of the committee

While the Council is responsible for information and communication technology (ICT) governance and management is responsible for the implementation of an ICT governance framework. The ICTCoC met four times during the year to fulfil its role, ensuring the good governance of ICT operations, performing the duties delegated or assigned by Council, submitting regular reports to Council regarding ICT matters and operations, making recommendations to Council on ICT policy issues, and monitoring and steering the overall enterprise architecture which supports and drives ICT in the institution. In the year under review there were four meetings.

Key outputs of the year under review

A 'step change' for ICT service delivery was adopted in 2018. This intervention programme was designed to address the governance weaknesses and controls within the ICT environment in order to ensure proper delivery of ICT services and projects in the future. In addition to the student legacy system, advanced work was done on SRM. The only remaining part on this project is with HR for warm bodies to operate the system. Lastly, the student device project was resolved in 2018. Highlights included:

- The appointment of the VP/Chief Information Officer: Information Communication and Technology
- The completion and implementation of the student legacy information system modernisation programme (Phase 1)
- The review of the structure of the ICT Portfolio
- The approval of the ICT strategy: Master System Plan
- The student legacy information system modernisation programme (Phase 1) was completed by October 2018.

Attendance for the year under review

Membership	11-Apr	11-May	06-Jun	02-Aug	
Dr B Mehlomakulu	X	X	X	X	0/4
Mr S Mhlungu	√	√	√	√	4/4
Prof PH Havenga	X	X	X	X	0/4
Mr M Modiba	X	X	√	X	1/4
Mr B Ngcaweni	√	X	X	√	2/4
Prof BB Senokoane	√	X	√	√	3/4
Prof MS Makhanya	X	√	√	√	3/4
Ms Z Sodladla	√	√	√	√	4/4
Mr L Tlhabanelo	√	√	√	√	4/4
Mr S Mlauzi	-	√	√	X	2/3
Mr P Mogale	-	X	X	√	1/3
Mr L Mogashoa	-	√	√	√	3/3



Brand and Communication Committee of Council (BCCoC)
Chairperson: Mr OSN Lebeso

Mandate of the committee

Council identified the strategic importance of a sound communications strategy at corporate level and allocated the oversight responsibility to the Brand Committee of Council. The added focus necessitated a name change, and Council approved that the committee be henceforward referred to as the Brand and Communication Committee of Council, thereby reflecting its total function. The committee was further constituted as a full committee of Council with the specific role of advising Council on corporate branding, including the policy and legal regulatory environment; marketing and communication strategies, and new developments and optimisation of various media platforms; considering reports pertaining to the institutional reputation; and naming and renaming Unisa buildings and other properties. In the year under review there were four meetings.

Key outputs of the year under review

The Naming and Renaming Policy of Unisa facilities was approved. Four name changes proposed by the university community were recommended to Council and approved as below:

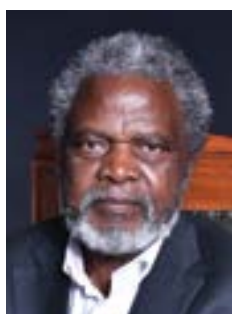
Current name	Recommended name
Theo van Wijk building	Winnie Madikizela Mandela building
AJH van der Walt building	Prof Nkoana Simon Radipere building
Stalwart Simelane building	Smiso Nkwanyana building
Samuel Pauw building	Anton Lambede building

In the spirit of ubuntu the committee recommended that the process of consulting the families of the people whose names were currently being used in various buildings of the institution was to be handled with careful consideration and great sensitivity.

- The committee reviewed its terms of reference to align with those of other committees.
- The Communication Policy was approved and assisted in integrating all communication related policies and guidelines of the institution.
- The Events and Conference Management Policy was approved to replace the Procedures: Events/Conference and Protocol dated 2011. The main purpose of this policy is to ensure that all events that are coordinated within the university and under the university name and the brand are aligned and consistent with institutional strategy. These events are used as one of the strategic platforms to create opportunities, build relationships with various internal and external stakeholders, as well as to support corporate governance.
- The committee welcomed Ms J Hills as a co-opted member of the BCCoC based on relevant skills and expertise she has.

Attendance for the year under review

Membership	08-Mar	13-Jun	24-Aug	01-Nov	
Mr OSM Lebesse	√	√	√	√	4/4
Ms FE Letlape	√	X	X	X	1/4
Prof MS Makhanya	X	√	X	-	1/3
Ms P Lebyane	X	-	-	-	0/1
Prof PN Thuynsma	√	X	√	√	3/4
Ms Z Sodlala	√	X	X	-	1/3
Ms J Hills	-	-	-	√	1/1



Academic and Student Affairs Committee of Council (ASACoC)

Chairperson: Prof GM Nkondo

Mandate of the committee

The Committee is primarily responsible for advising Council on governance issues related to academic and student affairs, whilst not in any way taking over the responsibility of Senate in this regard and further fulfills an advisory role on how academic and student affairs system(s) could be improved and enhances communication whilst further promoting internal collaboration and co-ordination of academic and student affairs activities and functions.

Key outputs of the year under review

The Committee gave attention to various matters relating to student and academic affairs, including addressing issues relating to the over-the-counter delivery of study materials at the Regions; matters relating to problems experienced in student registrations and the completion patterns for postgraduate students; and problems relating to the offering of postgraduate qualifications.

Attendance for the year under review

Membership	23-Mar	16-May	04-Jun	06-Aug	10-Oct	
Prof GM Nkondo	√	√	√	√	√	5/5
Prof MS Makhanya	√	√	√	√	√	5/5
Mr B Ngcaweni	√	X	X	X	X	1/5
Ms FE Letlape	√	√	X	X	X	2/5
Prof AVS Magwaza	-	X	X	√	X	1/4
Mr S Mhlungu	√	√	√	√	√	5/5
Ms PJ Sekwaila	X	√	√	X	X	2/5
Mr OM Galane	X	√	X	√	X	2/5
Dr BB Senokoane	X	√	√	√	X	3/5
Prof LI Zungu	√	X	X	X	√	2/5
Mr T Kgaswane	X	X	X	X	X	0/4



Social and Ethics Committee of Council (SECoC)

Chairperson: Ms T Wentzel-du Toit

Mandate of the committee

The SECoC serves as an advisory, oversight and monitoring committee taking a holistic approach to the conduct and activities of the university, as well as institutional culture. The functions of the SECoC include monitoring the university's activities in terms of social and economic development (which includes the principles outlined in the United Nations Global Compact; the principles outlined in the King IV Code related to the governance of social and ethics performance; national legislation relating to social and economic development; and good corporate citizenship.)

The SECoC also monitors Unisa's reporting on its UNGC commitments and its various initiatives to promote greater environmental responsibility. In 2017 the committee continued its drive to progress Unisa's ambition towards becoming a leader in environmental sustainability. This policy will materially enhance the implementation of Unisa's Environmental Sustainability Policy, approved by Council. In the year under review there were four meetings.

Key outputs of the year under review

- Referred to Council for information the Q1/2018 report on the progress report of the Ethics Information Implementation Plan, the progress report on the capacitation of the Ethics Office and the expansion of the Ethics Office structure, the progress report on the institutional ethics/risk and the on line ethics initiative – feedback form from stakeholders.
- Report on how the Unisa Foundation budget allocation for community engagement was being factored into the colleges' community engagement budget.
- Quarterly report on the activities of the University Ombudsman and the drafting of the Policy: Unisa Ombudsman.
- Quarterly report on students' grievances
- The importance of community engagement for the Social and Ethics Committee of Council.

Attendance for the year under review

Membership	29-Mar	31-May	27-Aug	29-Oct	
Ms T Wentzel-du Toit	√	√	√	√	4/4
Prof MS Makhanya	√	√	√	√	4/4
Mr L Tlhabanelo	√	√	√	√	4/4
Adv EK Tsatsi	X	X	X	X	0/4
Prof AVS Magwaza	-	X	X	X	0/3
Mr S Mhlungu	√	√	√	√	4/4
Mr OM Galane	X	X	X	X	0/4
Mr T Kgaswane	X	X	X	X	0/4
Ms Z Sodlala	X	X	√	X	1/4



Graduate School of Business Leadership (GSBL)

Chairperson: Ms DD Mokgatle

Mandate of the committee

The purpose of the supervisory board was to oversee the implementation of the high breed autonomy model and the establishment of an advisory board.

Key outputs of the year under review

Overseeing the finalisation of the process of transitioning into the high breed model for the SBL. In this regard, the supervisory board considered the composition of the advisory board and approved its terms of reference. All matters on the agenda of the supervisory board were finalised at the meeting of 12 November 2018.

Attendance for the year under review

Membership	28-Feb	23-May	15-Aug	12-Nov	
Ms DD Mokgatle	√	√	√	√	4/4
Mr C Thokoane	√	√	X	X	2/4
Mr AA da Costa	X	√	X	√	2/4
Dr L Makuleni	√	√	√	√	4/4
Ms SD Mayinga	√	√	√	√	4/4
Mr O Ngwenya	√	√	√	√	4/4
Mr TG Ramasike	√	√	√	√	4/4
Mr M Shaik-Amod	√	√	√	√	4/4
Ms T Wentzel-du Toit	√	√	√	√	4/4
Prof MS Makhanya	√	√	X	X	2/4

Statement on Conflict Management

Addressing Human Rights Challenges at Unisa

In his role as the Principal and Vice-Chancellor of Unisa, Prof Mandla Makhanya requested the South African Human Rights Commission (SAHRC) in December 2017 to conduct an investigation into allegations and counter-allegations of racism, harassment, bullying and victimisation at Unisa and advise the university on appropriate interventions to address these challenges. Following receipt of this request, the SAHRC held an inquiry from 20 February to 18 May 2018 to gather information and evidence of the challenges faced by the university. On 12 November 2018, the SAHRC released the outcomes of its investigation in this regard, in which it was noted that the recommendations made are fairly broad and in order to implement change at Unisa, it was necessary for the Commission and Unisa to enter into a memorandum of agreement (MoA) with clear timelines that will provide the framework within which the recommendations would be implemented. On 5 December 2018, the Vice Chancellor and the SAHRC CEO, Advocate Tseliso Thipanyane, signed the MoA.

Statement on worker and student participation (co-operative governance)

Unisa utilises a variety of participating structures on issues which affect employees and students directly and materially, and which are designed to achieve good employer/employee and student relations through effective sharing of relevant information, consultation and the identification and resolution of conflicts. These structures embrace goals relating to productivity, career security, legitimacy and identity with Unisa. Unisa has a formal bargaining structure – the Unisa Bargaining Forum – at which matters of mutual interest are engaged under the leadership of an independent Chairperson. Unisa has signed recognition agreements with both labour organisations. The agreement with Nehawu was signed on 19 September 1996 and reviewed on 27 August 2015 by the Council; the agreement with Apsa was signed on 1 March 2010.

Statement on Code of Conduct and Ethics

The Code of Conduct and Ethics underpinned by the five institutional values commits Unisa staff members to the highest standards of integrity, behaviour and ethics in dealing with all its stakeholders. Staff members are expected to observe Unisa's ethical obligations in order to conduct its business through the use of fair commercial competitive practices. The Code of Conduct and Ethics was not reviewed by Council in 2018 but is on the agenda for a review in 2019. The Council has a separate Code of Ethics and Conduct for Council members which is signed by all members upon appointment and annually thereafter. Like the Code for staff members, it emphasises the values of integrity, dignity, fairness and responsible leadership.



Mr AS Simelane
Chairperson of Council

REPORT ON INTERNAL ADMINISTRATIVE CONTROLS

Unisa has a system of internal control for governance, administrative and operational activities. The objective of the system of internal control is to ensure that objectives are achieved while risks are mitigated through adequate and effective controls, as well as that opportunities are explored.



It is important to note that there are inherent limitations to a system of internal control. These limitations impact on the system's effectiveness, even though it may be adequate in terms of the design. Human interaction with and intervention in the system of internal control can potentially result in deficiencies. As a consequence, the design of the controls may sometimes be found to be inadequate, genuine errors may occur, or there can be an override of the controls. In this context, a system of internal control only provides reasonable assurance that risks are adequately and effectively mitigated.

The university's management is responsible for the system of internal control. The university also has various line functions that in terms of the university's adopted Integrated Assurance Framework, serve as a second lines of defence.

Internal Audit

The university has an established in-house Internal Audit Department which functionally reports to the Audit and Enterprise Risk Management Committee of Council (AERMCoC) and administratively to the Principal and Vice-Chancellor. The department constitutes a third line of defence in terms of the Integrated Assurance Framework. In order to supplement its resources, a co-sourced internal audit service provider is also used.

The Internal Audit Department operates according to the International Professional Practices Framework for Internal Auditors (Standards) as promulgated by the Institute of Internal Auditors (IIA). The department supports the university in achieving its objectives through applying a systematic, disciplined approach to assess the adequacy and effectiveness of governance, risk management and control processes, and to make recommendations for improvement.

The internal audit engagements executed or commissioned by the department cover a wide range of assurance and consulting activities. Best practice guides and frameworks are used during the reviews and assessments. The adverse observations made during the engagement execution phase are discussed and agreed with management who then prepare mitigation action plans with implementation dates to address root causes of the deviations. The department follows up and monitors the disposition of the agreed management action plans within a specified timeframe. The final internal audit reports are also availed to the Risk and Compliance Department to ensure that the risks identified as well as instances of non-compliance are logged and used to update the institutional risk register as well as to inform the follow-up work to be done in terms of the compliance coverage plan.

Combined assurance

According to the King IV Principle 15 on Assurance, the governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports. The governing body should satisfy itself that a combined assurance model is applied which incorporates and optimises the various assurance services and functions so that, taken as a whole, these support the objectives for assurance.

AERMCoC oversees and is responsible for ensuring that there is an effective combined assurance model. The delivery of an effective combined assurance model is one of the committee's key focus areas as depicted below:



The university's combined assurance model and process were introduced in 2015 and have since evolved towards integrated assurance. Work is ongoing to ensure that the integrated assurance process is supported through and/or by effective risk management practices, up-to-date process maps, improved assurance reporting to the governance structures and operationalisation at functional and process levels.

The AERMCoC serves as the fifth line of defence and is ultimately accountable to Council to ensure that the process is optimised.

As prescribed by the IIA Standard 2050 – Coordination and Reliance, the Internal Audit Department shares information, coordinates activities, and where appropriate relies upon the work of other internal and external assurance and consulting service providers to ensure proper coverage and minimise duplication of efforts.

The responsibility for the performance of the statutory audit remains that of the external auditors and the preparation of the financial statements is the responsibility of management. Regular meetings are held with the external auditors to synchronise the audit scope as well as agree on the work to be done by the internal auditors on which reliance will be placed the external auditors. The internal audit engagements are planned and approved as part of the risk-based internal audit coverage plan in support of the university's strategic objectives.



Progress towards digitisation and automation of systems that are critical to the university's realisation of its mission to become a fully-fledged ODeL institution is slow and has had a negative impact on service delivery aimed at improving the student experience. Both the academic and administrative support functions have been affected by the slow progress. In light of this challenge, the university has adopted a revised IT Master Plan which will address the critical aspects of Strategic Priorities and Focus Areas, Business Demands and Expectations, Desired Fully Blended Learning and Digital Capabilities as well as the Digital Transformation Journey.



From a risk perspective, cybercrime, protection of personal information, stability of IT systems, integrity of management information as well as student and labour unrests are factors that have been identified with a potential negative impact on the university's operations

and these are receiving attention. Other operational challenges identified through audit observations include the effectiveness of business continuity, systems integration, project management capacity, skills and competencies, consequence management, clear delegation and segregation of operational and oversight responsibilities, higher education funding policy uncertainty and other external social and political pressures.

It is worth noting that even in the midst of all the challenges highlighted above, the university was able to achieve an unqualified audit opinion since 2016 and the impetus to maintain the status quo was continued in 2018.

Work performed by Internal Audit

The 2018 approved internal audit coverage plan consisted of eighty-two (82) engagements categorised as assurance, consulting, routine and follow up engagements. These were further classified as operational, financial, information systems, regional visits, governance and compliance reviews. Six of the soft-close engagements were subsequently handed-over to the external auditors for execution per the request of the Finance Department. The comparative number of engagements performed in 2017 is ninety-two (92).

As part of the value-added services, the department offered internal control and anti-fraud awareness training to units on the Muckleneuk, Florida, SBL and other regional offices.

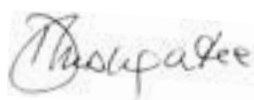
Based on the audit work done in 2018, the Internal Audit Department's overall assessment of the university's system of internal control still remains as "partially effective". It should be noted however, that there has been a marked improvement in the disposition of mitigation actions and this is evidenced by the reduced number of repeat findings in comparison to prior periods.

Internal audit and external audit activities as well as management's response to audit observations and recommendations fall within the oversight scope of the AERMCoC. The committee receives quarterly reports of audit observations, recommendations and agreed management actions.

The system of internal control in relation to the criteria for effective control over financial reporting as described in the policies and procedures was assessed by the University for the period ended 31 December 2018. The internal and external audit observations form the basis of this assessment.

The university acknowledges that, as at 31 December 2018, its systems of internal control over its operational environment, information reporting and the safeguarding of assets against misappropriation and unauthorised use or disposal still require attention and improvement in order to meet the set criteria.

The AERMCoC reviewed the report on internal administrative and operational structures and controls in the year under review at its meeting of 19 June 2019. The AERMCoC monitors the significant and repeat findings that are reported by the auditors on a quarterly basis and emphasised the move towards more effective risk management, governance and control processes. The meeting was quorate and the documentation for approval by the committee was circulated with the meeting agenda in advance with due notice.



Ms DD Mokgatle
Chairperson: AERMCoC



Mr XB Lingani
Chief Audit Executive (as of 1 January 2019)

COUNCIL STATEMENT ON SUSTAINABILITY

Although this section of the report is entitled Council statement on sustainability, the primary emphasis here is on environmental and governance aspects. Unisa's activities are closely aligned to the institutional indicators that measure its performance and sustainability, as well as the performance plan, which builds on previous efforts towards achieving the 2030 Unisa Strategy. The university's compliance and risk teams ensure that governance, strategy, risks and opportunities, key performance indicators and ultimately sustainable development, are defined and incorporated at the highest level in strategic policy and in activities. Unisa's sustainability overall is addressed in the reports of the Chairperson of Council and the Vice-Chancellor, in the Driving transformation section, the Academic report, the Governance section and in the Enterprise Risk Management (ERM) section. Financial sustainability is addressed in the Report of the Chief Financial Officer, the Driving transformation section, the HR report and in the ERM section. Social sustainability is addressed in the Academic report, particularly the reports of the colleges and the statement on Unisa's Community Engagement programmes, in the Preserving our reputation section (delivering on our social mandate). Academic sustainability is addressed in the Report of the Chief Financial Officer and in the Academic report, in particular in the Research section. Matters of social, academic and financial sustainability are dealt with extensively elsewhere in this report. Regarding environmental sustainability, the implementation of the Master Plans remains the vehicle for spearheading environmental stewardship. All the initiatives discussed act to give effect to these.

The issues of inclusivity of stakeholders innovation, fairness, and collaboration is covered in the sections: View from our leadership, How we create value and in the Academic and Governance reports. This report touches on social transformation throughout but specifically in the Academic report, the Preserving our reputation section and in the Driving transformation chapter. Unisa's student profile and throughput, including pipeline number of students can be found in the Fast facts section, the View from our leadership section, with details and breakdowns in the Student equity section of the chapter on Driving transformation, as well as in the 2018 Annual Performance Plan. Generation of alternative funding streams details are available in the Vice Chancellor's report, in the Chief Financial Officer's report and in the Enterprise Risk management section. The 2018 Annual Performance Plan lists a number of activities aimed at increasing donor income, development of relevant vehicles to offset the reductions in resources, funding and subsidy, as well as efforts to ensure long term financial sustainability.

Governance of sustainability

Integrated reporting capitals: As mentioned in the introduction of this report, Unisa developed and adopted a set of Unisa-specific capitals. Stakeholder engagement included extensive debates on the expanded list of capitals relevant to universities. It supported the notion that Unisa should adopt reputation as a capital. In addition, Unisa has adopted the ODeL model which reduces the impact of the barriers usually associated with accessing tertiary education, such as location, cost as well as exclusionary matric results. Hence access was agreed to be a distinguishing capital. Other than these two distinguishing capitals, financial capital, human capital, intellectual capital and social and relationship capital were approved as the Unisa capitals. The Unisa-specific capitals are represented in detail in section 2 of this report.



Environmental sustainability initiatives

The overarching aim with the Unisa gardens continues to be the maintenance of a biodiverse space of botanical interest and the conservation of threatened fauna and flora species for generations to come. Unisa's environmental sustainability goal is to contribute towards the prevention of biodiversity loss due to the ongoing extinction or local reduction of species.

Unisa continues to play a pivotal role in the establishment of a national environmental sustainability community of practice under the auspices of Universities South Africa (USAf). Terms of reference were finalised, with input being sought from all universities, and formal approval by the USAf Board is awaited.



The Horticulture Centre at the science campus was fitted with solar panels to supplement the energy supply, and these came onstream in August 2018. The 35 kilowatt peak (kWp) rooftop solar panels enable the greenhouse to function purely on energy harvested from the sun via solar panels during daytime. This installation won the Higher Education Facilities Management Association (HEFMA) renewable energy award in October 2018.



Unisa's annual interactive Arbor Day 'Treasure Hunt' features routes and different plant species that have to be identified. Once again staff participated with great enthusiasm. The members of each participating team received a potted plant cultivated in the greenhouses of the Horticulture Centre on the Science Campus and a packet of produce from these greenhouses.

Implementation of the Sustainability Master Plans

The implementation of the master plans continued in 2018 and was monitored by means of monthly feedback meetings of all internal stakeholders. Although the monitoring of water and electricity usage continued, technical glitches meant that most of the recorded data was lost.

Significant headway was made regarding the use of alternative energy sources such as solar energy and grey water systems on a number of sites.

Unisa continued to experience challenges with the structured collection of data to determine and manage its carbon footprint. The lack of buy-in for and commitment to this initiative remains cause for concern. The university will look at ways to ameliorate this going forward.

Following an audit finding in 2016 a weigh bridge was installed on the Science Campus late in 2017 that will allow accurate record-keeping of waste destined for recycling that leaves the campus. Unfortunately the weigh bridge only came into full operation late in 2018. The following volumes were measured after it came into full operation:

General waste	
Month	Volumes
October	9 270 kg
November	18 990 kg
December	2 230 kg

Recycleables	
Month	Volumes
September	370 kg
October	1 400 kg
November	1 070 kg
December	960 kg

Volumes of recyclable waste is not sufficient to record each type separately.

White paper	
Month	Volumes
September	1 390 kg
October	17 550 kg
November	14 830 kg

White paper emanating from the printing facility on the campus is collected by a different service provider and therefore it is possible to record it separately. The peak times for white paper are during the student application and registration periods when study material is printed.

Although the installation of a similar weigh-bridge on the Muckleneuk campus was concluded during 2018 it was subsequently decommissioned as a result of technical issues. These matters are receiving attention.

ENTERPRISE RISK MANAGEMENT

In seeking to better comprehend implications of the fast-paced developments within the external environment, together with the pertinent fluidity that requires strategic agility of any organisation, we have placed more emphasis on thought leadership during the period under review.

As such, our thought leadership posture played itself out as follows:

- Quarterly reporting, both at a portfolio as well as institutional level, contained a stronger component of market trends than we have done previously. Through this approach, our reports served as a basis for broadening the common ground between the Enterprise Risk Management (ERM) Directorate with the risk leadership insights, and institutional stakeholders who command unique expertise into the higher education sector intricacies. The thought leadership component of the quarterly risk reports served to deepen reflections and stimulate vibrant deliberations at the respective governance platforms.
- Undertaking our first formal strategic environmental scanning, in the context of risk leadership, yielded some fruitful insights.

Risk identification, monitoring and reporting

A landscape tilt, within the external environment, naturally has an impact on the higher education sector broadly, and our institution in particular. Institutional strategic agility then falls under scrutiny, specifically from the perspective of how proactive we are in identifying emerging risks, how strong our resolve is in mitigating against all risks, and how solid the integrity of our reporting thereon is. It is in this context that we have undertaken the first formal strategic environmental scanning, convening under the auspices of a Council Risk Workshop. As part of our forward outlook, this is an initiative that will occur annually, constituting inputs into the Council *lekgotla* that normally takes place around September.

We hosted the 2018 Chapter of the risk event – now named the Strategic Risk Leadership Conversations on Higher Education, attracting a broad spectrum of industries from both the public and the private sector. That sister institutions, from within our higher education sector, positively responded through participation also pointed towards a collective posture towards cooperation.

The interconnectedness of risks broadly, and the strategic ones in particular, has informed our resolve to continue with the participation of our enterprise risk management team at the strategic planning sessions of the various portfolios to ensure that risk perspectives integrate with strategic reflections. Going forward we will continue strengthening risk escalation.

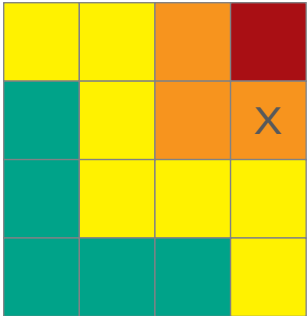
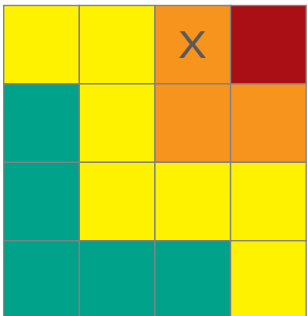
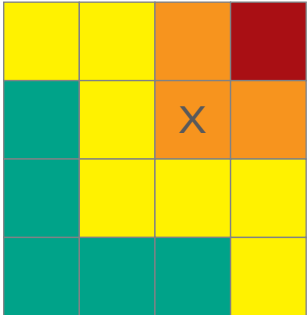
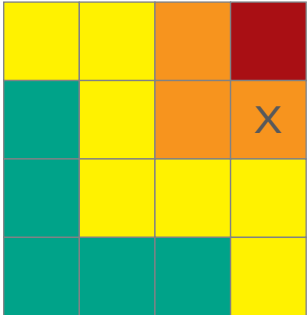
As a sector, we have continued to grapple with workplace tensions that vary in terms of dimension and depth – on comparing one institution to the other – leading to our Minister of Higher Education and Training calling for Universities in South Africa to intervene. Such tensions have played out in the form of racially-premised interpersonal conflict, a bullying and intimidation posture, as well as sexual harassment. Our collective inconsistency when it comes to embracing inclusivity, particularly in relation to people living with disabilities as well the LGBTIQ strata of our university community, remains glaring. It is certainly at variance with market trends! Fortunately, the South African Human Rights Commission's (SAHRC) visit to Unisa (expanded upon in the Transformation section of this report) presented us with an opportunity to air our views, and the report issued at the end will hopefully help us find common ground.

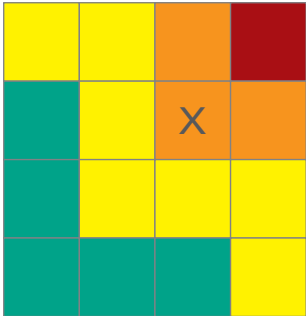
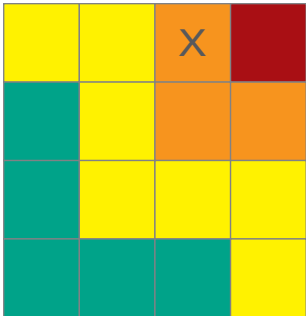
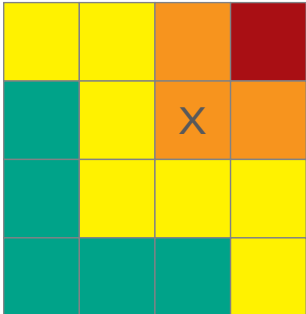
Other risks that continued punctuating our sector include financial sustainability; relatively immature ICT infrastructure (a risk for an institution that prides itself as the largest distance education service provider on the African continent); as well as the collapse of walls that have traditionally partitioned us, as sector, into residence universities and distance learning ones, as well as private higher learning institutions from public ones. Interconnected with this gray territory, has been a complex twin-opportunity of revisiting the business model of a typical HEI as well as recrafting our strategies;

The recalibration of a typical university student profile as has traditionally been known to our sector leadership and strategists has continued to punctuate this reporting period. Emerging from this has been a new landscape of expectations, particularly for us as Unisa. For instance, we have now been expected to provide more support classes than has normally been the case for a distance education institution. How do we balance the socioeconomic realities of our country with the strategic imperative to decide on a clear-cut value proposition?

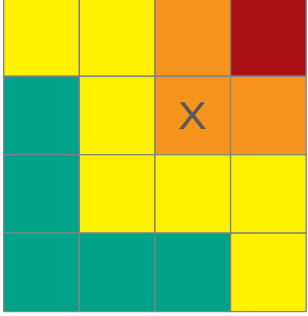
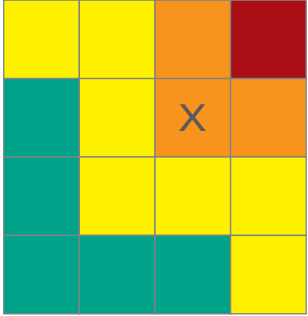
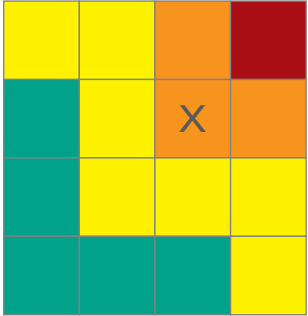
Our Governance posture has continued being punctuated by pillars that include: quarterly Council meetings that deliberated on outcomes of the various sub-committees of Council, including the Audit and Enterprise Risk Committee of Council (AERMCoC); a strategic risk register that is reviewed and updated on a quarterly basis; and a broad portfolio of skills and competencies that punctuated our Council members as well as the AERMCoC – with the Chairperson of each of these being an independent, external member.

Critical strategic risks in no specific order

Key risk	Description
<p>1. Financial sustainability</p> 	<p>The risk could arise through challenges in attracting third stream income, inability to curb operational as well as infrastructural costs, the inadequacy of measures aimed at delivering key projects within budget, a sudden decline in student numbers, an increase in student debt, etc.</p> <p>Opportunity: To increase the proportion of international students, particularly those further afield, beyond the SADC borders. In this regard, our BRICS membership could be tapped on, given the population size of China and India.</p> <p>Hurdle/Milestone: Appointment of head of Business Enterprises strengthened our collective efforts towards a third stream revenue.</p>
<p>2. Transformation into a fully-fledged ODeL institution</p> 	<p>Institutional inability and/or unwillingness to optimise the utilisation of ICT. Continuation in such a trajectory essentially constitutes going against the very heart of distance education of modern times, and thus failing to recognise the fast-paced developments on the ICT landscape externally, etc.</p> <p>Opportunity: Broadening our institutional global geographic footprint in terms of international students could serve as a pave-way towards an Artificial Intelligence (AI) era, thus also re-skilling of our staff, so they are better prepared for such an era.</p> <p>Hurdle/Milestone: Constrained skills and competencies within the ICT Portfolio, together with challenges in terms of filling in the existing vacancies.</p>
<p>3. ICT infrastructure</p> 	<p>Loss of critical data, a rise in cyber security threats and misalignment with business strategy.</p> <p>Opportunity: Explore the feasibility of an integrated enterprise resource planning system. This could be undertaken as part of the digitization journey that our ICT Portfolio has embarked on a roadshow across the institution.</p> <p>Hurdle/Milestone: A newly revamped ICT strategy launched. This paved the way for a common understanding of the core challenges around this risk, as well as the best way forward.</p>
<p>4. Student drop-out rate</p> 	<p>Failure to curb the student drop-out rate could ultimately have an adverse impact on our enrolment growth as well.</p> <p>Opportunity: To explore the feasibility of a truly open registration landscape, including the ability to register students at any point during the year – and have them seat for exams as and when they are ready to do so. This will also entail engagements with DHET regarding the prospect of uncapped registration.</p> <p>Hurdle/Milestone: The student retention unit, as located in the Tuition Support and Facilitation of Learning (DTSFL), has continued to further strengthen its initiatives.</p>

Key risk	Description
<p>5. Academic quality assurance</p> 	<p>The standing of a higher education institution is determined, in part, by outcomes of its quality assurance measures on critical performance areas, including the accreditation of its academic programmes. Closely linked with such measures, are the institution's research outputs as well as the integrity of its academic outputs. In the context of our institution, this risk plays itself in ways that include academic quality assurance, integrity of academic offerings, and research outputs that are either of poor standard or fewer than expected targets.</p> <p>Opportunity: To leverage on quality assurance in our collective pursuit towards enhanced ranking in terms of world university rankings that are undertaken on annual basis. This will also link closely with our pursuit of an increased proportion of international students.</p> <p>Hurdle/Milestone: The appointment of resources within the Academic Portfolio, including some of the respective colleges. This has eased up our collective efforts towards strengthening quality assurance measures.</p>
<p>6. Legal and regulatory compliance</p> 	<p>An integral part of our institutional activities includes the research that is conducted at our laboratories, whereby delicate and sensitive work is undertaken. There are stringent OHS related considerations that our labs have to comply with. Failure to comply could result in harm to employees, contractors, students and nearby communities. Failure to comply with changes in the regulatory landscape broadly, in our sector, could result in damage to our brand reputation as well as fines and penalties.</p> <p>Opportunity: Become more proactive and explore platforms for collaborating with regulatory bodies, with a view to influencing the regulatory landscape.</p> <p>Hurdle/Milestone: Balancing the two competing priorities when it comes to procurement of services aimed at addressing the gas installations project. These priorities are transformation in terms of service providers on the one hand and the curbing of project related costs on the other. Delays have hence arisen.</p>
<p>7. Business continuity management</p> 	<p>In the event of our institution being unable to sufficiently respond to business disruptions, then its resilience and sustainability could be compromised. Compounding this risk is also the fact that our institution is not only massive, but revolves around interdependencies for its service delivery.</p> <p>Opportunity: Integrate institutional efforts with the academic programmes in an effort towards making BCM a core competency.</p> <p>Hurdle/Milestone: In an effort towards fast-tracking this initiative and ensuring precision in terms of delivery, we have allocated a budget that will also mitigate the human resource limitations with the ERM Directorate.</p>



Key risk	Description
<p>8. Competitive agility</p> 	<p>The competitive landscape within the higher education sector continues to change rapidly. This could create space for other role players to re-write the rules of the game, particularly those who have a:</p> <ul style="list-style-type: none"> ● Global footprint and are thus better positioned to reap operational efficiencies and leverage on the learning curve; ● Stronger financial muscle to invest in cutting-edge technology in an effort to deepen their innovative posture; etc. <p>Unisa could find itself losing its competitive edge to these players. This thus requires of us to place more emphasis on environmental scanning and/or to be cautious not to restrict strategic planning to fixed periods of an annual calendar.</p> <p>Opportunity: Enhanced emphasis on strategic environmental scanning and thus getting better sensitised to emerging market trends.</p> <p>Hurdle/Milestone: The first ever environmental scanning undertaken in February 2018. Lessons learned to serve as a point of departure for the 2019 Chapter and onwards. The profiling of the Strategic Risk Leadership Conversations on Higher Education (SRLC-HE), a risk focused event, hosted in December was the other milestone platform.</p>
<p>9. Integrity of information</p> 	<p>The strategic plan (Unisa 2030) is underpinned by various governance related activities such as the regular sittings whereby deliberations on, amongst others, the performance of the institution take place. Such sittings include the Council, its sub-committees, Mancom, various Portfolio meetings, etc. Deliberations are often based on data and/or information that would have been collated by various role players within the institution, which at times has to be customised in order to meet the fit-for-purpose criteria.</p> <p>In the event of the integrity of such reports being suspect, then the quality of deliberations and/or decisions taken is likely to be compromised – leading to misaligned actions. This tends to be further compounded in situations where the ICT infrastructure is relatively immature and thus reports compiled manually.</p> <p>Opportunity: To explore the feasibility of incorporating the ethics-focused component on our reporting templates, and thus affording the report author with 'space' to further sanitise their report. On the other hand, this enables those deliberating on the report to have better context of the ethical implications of their decisions.</p> <p>Hurdle/Milestone: A more pronounced emphasis on the invitation of subject matter experts, from within the institution, to participate in deliberations around critical decisions at governance platforms. This has further strengthened the decision-making process as led by the senior executive leadership team.</p>
<p>10. Digitised resources</p> 	<p>Ours is an academic institution, a research-intense organisation. The Unisa brand strength is thus dependent to a large degree on our ability to retain archived records, and being able to retrieve them in much later years. The retention period on some of these is over a century. Inadequate security around digitisation equipment, or insufficient understanding, of digitisation, on the part of stakeholders actually stakes our collective ability to retrieve invaluable data/records – and thus potentially loss of institutional memory. The amount of data and research outputs that could be lost is significant.</p> <p>Opportunity: To serve as a repository for the broader African continent, whereby other countries would look towards Unisa for bringing in their valued intellectual resources for archiving.</p> <p>Hurdle/Milestone: The physical building infrastructure, which has aged together with constrained structured maintenance budgets, could have an adverse impact on efforts towards investing in appropriate facilities within the library space.</p>

The way forward

The lessons learned from our institution's first formal environmental scanning undertaken in February 2018 will serve as a basis for refining this governance initiative moving forward. We will need, among other options, to consider involving some of our external stakeholders in the deliberations – in line with the best practice when organisations embark on an innovation drive.

Broader socialisation of the risk appetite and tolerance initiative across the institution will be undertaken. The ultimate measure of our institutional risk culture broadly and how adequate our mitigation of pertinent risks is, will be the impact on the student experience.

Finally, we will embark on an innovation drive. The quest for enhanced efficiencies, for the collective good of the institution, has much to do with core activities of the university as it does with support functions. In an effort to capacitate risk owners while further inculcating their mitigating drive, we will further prioritise the acquisition of ERM software to optimise reporting efficiency.

COMPLIANCE REPORT

Council is ultimately accountable for compliance with regulatory requirements, delegating the responsibility to facilitate this process to the Directorate: Compliance. To this effect, Council has approved the Compliance Policy and Compliance Framework, empowering the directorate to carry out its function.

In terms of the policy, management is responsible for compliance, while the Directorate: Compliance facilitates compliance risk management through the execution of the annual compliance coverage plan – once approved by the Audit, Enterprise and Risk Management Committee of Council (AERMCoC). The latter is a subcommittee of Council tasked with oversight of risk management at the university. The subcommittee approves the annual compliance coverage plan and monitors its execution.

The operational plan for the directorate is derived exclusively from the annual compliance coverage plan. The directorate is accountable to AERMCoC on the execution of the plan. Through the execution of the 2018 compliance coverage plan the directorate has contributed to protect and/or enhance the reputational capital of the university.



Failure to comply with regulatory requirements carries with it the potential loss of financial resources manifesting as fines imposed by regulators. By carrying out its 2018 compliance coverage plan, the Directorate: Compliance also contributed to the financial capital.



Unisa has adopted the best practice, four-phase methodology, as advocated by the Compliance Institute of Southern Africa.

Key compliance focus areas for 2018

In 2018, the directorate focused on monitoring compliance with the following regulatory requirements:

- Higher Education Act, 1997;
- Employment Equity Act, 1998;
- Income Tax Act, 1962;
- Value-Added Tax, 1991;
- Copyright Act, 1978;
- Consumer Protection Act, 2008; and
- Occupational Health and Safety Act, 1993.

Monitoring of compliance in 2018 and the management of outcomes

The outcome of the compliance monitoring project in 2018 was satisfactory as far as compliance management is concerned. However, the university still needed to address a few issues pertaining to the following:

- The management of intellectual property assets, with the focus being on the need to create a central clearance office to facilitate the commercialisation of the university's intellectual property assets to support the university's thrust to supplement its third stream income. The university has established the Unisa Enterprises (Pty) Ltd as a vehicle to supplement its third stream income.
- The ongoing issues pertaining to occupational health and safety of Unisa buildings. This owes very much to the age of some of these buildings. The university is in the process of putting these issues to rest. A project has been established to address these issues including the issue of gas storage facilities at the Science Campus in Florida, Johannesburg. There is a planned closure of the university between 1 and 12 July 2019 for maintenance.

Planned areas of future focus

In the 2019 financial year, the directorate will focus on monitoring compliance with the following regulatory requirements:

- Value-Added Tax, 1991;
- Income Tax Act, 1962;
- Occupational Health and safety Act, 1993;
- Hazardous Substances Act, 1973;
- Protection of Personal Information Act, 2016;
- Employment Equity Act, 1998;
- Consumer Protection Act, 2008;
- Protected Disclosures Act, 2000;
- National Health Act, 2003;
- Intellectual Property Rights from Publicly Funded Research and Development Act, 2008; and
- Companies Act, 2008.

No regulatory penalties, sanctions or fines were imposed on Unisa, or on any of the members of its Council or officers, in 2018 due to non-compliance with any regulatory requirement.

The university was not subjected to any monitoring and inspections by environmental regulators during the reporting period. Therefore, the university has no findings against it emanating from non-compliance with environmental laws, or criminal sanctions and prosecutions.

In South Africa and other jurisdictions, intellectual property is protected in terms of laws. As part of its duties to facilitate compliance with regulatory requirements the directorate explored opportunities provided by compliance by working on copyright protection for the university in 2018. Our involvement in the matter was identifying, through monitoring at the Library, that the university had no central copyright clearance office to facilitate the commercialisation and exploitation of our copyright assets. As a result of our involvement in the matter, the university has decided that the Business Enterprise (Pty) Ltd will serve as the central point for the clearance of our intellectual property.



Through our work of facilitating compliance with regulatory requirements, we directly contribute to good relations with the regulators, students, employees, etc.



Challenges

One of the main challenges in 2018 was the lack of resources in the way of human resources and a GRC system taking into account the size of the institution we are servicing. It is our belief that with more resources we could have done better than we did in the last financial year. Going forward we see compliance at the university changing for the better, as attitudes towards risk improve and the university acquires a governance, risk and compliance system to ease the administrative burden on our strained human resources and on our client departments, risk owners and risk champions. These should translate into quick and proper mitigation.

INSTITUTIONAL FORUM REPORT

The Institutional Forum (IF) plays an advisory role to Council and is representative of the various institutional constituencies. As part of the regulatory requirements for governance within the higher education (HE) sector and, in particular, for universities in South Africa, the IF is one of the core structures and elements in the organisational and governance processes and systems of Unisa.

As reflected in its composition set out below, in the IF, equal participation and engagement entail inter alia representation from Unisa Council, Senate, the SRC, Management, labour, academic and support and administrative staff.



Composition of the IF

Constituency	Number of members	Names
Senior management	Two	Prof IOG Moche, and Ms L Griesel
Registrar	One	Prof QM Temane, or Dr Goolam
Dean of Students	One	Dr JS Chalufu
Executive Director: Tuition and Facilitation of Learning	One	Prof EO Mashile
Council member: neither an employee nor a student of the university, elected by Council	One	Mr S Lebese
Senate: elected by the Senate	Two	Prof E B Farisani, and Prof RS Tshaka
Permanent academic employees: elected by such employees	Two	Prof I Ferns, and Dr K Ramdass
Permanent employees other than academic employees: elected by such employees	Two	None
Students from the Students' Representative Council (SRC): elected by the SRC	Two	Mr I Molefe, and Mr S Nkhatho
Members of employee organisations: nominated by each of the two sufficiently representative employee organisations	Two	APSA: Mr M Mokoena, and Mr NP Sindane/ Mr J Jonker, and Nehawu: Ms J Mahlangu/Ms T Msabala and Ms N Chetty
External member recommended by the Management Committee and approved by Council	One	Prof G Reddy
Members co-opted by the IF to assist in any project(s)	One or more	None

The Higher Education Amendment Act was passed with various aims in mind, including the determination of transformation goals for the public HE system and the appropriate mechanisms for issuing directives for HE. This was critical to Unisa, which has been battling with issues of transformation and the role of governing structures such as the IF. In this regard, the Act states that “Council must consider the advice of the Institutional Forum and provide reasons if advice is not accepted”.

A fundamental and often unnoticed aspect of the IF is its construction as an inclusive governance structure in which varied and comprehensive representations find expression and are ascertained. As reflected in its composition set out above, in the IF, equal participation and engagement entail inter alia representation from Unisa Council, Senate, the SRC, Management, labour, academic and support and administrative staff.



Advice sought by and advice given to Council

During the period under review, the IF held seven meetings. At these meetings the IF performed the following functions in line with the Higher Education Act, 1997 (Act no. 101 of 1997). It is important to note here that although the IF advises Council on issues affecting the institution, the IF raised its concern on the lack of written response from Council, on the advice it had given to Council on several issues including the appointment of the executive management.

In terms of the implementation of the Act and the national policy on higher education, the IF attended and participated in a meeting of IF chairpersons and workshop organised by the Department of Higher Education and Training on the implantation of the Act and the national policy on higher education.

Although this discussion and report relate to the IF’s function of race and gender equity policies, it also focuses on the other role of the Forum, namely, fostering of an institutional culture which promotes tolerance and respect for fundamental human rights and creates an appropriate enabling environment for teaching, research and learning or both.

In terms of race and gender equity policies, the IF met on 12 March 2018 to deliberate on a submission requested by the South African Human Rights Commission’s investigative hearing on the allegations of racial tension and harassment in the College of Law. The report was presented before the South African Human Rights Commission on 13 March 2018.

In April 2018 the IF met to consider the issue of the selection of candidates for senior management positions and to consider the reports of the selection committees for the filling of the positions of the Registrar and that of the Vice-Principal: Research, Postgraduate Studies, Innovation and Commercialisation. The Forum resolved to advise Council and submitted its report accordingly.



Although the Institutional Forum participated in a Council workshop on transformation, and requested, on countless occasions, a report on the outcome or implementation of resolutions taken at this Council workshop on transformation held in July 2017, the IF is yet to receive it.

One of the roles of the Forum is to perform any functions as determined by Council. Council has not referred any matter for IF consideration during the year under review, other than the functions stipulated in the Institutional Statute and the Higher Education Act.

A handwritten signature in black ink, appearing to read 'EB Farisani', written over a horizontal line.

Prof EB Farisani
Chairperson: Institutional Forum





DRIVING TRANSFORMATION



TRANSFORMATION, EQUITY AND HUMAN RESOURCES

At the last meeting of Council in 2017, Council adopted transformation as its mantra. The university made it clear that 2018 would be a year of reinvention of the very idea of the university. Coupled with this would be vigorous implementation of transformation at all levels, including those of curricula, employees and students. Revisiting the Unisa 2030 Strategic Plan, the Transformation Plan and taking stock of the university's progress in implementing these key imperatives took centre stage at the Unisa Council's annual lekgotla in September 2018. Council engaged in robust discussions, particularly on what defined Unisa's identity as a university and its transformation to becoming a truly African university. The performance plan is also intricately linked to Unisa's transformation charter. A transformation barometer measures progress as the transformation implementation plan is rolled out.

During the year under review the university appointed a Vice Principal: Institutional Development and Transformation.

The university continued to address the issues of transformation across portfolios, in line with identified responsibilities to ensure that transformation in general, as well as related issues, such as the language policy, employment equity (EE), and ICT provision, are all incorporated in the annual performance plan.

Transformation highlights

At Unisa transformation is understood as a radical social process of eradicating all forms of discrimination, marginalization and alienation at various levels and dimensions. In addition, transformation is a continuum consisting of a deliberate and targeted provision of equity of access, equity of opportunity and equity of outcomes for staff and students. Unisa's approach to transformation is measured in terms of eight dimensions, adopted by Council in May 2018:

1. Staff equity, development and work experience
2. Student equity, development and achievement
3. Students' living and learning experience, including their socialisation in the ODeL context
4. Knowledge, epistemology and language
5. Governance, leadership and management
6. Institutional culture and social inclusion
7. Funding and resource allocation, including transforming Supply Chain Management, and
8. Infrastructure, including facilities, buildings and ICTs

Transformation initiatives at Unisa are changed using the five pillars, namely:

1. African scholarship
2. Cultural change for diversity and transformation
3. Rethinking systems and policies
4. Ethical, transformative and intellectual leadership, and
5. Discourse for change

This Integrated Report therefore presents transformation highlights in terms of these dimensions and pillars.



1. Staff equity, development and work experience

1(a) Staff equity

As at 31 December 2018, Unisa had 7 301 employees in its service. This figure comprised 5 835 permanent employees and 1 466 fixed term contract employees (short term contracts without benefits). The permanent headcount increased by 83 and the fixed term headcount increased by 171 since December 2017. The permanent staff composition was made up of 1 808 (31%) academic employees and 4 027 (69%) professional and support employees.

In terms of staff equity at September 2018, white females remained the highest represented group at 13.3% (exceeding their EAP by 9.0%); while African females were slightly over represented at 37.6% (exceeding their EAP target by 2.3% with the largest headcount on skilled technical and academically qualified level followed by the semi-skilled and unskilled level. White males and Indian females are also over represented at 7.3% and 1.8% exceeding their EAP by 1.7 and 0.8% respectively. African males are significantly under-represented at 32.7% lower than their EAP by -9.4%. Coloured males are under-represented at 1.3% lower than their EAP by -4.1%; while coloured females under-represented at 1.7% lower than their EAP of 4.6% by -2.9%; Indian males are slightly under-represented at 1% lower than their EAP of 1.7%. Foreign nationals total 3.4%.

The figures for the overall academic staff profile (permanent) show that white females are also over-represented at 25.1% exceeding their EAP by massive 20.8%. White males are over-represented at 15.2% exceeding their EAP by 9.6%; while Indian females are over-represented at 3.5% exceeding their EAP by 2.5% and black males and women are under-represented at 23.6% and 18.8% respectively below their EAP by 18.5% and 16.5%. Coloured females and males are under-represented at 0.9% and 2.2% respectively below their EAP of 4.6% and 5.4% by 3.4% and 4.0%. Foreign nations total 6.1% for males and 3.1% females.

Security guards and cleaners who used to work for contracted companies were insourced. This is a major achievement as it brought job security and dignity to a precariat class that worked within the institution. It was a major and bold political and moral statement on the side of the Council and management.

All litigation in the institution is managed by the Legal Services Office (LSO). Despite the volume of especially Commission for Conciliation, Mediation and Arbitration (CCMA) litigation handled during 2018, the LSO had a success rate of 91% and in respect of court litigation, a 100% success rate. The success rate serves in upholding Unisa's reputation and integrity insofar as the fairness of Unisa's treatment to its staff members are concerned and contributes to credibility among internal and external stakeholders.

Progress in achieving equitable representation on especially the senior academic levels in colleges is slow paced. Challenges such as 'the ever-changing college criteria', the concerns raised by emerging black academics of unreasonable work allocations that hamper their upward mobility in academia, certain colleges' negative work environments, are all concerning. In order to address their own challenges, the College of Law devised an EE plan set on achieving its targets and to certainly test the status quo as regards Ad Hominem promotions. A radical and innovative intervention was developed and was broadly consulted on throughout the university. The final outcome is yet to be decided.

Interventions that have been recently implemented now present enormous opportunities for the future in the realisation of its EE objectives.



1(b) Work experience

An organisational health survey was conducted during the second half of 2017. During 2018, the key initiatives to address the outcomes of the survey was the development of an Organisational Change and Health Strategy approved by the HR Committee of Council during June 2018. Workshops are planned for 2019 during which all staff members will be involved in coming up with suggestions and initiatives to address negative perceptions and experiences of the university's climate and culture. An ethics survey was conducted and a report on the state of bullying was submitted to the Management Committee. Further institutional engagement is important. The release of the SAHRC report and recommendation on racism, bullying and harassment will be crucial to assist the university in developing a holistic approach to institutional culture change.

The Principal and Vice-Chancellor requested the South African Human Rights Commission (SAHRC) to conduct an investigation into allegations and counter-allegations of racism, harassment, bullying and victimisation in the workplace. They were also requested to provide recommendations of appropriate interventions to address these challenges and to assist Unisa in building a workplace that embraces and values its diversity. This investigation spanned the period 20 February to 18 May 2018. The final recommendations were released by the SAHRC on 12 November 2018.

The SAHRC recommends 'interventions that can foster a culture of diversity and promote social cohesion'. Another challenge noted continuously is the qualitative aspects of effective employment equity, i.e. diversity issues in the Unisa workplace as not complying with

the affirmative action measure in the EE Act stating 'the employer must ensure that the workplace is conducive to valuing its diversity'. The EE office together with Change Management Unit are now focusing on addressing the qualitative issues in the workplace.

1(c) Staff development

HR costs remained the largest expenditure item for the university. A concerted effort to optimise HR expenditure is required. To address this matter in 2019, the implementation of a fit for purpose professional and support structure, a reviewed reward strategy and a reduced reliance on fixed term contract employees and independent contractors are being prioritised.

Underpinned by the ODEL business model, Unisa's strategy formed the basis of the review of the institutional top structure. This structure was approved by Council in December 2018 and is being implemented as of January 2019. The ODEL business model also informed the development of fit for purpose professional and support structures. This process is still underway. A number of these structures have been prioritised for implementation in 2019.

Human Resources is responsible for the development of all HR related policies. During 2018 the Acting and Secondment Policy for Directors and Above was reviewed and subsequently approved by Council.

The attraction and retention of talented employees remains paramount in the achievement of Unisa strategies. To this end, Unisa aims to pay salaries at levels that are competitive in the tertiary industry and in the general labour market while ensuring the continued financial sustainability of the institution. Unisa also recognises the contributions of its employees to the achievement of institutional strategies through the payment of short term incentives in the form of performance bonuses, which is linked to the performance rating allocated to individuals through the performance management system.

Employment equity status

Unisa is required to comply with the Employment Equity Act, No. 55 of 1998, as amended (EE Act), as regards the implementation of employment equity in the workplace. The Unisa Institutional Employment Equity (EE) Plan 2017-2022 provides the framework for Unisa to make progress towards employment equity; to assist in eliminating unfair discrimination in the Unisa workplace; and to achieve equitable representation of employees from designated groups. The institutional EE plan has been aligned with the Unisa Strategic Plan 2016-2030.

This employment equity statement highlights the progress made in 2018, emphasising how Unisa progressed in achieving its targets. From a quantitative perspective, Unisa's overall profile provides a context on how Unisa is advancing the transformation agenda in terms of meeting the employment equity objectives. From a qualitative perspective, the EE Plan underpins the values of Unisa, as well as the principles of social justice, inclusivity, institutional culture change, diversity management, affirmative action, as well as ensuring the creation of an enabling and conducive environment for persons with disabilities.

The Director General of the Department of Labour's (DoL) review – in terms of Section 43 of the EE Act – was concluded in November 2018, when a notification from the department was received, confirming that Unisa has complied with all the recommendations issued to the university in May 2017.

Quantitative progress towards meeting targets

The year-end profile for 2018 is juxtaposed with Unisa's 2018 EE targets as set in the Unisa EE plan in order to assess progress. The institutional targets set for the period ending 2022 are:

National economically active population (EAP) targets

Race	Male	Female	Total
African	42.1%	35.3%	77.4%
Coloured	5.4%	4.6%	10.0%
Indian	1.7%	1.0%	2.7%
White	5.6%	4.3%	9.9%
Total	54.8%	45.2%	100%

Source: Statistics South Africa, (QLFS 3 2015)

The DoL's subsequent reassessment in 2018 reviewed and approved Unisa's annual EE targets. Progress towards meeting our institutional target for 2018 is indicated below.

Unisa's overall profile

UNISA Overall	Male				Female				Foreign National		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Headcount Dec 2018	2 411	89	73	510	2 822	120	122	920	147	87	7 301
Dec 2018 %	33,0	1,2	1,0	7,0	38,7	1,6	1,7	12,6	2,0	1,2	100,0
Annual Target for 2018	49,3	2,0	1,1	6,6	26,4	1,5	1,5	9,4			

African females are the highest represented group and exceed both the EAP target (35.3%) as well as the Unisa 2018 target (26.4%). The over-representation of African females on the lower levels skews the profile of this demographic group as there is an under-representation of African females at senior levels – especially in senior academic positions, and at senior management level.

Transformation with regard to research activities is captured in the Academic report. Details of transformation activities is also provided per college in the Academic report.

Occupational level overview

The table below provides an overall perspective from each occupational level in Unisa as to the extent of meeting the targets set for 2018. Kindly take note that the target for top management is fixed for the period as this coincides with the respective contract of the current incumbent. The table includes all permanent Unisa staff members.

UNISA Overall	Male				Female				Foreign National		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management 1+											
Headcount Dec 2018	1	0	0	0	0	0	0	0	0	0	1
Dec 2018 %	100,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	100
Annual Target for 2018	100,0										100
Senior Management 1-3											
Headcount Dec 2018	14	2	2	3	8	0	1	5	1	0	36
Dec 2018 %	40,5	5,4	5,4	8,1	21,6	0,0	2,7	13,5	2,8	0,0	100
Annual Target for 2018	32,4	5,4	2,7	10,8	24,3	2,7	2,7	16,2	2,7	0,0	100
Professionally qualified 4-6											
Headcount Dec 2018	235	28	23	203	177	18	21	231	73	24	1033
Dec 2018 %	22,7	2,7	2,2	19,7	17,1	1,7	2,0	22,4	7,1	2,3	100
Annual Target for 2018	22,5	2,9	2,4	19,3	18,9	1,6	1,8	22,0	6,4	2,3	100
Skilled technical 7-12											
Headcount Dec 2018	1 168	51	43	269	1 403	84	88	619	47	39	3 811
Dec 2018 %	30,6	1,3	1,1	7,1	36,8	2,2	2,3	16,2	1,2	1,0	100
Annual Target for 2018	31,3	1,3	1,2	6,9	36,4	2	2,1	15,9	1,7	1,1	100

UNISA Overall	Male				Female				Foreign National		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Semi skilled 13-16											
Headcount Dec 2018	21	0	0	0	11	0	0	0	0	0	32
Dec 2018 %	65,6	0,0	0,0	0,0	34,4	0,0	0,0	0,0	0,0	0,0	100
Annual Target for 2018	63,6	2,3	-	2,3	25	2,3	2,3	2,3	0,0	0,0	100
Unskilled 17-19											
Headcount Dec 2018	431	1	0	0	486	3	0	0	1	0	922
Dec 2018 %	46,7	0,1	0,0	0,0	52,7	0,3	0,0	0,0	0,1	0,0	100
Annual Target for 2018	45,7	0,1	0,1	0,1	53,5	0,1	0,1	0,1	0,1		100

Academic profile

UNISA Academics	Male				Female				Foreign National		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Professor Level 5											
Headcount Dec 2018	53	7	6	99	23	3	6	75	38	11	321
Dec 2018 %	16,5	2,2	1,9	30,8	7,2	0,9	1,9	23,4	11,8	3,4	100
Annual Target for 2018	22,5	2,9	2,4	19,3	18,9	1,6	1,8	22,0	6,4	2,3	100
Associate Professor Level 6											
Headcount Dec 2018	56	4	8	42	40	3	6	77	30	9	275
Dec 2018 %	20,4	1,5	2,9	15,3	14,5	1,1	2,2	28,0	10,9	3,3	100
Annual Target for 2018	22,5	2,9	2,4	19,3	18,9	1,6	1,8	22,0	6,4	2,3	100
Senior Lecturer Level 7											
Headcount Dec 2018	132	7	9	76	109	10	23	160	29	19	574
Dec 2018 %	23,0	1,2	1,6	13,2	19,0	1,7	4,0	27,9	5,1	3,3	100
Annual Target for 2018	31,3	1,3	1,2	6,9	36,4	2	2,1	15,9	1,7	1,1	100
Lecturer Level 8											
Headcount Dec 2018	161	3	8	42	153	6	26	115	9	14	537
Dec 2018 %	30,0	0,6	1,5	7,8	28,5	1,1	4,8	21,4	1,7	2,6	100
Annual Target for 2018	31,3	1,3	1,2	6,9	36,4	2	2,1	15,9	1,7	1,1	100
Junior Lectuer Level 9											
Headcount Dec 2018	31	3	1	4	31	0	3	8	0	0	81
Dec 2018 %	38,3	3,7	1,2	4,9	38,3	0,0	3,7	9,9	0,0	0,0	100
Annual Target for 2018	31,3	1,3	1,2	6,9	36,4	2	2,1	15,9	1,7	1,1	100

Administrative profile

UNISA Admin	Male				Female				Foreign National		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management 1+											
Headcount Dec 2018	1	0	0	0	0	0	0	0	0	0	1
Dec 2018 %	100,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	100
Annual Target for 2018	100,0										100
Senior Management 1-3											
Headcount Dec 2018	14	2	2	3	8	0	1	5	1	0	36
Dec 2018 %	38,9	5,6	5,6	8,3	22,2	0,0	2,8	13,9	2,8	0,0	100
Annual Target for 2018	32,4	5,4	2,7	10,8	24,3	2,7	2,7	16,2	2,7	-	100
Professionally qualified 4-6											
Headcount Dec 2018	127	17	9	62	114	12	9	79	5	4	438
Dec 2018 %	29,0	3,9	2,1	14,2	26,0	2,7	2,1	18,0	1,1	0,9	100
Annual Target for 2018	22,5	2,9	2,4	19,3	18,9	1,6	1,8	22	6,4	2,3	100
Skilled technical 7-12											
Headcount Dec 2018	843	38	25	147	1 110	68	36	336	9	6	2 618
Dec 2018 %	32,2	1,5	1,0	5,6	42,4	2,6	1,4	12,8	0,3	0,2	100
Annual Target for 2018	31,3	1,3	1,2	6,9	36,4	2	2,1	15,9	1,7	1,1	100
Semi skilled 13-16											
Headcount Dec 2018	21	0	0	0	11	0	0	0	0	0	32
Dec 2018 %	65,6	0,0	0,0	0,0	34,4	0,0	0,0	0,0	0,0	0,0	100
Annual Target for 2018	63,6	2,3	-	2,3	25	2,3	2,3	2,3	0,0	0,0	100
Unskilled 17-19											
Headcount Dec 2018	431	1	0	0	486	3	0	0	1	0	922
Dec 2018 %	46,7	0,1	0,0	0,0	52,7	0,3	0,0	0,0	0,1	0,0	100
Annual Target for 2018	45,7	0,1	0,1	0,1	53,5	0,1	0,1	0,1	0,1	-	100

Persons with disabilities across all occupational levels

Occupational Levels	Male				Female				Foreign National		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Senior management	0	0	0	1	0	0	0	0	0	0	1
Prof qualified and experienced specialist and mid-management	4	0	0	5	1	0	0	5	0	0	15
Skilled technical and academically qualified	12	0	2	11	8	0	2	16	3	1	55
Temporary employees	2	0	0	0	3	0	0	1	0	0	6
Grand total	18	0	2	17	12	0	2	22	3	1	77

For people with disabilities, Unisa in 2018 was below the national target of 2% at 1.1%. This area therefore remains a critical challenge and focus. Continuous efforts to audit the persons with disability data, as well as awareness raising of disability in the workplace by the EE division once again had a positive impact on the profile of this designated group. As a result, the number of persons with disabilities at Unisa increased from 53 in 2016, to 63 in 2017 and now to 77. In addition, Unisa acknowledges that it has not done enough to address the ergonomic needs of vulnerable groups (staff and students) and will continue its efforts to address these needs.

Significant progress has been made since 2009 to ensure the equal treatment between male and female employees.

Historical comparison of remuneration levels between male and female employees

Job Grade	2009 Ratio to the Average		2018 Ratio to the Average	
	Female ratio	Male ratio	Female ratio	Male ratio
2	98.8	101.2	101.7	98.3
3	98.3	101.7	97.0	101.8
4	100.2	99.8	102.4	98.8
5	99.1	100.9	98.5	101.0
6	99.2	100.8	99.9	100.1
7	99.3	100.7	100.0	100.0
8	98.9	101.1	99.8	100.3
9	98.2	101.8	99.8	100.3
10	99.9	100.1	98.6	101.3
11	98.4	101.6	100.3	99.8
12	98.5	101.5	97.3	102.0
13	97.3	102.7	101.9	99.0
18	-	100	100.1	100.0
19	-	-	100.2	99.2

It is evident that the average guaranteed remuneration paid to males in 2009 was marginally higher than that paid to female employees in all but one job grade (P4). In 2018, the average guaranteed remuneration for females was higher in 7 out of the 14 job grades.

Qualitative progress

The Employment Equity and Transformation Office's relentless perseverance and dedicated focus ensured that Unisa complied with all of the Director General's recommendations as part of the Section 43 Assessment. The office provided critical awareness workshops during August and September 2018 focusing on Affirmative Action Measures and especially because 'the employer is required to ensure that the workplace is conducive to valuing its diversity'. Management within colleges/departments/regions required training focusing not only on the quantitative aspects of EE implementation, i.e. the setting and meeting of targets, but also on the qualitative aspects, i.e. what kind of workplace experience Unisa offers for staff members.



Challenges and opportunities

1. Employment equity

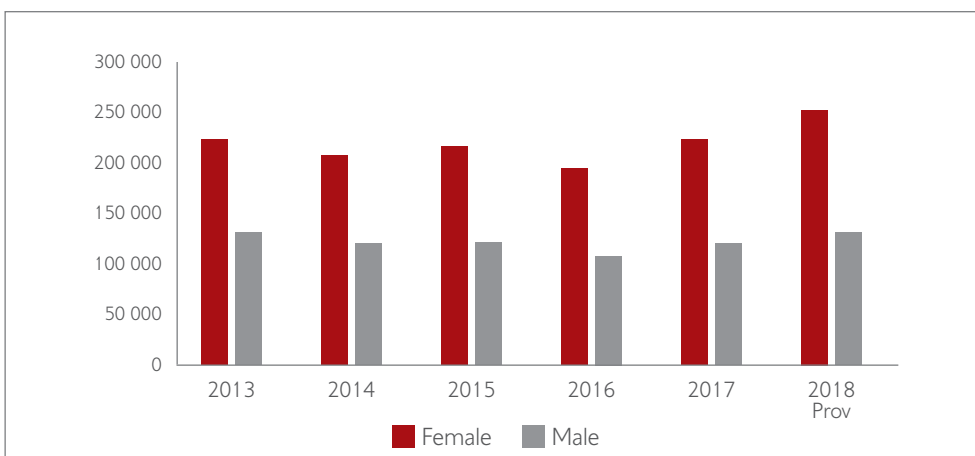
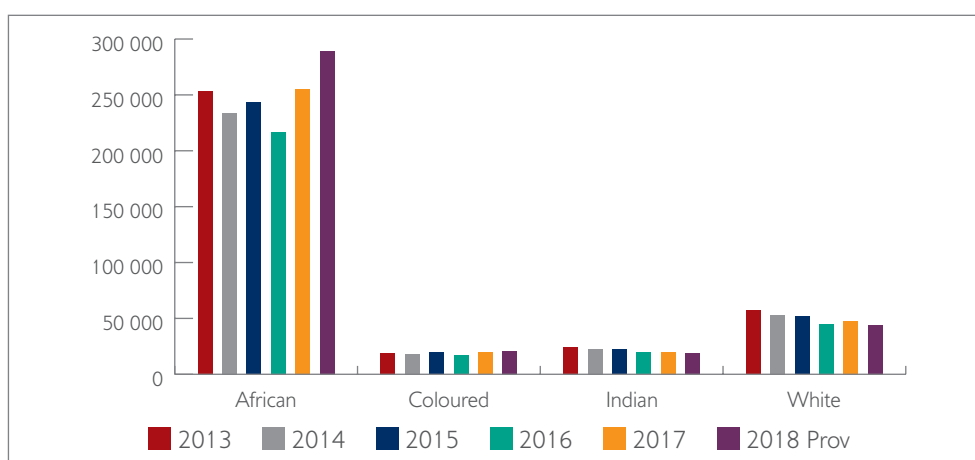
As the largest institution of higher learning in South Africa, Unisa has managed to successfully achieve full compliance with the Employment Equity Act 55 of 1998, as amended, despite facing numerous challenges and risks throughout 2018.

A memorandum between Unisa and the SAHRC was signed and a plan of action was presented by the SAHRC. Recommendations included the need to strengthen the accountability of management in their key performance areas; an enhanced oversight role for the Employment Equity and Transformation Office; and a suggestion that said office be located in the Office of the Vice-Chancellor. Also covered in this recommendation is the 'amendment of Unisa policies to allow Employment Equity to issue directives'.

In the past, the EE office constantly raised the issue of being under-staffed. Recently two new staff members were seconded to the Office. The opportunity to function optimally is now a reality.

2. Student equity, development and achievement

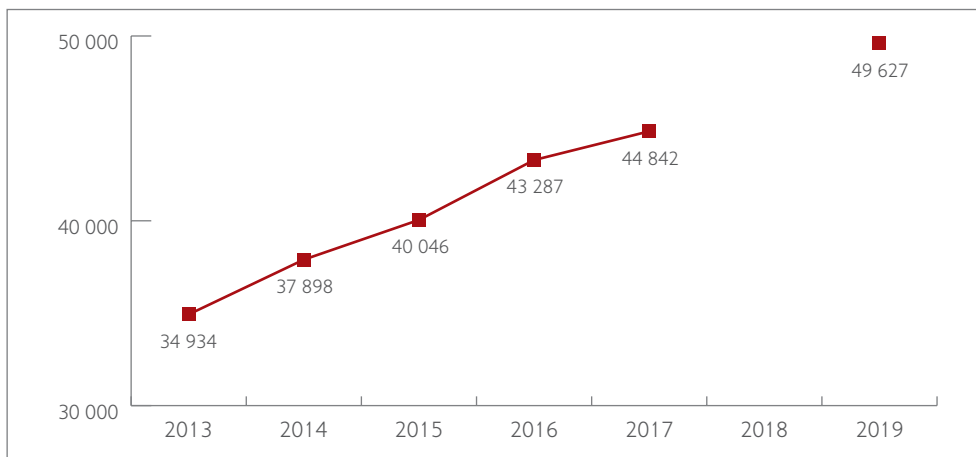
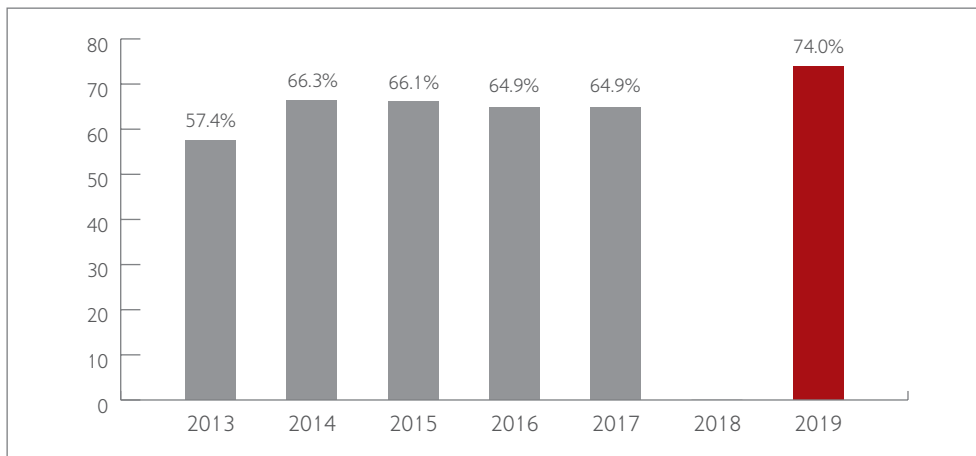
In terms of student enrolment, African students increased from 253 613 (71.4%) in 2013 to 255 393 (74.2%) in 2017 and continued to increase to a provisional 297 473 in 2018 (as on 5 September 2018). Coloured students increased marginally from 19 105 (5.4%) in 2013 to 19 632 (5.7%) in 2017. Indian students declined from 24 401 (6.9%) in 2013 to 20 088 (5.8%) in 2017. White students represented the largest decrease from 57 268 (16.1%) in 2013 to 47 434 (13.8%) in 2017.



Note: Figures are subject to change as a result of the May/June 2019 supplementary exam that is still in process for the 2018 academic year. Graduates are still being verified and is also subject to change.



Student achievement shows that the degree-credit success rate remained constant at 64.9% between 2016 and 2017. It seems unlikely that the ministerial target of 74% for 2019 will be achieved.



3. Students' living and learning experience, including their socialisation in an ODeL environment

Student development is ongoing with training in gender-based violence and other developmental programmes under the office of the dean of students. Refining the students' living and learning experience including their socialisation in an ODeL environment is ongoing. Student orientation workshops, also regionally, focus on gender-based violence and other forms of exclusion and discrimination. In principle the university has agreed to secure computers for students. The newly established student retention unit (SRU) has started reporting on first year experience at an institutional level as well as in some colleges such as College of Law.

4. Knowledge, epistemology and language

Unisa's total awarded publication outputs increased from 587,74 units in 2006 to 1 374,13 units in 2016, representing an increase of 788,39 units over this period. In addition to quantification there is a need for categorisation in terms of Africa-centred outputs.

Colleges have produced curriculum transformation frameworks as well as curriculum transformation plans and these will be implemented in 2019.

Colleges responded positively to the Vice-Chancellor's call to develop African languages for use in teaching, learning and research. The translation of question papers into various official languages commenced during the first semester in 2018 with the College of Education and is ongoing. The initiative is also aimed at improving throughput rate. The translation of questionnaires into African languages is a major step for the university. At a symbolic level it signifies the university's resolve to develop African languages into languages of science. At a deeper level this initiative is aimed at challenging the received wisdom and epistemological deception that only one language may serve as a language of science. This move adds to the resolve to transform Unisa into a truly African University that gives due regard to the knowledge systems and cultures that exist and have been dismembered and marginalised due to the hegemony of English.

It is recognised that the university's resolve in this direction will require further political will and determination. In addition, a lot of planning and hard work must go into the project.

Work on the establishment of a School of Languages, or similar, with the aim of integrating and developing all official languages, and other non-official languages offered by the university is ongoing. The Senate Language Committee has established a task team to work on the implementation of the Unisa language policy. The importance of the resolution is that it has a real potential of reviving and growing interest in, especially, African languages, which have experienced decline in terms of student enrolment over the past twenty to thirty years. Whereas substantial discussions are yet to take place on the shape that the ultimate product of this resolution will take, it is safe to begin postulating that one of the possible considerations could be to change the orientation of languages, from focus on form (phonology, morphology, syntax), content of language (semantics), and/or the function of language in communication (pragmatics). The possible shift could be towards use of language in literature and other forms of communication (drama and theatre, film, television etc.) and criticism.

5. Governance, leadership and management

A concerted effort was made to fill critical positions. The following appointments were made: VP: Research, Postgraduate Studies, Innovation and Commercialisation; VP/Chief Information Officer: Information Communication and Technology; VP: Institutional Development and Transformation; and, the Registrar, and Several Executive Directors.

The Leading Change project is ongoing and in 2018 organised nine pre-Senex presentations; eight roundtable discussions; and five transformation seminars. The development of change and transformation plans and instruments included the Institutional Transformation Plan; Change Management Strategy; roll-out of the Unisa Service Charter; Transformation Reporting Template; and, Integrated Transformation Strategy. These instruments will be piloted in 2019.

6. Institutional culture and social inclusion

During February-May 2018 the university invited the South African Human Rights Commission (SAHRC) to assist with the complex issues of racism, sexism and bullying. Three investigative hearings were held. This forced the university to confront the realities of racism, sexism and bullying. In July 2018 a report on racism, sexism and elitism at Unisa was presented to the Academic and Student Affairs Committee of Council.

In April 2018 an institutional research report entitled "Measuring the extent of workplace bullying among Unisa employees" was produced, confronting bullying and harassment in the workplace.

7. Funding and resource allocation, including sources of private funding and BBBEE

Addressing the National Student Financial Aid Scheme (NSFAS) challenge is ongoing. Unisa initiatives to address many of the NSFAS challenges included registration of students prior to NSFAS confirmation; and students being allowed to access results prior to NSFAS payments being received. The following plans are in motion to supplement the above: Unisa initiated a project to attempt to assist students with textbook allowances; and finalisation of the Unisa/NSFAS integration for applications. This is a joint project between Unisa Finance, Unisa ICT, and NSFAS.

Supply Chain Management established the ESD programme in May 2018. The training programmes have started with 36 SMMEs undergoing the first module in early August 2018. The training programme continued until November 2018, culminating in 250 SMMEs being capacitated and allocated business opportunities. Third stream income generation is being finalised through Unisa Enterprises and Short Learning Programmes.

8. Infrastructure, including buildings, facilities, and ICTs

The process of renaming Unisa buildings and facilities is ongoing, with 248 submissions received and being processed for the first call. The second call has been issued. The process of securing land to build in Mthatha was successful with the sod turning ceremony taking place on 16 August 2018.

The chief information officer presented the Digital Transformation Strategy to Senate and other key stakeholders. Roll-out is ongoing.

INDEX OF DHET REPORTING REQUIREMENTS

Performance assessment report:

- View from our leadership (pages 22-48)
- Reviewing our performance (pages 50-68)
- Preserving our reputation (pages 70-75)
- Governance and related issues (pages 76-97)

Report by the Chairperson of the Council:

- View from our leadership (pages 22-31)
- Remuneration of Council members (AFS)
- Compliance (pages 101-108)
- Governance of IT (pages 79, 89, 90, 101, 104, and APP pages 190-203)
- Governance of risk (pages 24, 27-30, 86-87, 95-105, and APP pages 190-203)
- Ethical leadership and corporate citizenship (pages 10-14, 39, 78, 86, 94, 104)
- Internal controls (pages 90, 95-97)
- Contracts and SLAs (45, AFS pages 124-189)

Council's statement on governance:

- Governance and related issues (pages 76-97)
- Council and Council Committees (pages 82-94)
- Remuneration (AFS, and APP pages 190-203)
- Executive remuneration (AFS pages 177-184)
- Finance Committee function and mandate (page 85)
- Governance of risk (pages 24, 27-30, 86-87, 95-105, and APP pages 190-203)
- Compliance (pages 101-107)
- Sustainability (APP pages 190-203)

Council's statement on sustainability:

- Scope of this report (pages 5, 14)
- View from our leadership – Report of the Chairperson of Council (pages 24-31)
- View from our leadership – Report of the Vice-Chancellor (pages 32-41)
- View from our leadership – Report of the Chief Financial Officer (pages 42-48)
- Academic report (pages 52, 68)
- Council Statement on Governance (pages 76-97)
- Unisa Council statement on sustainability (pages 98-100)
- Risk identification, monitoring and reporting (pages 101-104)
- Transformation, equity and human resources (page 112)
- Annual Performance Plan (pages 190-203)

Senate's report to the Council:

- Academic report (pages 52-68)
- Student body (pages 4-9, 119-121)
- Student funding (pages 45, 47, 60, AFS pages 124-189)

Institutional Forum's report to the Council:

- Institutional Forum report (pages 107, 108)

Vice-Chancellor's report on management/administration:

- View from our leadership (pages 22-31)
- Achievement of plans, goals and objectives (APP pages 190-203)
- Senior appointments (78-79, 84, 88-90, 102, 108, 121)

Report on internal administrative/operational structures and controls:

- Report (pages 95-97)
- Code of ethics (APP pages 190-203)
- Use of ICTs (pages 102, 121, and APP pages 190-203)

Report on risk exposure assessment and the management thereof:

- Enterprise Risk Management (pages 101-105)
- Risk and compliance report (pages 105-107)

Annual financial review:

- Consolidated Annual Financial Statements (AFS pages 124-189)

Report of the audit committee:

- Audit and Enterprise Risk Management Committee of Council (pages 86-88)

Report on transformation:

- Driving transformation: (pages 112-121)
- Policy impacting transformation (pages 25, 26, and APP pages 190-203)
- Initiatives (pages 32, 37, 39, 46, 47, 56, 57, 60-62, 75, 83, 96, 102, 103, 108, and APP pages 190-203)

AFS: Annual Financial Statements

APP: Annual Performance Plan



CONSOLIDATED ANNUAL FINANCIAL STATEMENTS



STATEMENT OF RESPONSIBILITY BY COUNCIL

31 DECEMBER 2018

The Council is responsible for the preparation, integrity and fair presentation of the consolidated financial statements of the University of South Africa.

The consolidated financial statements presented on pages 133-189 for the financial year ended 31 December 2018, have been prepared in accordance with International Financial Reporting Standards, regulations for Annual Reporting by Higher Education Institutions and in the manner required by the Minister of Education in terms of section 41 of the Higher Education Act, 1997 (Act No. 101 of 1997), as amended, and include amounts based on judgements and estimates made by the management. The Council has also prepared other information as required to be included in this Annual Report and is responsible for both its accuracy and consistency with the consolidated financial statements.

The Council's responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Council's responsibility also includes maintaining adequate accounting records and an effective system of risk management.

The going concern basis has been adopted in the preparation of the consolidated financial statements. Council has no reason to believe that the University of South Africa will not be a going concern in the foreseeable future based on forecasts and available cash resources. The viability of the institution is supported by the content of the consolidated financial statements.

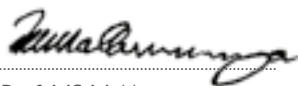
The consolidated financial statements have been audited by the auditors Ernst & Young Inc., who have been given unrestricted access to all financial records and related data, including minutes of meetings of the Council and all its committees. Council believes that all representations made to the independent auditors during their audit were valid and appropriate.

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements on pages 133-189 were approved by the Council on 19 June 2019 and signed on its behalf by:



Mr AS Simelane
Chairperson: Unisa Council



Prof. MS Makhanya
Principal and Vice-Chancellor



Mr TG Ramasike
Chairperson: Finance, Investment and
Estates Committee of Council



Mr PZR Zwane CA(SA)
Vice-Principal Finance/
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MINISTER OF HIGHER EDUCATION AND TRAINING AND THE COUNCIL ON THE UNIVERSITY OF SOUTH AFRICA

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of the University of South Africa and its subsidiaries (University) set out on pages 133-189, which comprise the consolidated statement of financial position as at 31 December 2018 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended as well as the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the consolidated financial statements present fairly, in all material respects, the financial position of the University as at 31 December 2018 and its 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, 1997 (Act no. 101 of 1997) (HEA).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We are independent of the University in accordance with sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct of Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board of Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of the financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) respectively.

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

Responsibilities of the Council for the consolidated financial statements

The Council is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act 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.

In preparing the consolidated financial statements, the Council is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is included in the annexure to the auditor's report. This description, which is located at page 132, forms part of our auditor's report

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof we have a responsibility to report material findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. We performed procedures to identify findings but not to gather evidence to express assurance. Accordingly, we do not express an opinion or conclusion on these matters.

Our procedures address the reported performance information, which must be based on the approved performance planning documents of the University. We have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. Our procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, our findings do not extend to these matters.

We evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the University for the year ended 31 December 2018:

Strategic target	Pages in the annual report
Quality educational offerings serving current and future generations through a streamlined and relevant PQM appropriate to a comprehensive University, responsive to current and future societal and stakeholder needs and the unique student profile.	194-196
A leading participant in and producer of research and innovative solutions in identified niche areas, with particular focus on identifying African solutions and global responses to African/ continental strategic focus areas and concerns.	196-197
Increase effective and efficient service to students to promote a quality student experience.	201-202
As Unisa steers towards a reliable, robust, and effective ICT infrastructure that enables the innovative use of technology in support of its identified areas of priority, it is cognisant of concerns raised by the academic and support staff, and the student body.	202-203

We performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. We performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

We did not raise any material findings on the usefulness and reliability of the reported performance information for the selected objectives mentioned above.

Other matter

We draw attention to the matter below.

Achievement of planned targets

Refer to the annual report on pages 190 to 203 for information on the achievement of the planned targets for the year.

REPORT ON AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

In accordance with the PAA and the general notice issued in terms thereof we have a responsibility to report material findings on the compliance of the University with specific matters in key legislation. We performed procedures to identify findings but not to gather evidence to express assurance. Accordingly, we do not express an opinion or conclusion on these matters.

The material findings on compliance with specific matters in key legislations are as follows:

Strategic planning and performance management

The university did not submit its annual performance plan for the 2018 financial year to the Department of Higher Education and Training on or before 15 December 2018 as required by regulation 7(4) of the Regulations for Reporting by Public Higher Education Institutions, issued in terms of sections 41 and 69 of the Higher Education Act.

The university did not submit an annual performance plan that includes appropriate mid-year performance indicators to the Department of Higher Education and Training as required by paragraph 5(2)(e) of the Regulations for Reporting by Public Higher Education Institutions issued in terms of sections 41 and 69 of the Higher Education Act.

The university's 2018 annual performance plan was not aligned with the strategic plan and budget documents as required by par 2(2)(e) of the Regulations for Reporting by Public Higher Education Institutions issued in terms of sections 41 and 69 of the Higher Education Act.

The university's budget information included in the annual performance plan did not include the 2018 financial year budget as required by par 5(2)(g) of the Regulations for Reporting by Public Higher Education Institutions issued in terms of sections 41 and 69 of the Higher Education Act.



Other information

The Council is responsible for the other information. The other information comprises the information included in the integrated report which includes the report of the Chairperson of Council for 2018, the report on UNISA operations during 2018, the report on internal administration, operational structures and controls (incorporating the report on risk and the management of risk) and the annual financial review as required by the Regulations for Reporting by Public Higher Education Institutions. The other information does not include the consolidated financial statements, the auditor's report thereon and those selected objectives presented in the annual performance report that have been specifically reported on in this auditor's report.

Our opinion on the consolidated financial statements and material findings on the reported performance information and compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements and the selected objectives presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INTERNAL CONTROL DEFICIENCIES

We considered internal control relevant to our audit of the consolidated financial statements, reported performance information and compliance with legislation. However, our objective was not to express any form of assurance on it.

Matters of internal control considered are limited to significant deficiencies that resulted in a basis for a modification of the audit opinion, or any material findings reported on the audit of the annual performance report or any material findings on the audit of compliance with legislation included in this report.

- Inadequate compliance monitoring controls to ensure that the preparation of annual planning documents for Council and the DHET are in line with the requirements of the Regulations for reporting by Public Higher Education Institutions.

OTHER REPORTS

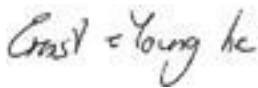
We draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the university's financial statements, reported performance information, compliance with applicable legislation and other related matters are either in progress or have been completed. These reports did not form part of our opinion on the financial statements or our findings on the reported performance information or compliance with legislation

Audit-related services

We conducted six engagements to perform agreed-upon procedures as requested by donors during the year ended 31 December 2018. These engagements were signed off in terms of the entity specific accounting policies and were performed at the request of various entities providing funds to the University and covered periods ranging from 1 January 2018 to 31 December 2018.

Three additional engagements as requested by donors during the year ended 31 December 2018 that have not been completed by the date of the audit report. The details of these engagements are as follows:

- Engagement to perform agreed-upon procedures in terms of International Standards on Related Services 4400: Engagements to Perform Agreed-Upon Procedures Regarding Financial Information (ISRS 4400) on Student head count enrolments, as required by the DHET for their process to determine the University subsidy for future periods. The report will be finalised by 31 July 2019.
- Engagement to perform agreed-upon procedures in terms of International Standards on Related Services 4400: Engagements to Perform Agreed-Upon Procedures Regarding Financial Information (ISRS 4400) in relation to grant funding provided by the European Union. The report will be finalised by 31 July 2019.
- Audit engagement in accordance with the Unites States Government Auditing Standards in relation to Compliance with specified requirements relating to the US Federal Direct Student Loan Program as requested by the United States Department of Education. The report will be finalised by 30 September 2019.



Ernst & Young Inc.
Director: Niel de Leeuw
Registered Auditor
Chartered Accountant (SA)

30 June 2019



ANNEXURE – AUDITOR’S RESPONSIBILITIES FOR THE AUDIT

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the consolidated financial statements, and the procedures performed on reported performance information for selected objectives and on the university’s compliance with respect to the selected subject matters.

Consolidated Financial Statements

In addition to our responsibility for the audit of the consolidated financial statements as described in this auditor’s report, we also:

- Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- Conclude on the appropriateness of the Council’s use of the going concern basis of accounting in the preparation of the consolidated financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the consolidated financial statements. Our conclusions are based on the information available to us at the date of this auditor’s report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Communication with those charged with governance

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also confirm to the Council that we have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on our independence and where applicable, related safeguards.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Notes	2018 R'000	2017 R'000	As at 01 January 2017 Restated R'000
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	1	2 518 820	2 736 329	2 877 270
Right of use assets	2.1	107 868		
Other Assets	2		50 000	50 000
Intangible assets	3	45 853	43 466	71 703
Investment property	4	1 488	30 394	25 078
Other investments	7		325 351	296 600
		2 674 029	3 185 540	3 320 651
CURRENT ASSETS				
Inventories	5	210 481	191 491	121 285
Trade and other receivables	6	735 189	660 527	345 052
Other investments	7	7 169 842	6 458 164	5 751 112
Pension fund asset	10.2	197 258	193 107	191 918
Cash and cash equivalents	8	305 786	447 904	207 003
		8 618 556	7 951 193	6 616 370
TOTAL ASSETS		11 292 585	11 136 733	9 937 021
EQUITY AND LIABILITIES				
RESTRICTED PPE DISTRIBUTABLE RESERVES				
Held for investment in property, plant and equipment	9	1 547 627	1 520 738	1 408 650
		1 547 627	1 520 738	1 408 650
DISTRIBUTABLE RESERVE				
Unrestricted	9	6 918 954	6 871 763	6 202 205
Restricted	9	35 426	36 268	34 717
		6 954 380	6 908 031	6 236 922
TOTAL EQUITY		8 502 007	8 428 769	7 645 572
NON-CURRENT LIABILITIES				
Lease liabilities	2.2	35 320		
Post-employment medical obligations	10.1	758 027	751 812	753 570
Employee benefit liability in respect of pension fund guarantee	10.3	24 885	33 025	55 845
Funds administered on behalf of Department of Higher Education and Training	14	49 091	60 082	64 072
		867 323	844 919	873 487
CURRENT LIABILITIES				
Trade and other payables	12	998 126	1 138 281	720 729
Lease liabilities	2.2	26 408		
Post-employment medical obligations	10.1	58 560	53 672	50 365
Accumulated leave liability	11	351 672	322 740	295 749
Deferred income	13	328 747	179 618	198 955
Student deposits	15	159 742	168 734	152 164
		1 923 255	1 863 045	1 417 962
TOTAL EQUITY AND LIABILITIES		11 292 585	11 136 733	9 937 021

*Certain amounts shown here do not correspond to the 2017 financial statements and reflect adjustments made. These are disclosed in note 29.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

Notes	Education and General			Student and staff accommodation restricted C R'000	2018 R'000	2017 R'000
	Council controlled unrestricted	Specifically funded activities restricted	Sub Total			
	A R'000	B R'000	R'000			
RECURRENT ITEMS	107 517	(326)	107 191		107 191	745 732
INCOME	7 315 516	23 015	7 338 531		7 338 531	7 773 109
State subsidies and grants	3 512 196		3 512 196		3 512 196	3 157 586
Tuition and other fee income	3 763 305		3 763 305		3 763 305	3 370 481
Income from contracts	14 350	22 295	36 645		36 645	35 104
For research	11 994		11 994		11 994	11 033
For other activities	2 356	22 295	24 651		24 651	24 071
Sales of goods and services	173 731	720	174 451		174 451	197 953
Private gifts and grants	158 506		158 506		158 506	123 294
Interest and dividends	360 051		360 051		360 051	297 339
Fair value adjustment – investments	(666 623)		(666 623)		(666 623)	591 352
EXPENDITURE	7 207 999	23 341	7 231 340		7 231 340	7 027 377
Personnel costs	5 137 362		5 137 362		5 137 362	4 739 557
Academic & professional	2 373 936		2 373 936		2 373 936	1 948 786
Other personnel	2 763 426		2 763 426		2 763 426	2 790 771
Other current operating expenses	1 511 863	23 243	1 535 106		1 535 106	1 957 113
Loss allowance	228 226		228 226		228 226	
Depreciation and amortisation	322 645	98	322 743		322 743	330 178
Finance costs	7 903		7 903		7 903	529
NON-RECURRENT ITEMS	(172)		(172)		(172)	(9 557)
INCOME	(172)	128 924	128 752		128 752	182 563
Special projects DHET		66 489	66 489		66 489	66 867
Loss on disposal of PPE	(141)		(141)		(141)	(6 372)
Loss on investments	(31)		(31)		(31)	(3 185)
Teaching and research development		62 435	62 435		62 435	125 253
EXPENDITURE		128 924	128 924		128 924	192 120
Special projects DHET		66 489	66 489		66 489	66 867
Teaching and Research Development		62 435	62 435		62 435	125 253
NET SURPLUS						
OTHER COMPREHENSIVE INCOME	107 345	(326)	107 019		107 019	736 175
Re-measurement gains/(losses) on defined benefit plans not to be recycled to surplus	10 (53 879)		(53 879)		(53 879)	47 022
TOTAL COMPREHENSIVE INCOME	53 466	(326)	53 140		53 140	783 197

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

Notes	Operating Funds - unrestricted			Operating Funds - restricted				Property, Plant and Equipment (PPE)				Total (A+B+C)
	Accumulated funds Unrestricted	Unrestricted/ designated	Sub Total A	Restricted use funds Residence	Restricted use Funds reserves other	Trust Fund	Sub Total B	Restricted Use	Fixed Asset Fund PPE	Unrestricted Use	Sub Total C	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
2017												
Balance as at 01.01.2017	5 720 452	581 303	6 301 755		34 717		34 717	58 922		1 349 728	1 408 650	7 745 122
Prior year error 29	(99 550)		(99 550)									(99 550)
Balance as at 01.01.2017 – restated	5 620 902	581 303	6 202 205		34 717		34 717	58 922		1 349 728	1 408 650	7 645 572
Surplus – restated	674 223		674 223		1 651		1 651	9 257		98 066	107 323	783 197
From profit or loss as previously reported	642 016		642 016		1 651		1 651	9 257		98 066	107 323	750 990
Prior year error 29	(14 815)		(14 815)									(14 815)
From profit or loss restated	627 201		627 201		1 651		1 651	9 257		98 066	107 323	736 175
From other comprehensive income	47 022		47 022									47 022
Transfers – Credit	(14 814)		(14 814)		(100)		(100)					(14 914)
Transfers – Debit	100	10 049	10 149							4 765	4 765	14 914
BALANCE AT 31.12.2017- restated	6 280 411	591 352	6 871 763		36 268		36 268	68 179		1 452 559	1 520 738	8 428 769
2018												
Balance as at 01.01.2018 – restated	6 280 411	591 352	6 871 763		36 268		36 268	68 179		1 452 559	1 520 738	8 428 769
IFRS 15 adjustment	20 098		20 098									20 098
Surplus	41 821		41 821		(755)		(755)	5 059		7 015	12 074	53 140
From profit or loss	95 700		95 700		(755)		(755)	5 059		7 015	12 074	107 019
From other comprehensive income	(53 879)		(53 879)									(53 879)
Transfers – Credit	576 455		576 455		(169)		(169)					576 286
Transfers – Debit	169	(591 352)	(591 183)		82		82			14 815	14 815	(576 286)
BALANCE AT 31.12.2018	6 918 954		6 918 954		35 426		35 426	73 238		1 474 389	1 547 627	8 502 007

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 R'000	2017 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	24	636 150	284 286
Rental Income	17	7 310	5 298
Interest received	17	264 280	225 123
Dividends received	17	88 461	66 918
Finance cost	20	(7 903)	(529)
NET INFLOW FROM OPERATING ACTIVITIES		988 298	581 096
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	1	(129 097)	(180 520)
Acquisition of investment property	4		(9 505)
Acquisition of intangible assets	3	(19 920)	(2 791)
Proceeds on disposal of property, plant and equipment		1 646	257
Sale/(Acquisition) of investments		(956 753)	(147 636)
NET OUTFLOW FROM INVESTMENT ACTIVITIES		(1 104 124)	(340 195)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease liabilities repaid		(26 292)	
NET INFLOW FROM FINANCING ACTIVITIES		(26 292)	
NET DECREASE IN CASH AND CASH EQUIVALENTS		(142 118)	240 901
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		447 904	207 003
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	8	305 786	447 904

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

1.1 REPORTING ENTITY

The University of South Africa is an institution domiciled in South Africa. The consolidated financial statements of the University as at and for the year ended 31 December 2018 comprise the University and entities which the University has the power to control. The basis of consolidation of the consolidated financial statements is set out in point 2.3. The University as an educational institution is primarily involved in tuition, research and community service in South Africa and beyond.

1.2 REGISTERED OFFICE

Preller Street
Muckleneuk Ridge
Pretoria

2.1 STATEMENT OF COMPLIANCE

The consolidated financial statements are prepared in accordance and compliance with International Financial Reporting Standards, regulations for annual reporting by Higher Education Institutions and in the manner required by the Minister of Higher Education and Training in terms of section 41 of the Higher Education Act, 1997 (Act No. 101 of 1997), as amended.

2.2 BASIS OF PREPARATION

2.2.1 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- financial instruments at fair value through profit or loss and,
- the defined benefit asset is recognised as the net total of plan assets, and the present value of the defined benefit obligation.

The methods used to measure fair values are discussed further in note 2.17.

2.2.2 Functional currency

The consolidated financial statements are presented in South African Rand, which is the University's functional currency, rounded to the nearest thousand.

2.2.3 Segment information and accumulated funds

A segment is a recognised component of the University that is engaged in undertaking activities and providing services that are subject to risks and returns different from those of other segments. Segmentation provided in the consolidated statement of comprehensive income of these financial statements is in terms of the guidelines prescribed by the Department of Higher Education and Training.

2.2.3.1 Specifically funded activities restricted (Education and general)

The specifically funded activities restricted consist mainly of research activity. Here decision-making rights over income earned and related expenses rest with researchers. Council retains an oversight role in regard to ensuring that expenditure is in accordance with the mandate received from funders.

2.2.3.2 Unrestricted Council controlled funds

The Council controlled segment predominantly represents the teaching component of the University. Decision-making rights relating to income earned in this segment rests with Council.

Unrestricted council controlled/ designated funds

This represents the positive fair value adjustments to investments. Should there be a fair value loss the balance on the fund will be limited to zero.

2.2.3.3 Restricted property, plant and equipment reserves

This reserve relates to the funds earmarked for investment in property, plant and equipment. Transfers to and from this reserve rests with Council.

2.2.4 Use of estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities as well as income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by Management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 25.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are described in the following notes:

- Note 10.2 – measurement of defined benefit obligations
- Note 22 – contingent liabilities
- Accounting policy 2.13 – inventory
- Accounting policy 2.12 and note 21 – valuation of financial instruments
- Accounting policy 2.4 – property, plant and equipment
- Accounting policy 2.8 - impairment
- Accounting policy 2.10 – lease classification
- Accounting policy 2.18 – Revenue

2.3 BASIS OF CONSOLIDATION

The consolidated financial statements include all assets and liabilities of the University of South Africa, the University of South Africa Foundation, the University of South Africa Fund Inc. and the Unisa Enterprises (Pty) Ltd. The subsidiaries are wholly owned by the University of South Africa. Entities are included in the consolidated financial statements when the University has the power to control the entities. Control is achieved when the University:

- has power over the investee
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the University obtains control over the subsidiary and ceases when the University loses control of the subsidiary.

2.3.1 Transactions and grants eliminated on consolidation

Transactions

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Grants

Grants between related funds are eliminated in the consolidated annual financial statements.

2.4 PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

Property, plant and equipment is recognised as an asset if

- (a) it is probable that future economic benefits associated with the item will flow to the entity
- (b) the cost of the item can be measured reliably

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Land is stated at cost and is not depreciated as it is deemed to have an unlimited useful life. Property, plant and equipment acquired by means of donations are recorded at nominal value. Artwork is recorded at cost or at nominal value. The carrying value is reviewed annually and adjusted for impairment when necessary.

Cost includes expenditure that is directly attributable to the acquisition of the items of property, plant and equipment. The cost of self-constructed items of property, plant and equipment includes the cost of materials and direct labour, any other costs directly attributable to bringing the item to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Work in progress includes all expenditure that is directly attributable to the construction of the items of property, plant and equipment, until the construction is completed and an occupation certificate is issued. Work in progress is capitalised during the construction phase and only depreciated once the building is available for occupation.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Depreciation

Depreciation is the systematic allocation of the depreciable amount of an item of property, plant and equipment over its estimated useful life. Depreciation is charged on the depreciable amount to profit or loss on a straight-line basis over the estimated useful lives of the property, plant and equipment. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the period and are treated as changes in accounting estimates.

The depreciable amount is the difference between the cost of an item of property, plant and equipment and its residual value.

Residual value is the estimated amount that the University would currently obtain from disposal of the item of property, plant and equipment, after deducting the estimated costs of disposal, if the item of property, plant and equipment was already of age and in the condition expected at the end of its useful life.

Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the University will obtain ownership by the end of the lease term.

The estimated useful lives for the current and prior periods are as follows:

- | | |
|---|---|
| • Motor vehicles and farm equipment | 5 years |
| • Laboratory and audio visual equipment | 5 – 10 years |
| • Museum and art work | Not depreciated |
| • Computer equipment | 3 – 8 years |
| • Furniture and equipment | 10 – 15 years |
| • Buildings and improvements | 50 – 75 years |
| • Library Books | 3 years |
| • Leased asset | Shorter of the lease term or estimated useful lives |

Where components of an item of property, plant and equipment have different useful lives, they are depreciated separately.

The residual values, depreciation method and useful lives of items of property, plant and equipment are reassessed annually and adjusted prospectively, if appropriate.

Subsequent expenditure relating to an item of property, plant and equipment is capitalised when it is probable that future economic benefits from the use of the item of property, plant and equipment will flow to the entity and the costs can be measured reliably. All other subsequent expenditure is recognised as an expense in the period in which it is incurred. Profits/ (losses) on the disposal of items of property, plant and equipment are recognised in profit or loss. The profit or loss is the difference between the net disposal proceeds and the carrying amount of the item of property, plant and equipment.

Routine maintenance costs are recognised in profit or loss as they are incurred. The costs of major maintenance or overhaul of an item of property, plant or equipment are recognised as an expense, except if the cost had been recognised as a separate part of the cost of the item of property, plant and equipment.

Transfers are made to (or from) investment property to PPE only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

Derecognition

An item of property, plant or equipment, initially recognised is derecognised upon disposal, or when no future economic benefits are expected from its use. Any gain or loss arising from the derecognition (the difference between the carrying amount and the proceeds on disposal) are included in the statement of profit or loss and other comprehensive income when the asset is derecognised.

2.5 RIGHT-OF-USE ASSETS

The University recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the University is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Right of use assets are depreciated over the shorter of the lease or estimated useful life of the asset.

2.6 INVESTMENT PROPERTIES

Land and buildings are recognised as investment properties when these properties are either held to earn rental income and/or for capital appreciation but not for sale in the ordinary course of business, for use in the production or supply of goods or services, or for administrative purposes. Owner-occupied properties are held for educational activities and administrative purposes. This distinguishes owner-occupied properties from investment properties.

Investment properties are carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated by using the straight-line method to write off the depreciable amount over the investment property's estimated useful life.

The useful life for the current and prior period is:

- Buildings and improvements – 50 years

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss. Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

2.7 INTANGIBLE ASSETS

An intangible asset is an identified, non-monetary asset that has no physical substance. An intangible asset is recognised when:

- it is identifiable
- the University has control over the asset as a result of a past event
- it is probable that economic benefits will flow to the University and
- the cost of the asset can be measured reliably

The amortisation period, residual values and amortisation method are reassessed annually.

2.7.1 Research

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised in profit or loss when incurred.

2.7.2 Computer software, library databases and e-Books, and publishing rights

Acquired computer software, library databases and e-Books, and publishing rights that are significant and unique to the business are capitalised as intangible assets on the basis of the cost incurred to acquire and make available for use the specific software, library databases and e-Books, and publishing rights.

Costs associated with maintaining computer software programmes, library databases and e-Books, and publishing rights are capitalised as intangible assets only if they qualify for recognition. In all other cases, these costs are recognised as an expense as incurred.

Costs that are directly associated with the development and production of identifiable and unique software products, library databases and e-Books, and publishing rights controlled by the University and that will probably generate economic benefits exceeding one year are recognised as intangible assets. Direct costs include the costs of development, employees' costs and an appropriate allocation of relevant overheads.

Computer software, library databases and e-Books, and publishing rights are amortised on a straight-line basis over its estimated useful life from the date it becomes available for use.

The useful life for the current and prior period is:

- Computer software (including licences) 3 – 10 years
- Library databases and e-Books 3 – 10 years
- Publishing rights 3 – 10 years
- Indefinite life intangible assets None

Subsequent expenditure on capitalised intangible assets is capitalised when it increases the future economic benefits embodied in the specific asset to which it relates and the costs can be measured reliably. All other expenditure is expensed as incurred.

2.7.3 Library Databases

Access to databases acquired separately are measured on the basis of the cost incurred to acquire and make available the access to the database.

The useful lives of library databases are assessed as either finite or indefinite.

Library databases with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the library database may be impaired. The amortisation period and the amortisation method are reviewed at least at the end of each reporting period.

Since new versions of library databases with indefinite lives are available on a regular basis, these are assessed for impairment and amortised over a finite useful life.

Library database access is amortised on a straight line basis over its estimated useful life from the date it becomes available for use.

The useful life for the current and prior period is:

- Access to library databases 3–10 years

2.7.4 Derecognition

An intangible asset, initially recognised, is derecognised upon disposal, or when no future economic benefits are expected from its use. Any gain or loss arising from the derecognition (the difference between the carrying amount and the proceeds on disposal) are included in the statement of profit or loss and other comprehensive income when the asset is derecognised.

2.8 IMPAIRMENT OF FINANCIAL AND NON-FINANCIAL ASSETS

The University's assets other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated.

Financial Assets

For student receivables, loans and other receivables the University applies a simplified approach in calculating expected credit losses. The university does not track changes to the credit risk, but instead recognises a loss allowance based on the lifetime expected credit losses at each reporting date. The university established a matrix that is based on its historical credit loss experience adjusted for forward looking factors such as the unemployment rate, and economic growth prospects of the country with specific reference to the debtors' environment.

The University recognises an allowance for expected credit losses for all receivables. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows the University expects to receive, discounted at an approximation of the original effective interest rate. Receivables with a duration of twelve or less months are not discounted.

An impairment loss in respect of receivables carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. The reversal of impairment losses on these financial assets is recognised in profit or loss.

The allowance accounts in respect of student and other receivables are used to record impairment losses unless the University is satisfied that no recovery of the amount owing is possible. The University considers outstanding accounts as irrecoverable after the second year that the debt is outstanding. At that point the amounts considered irrecoverable are written off directly against the financial asset.

Non-financial assets

An impairment loss is recognised if the carrying amount of a non-financial asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of a non-financial asset is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In respect of other non-financial assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

In respect of non-financial assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.9 FOREIGN CURRENCIES

Foreign currency transactions are translated to the University's functional currency at the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at rates of exchange ruling at the end of the financial year.

It is not the policy of the University to take out forward exchange contracts on foreign currency transactions entered into.

2.10 LEASES

The University recognised all leases in the comparative period as being operational leases. Operational leases payments were recognised in the statement of profit or loss on a straight line basis over the lease term. Comparative figures relating to leases have not been adjusted.

2.10.1 Nature of the effect of adoption of IFRS 16

The university has lease contracts for its regional offices. Before the adoption of IFRS 16 the University classified these leases as operating leases and very few of the risks and rewards incidental to ownership was transferred to the university. Upon adoption of IFRS 16 the university applied a single recognition and measurement approach for all leases where it is the lessee except for short-term leases and leases of low value assets.

The university recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying asset.

2.10.2 Leases

The University is applying IFRS 16 before the effective date. The standard provides for a single lessee accounting model, which requires the lessee to recognize assets and liabilities for all the major leases.

At inception contracts are assessed to determine whether or not the contract contains a lease. This is based on the right to control the asset for a period of time in exchange for consideration. The University has elected not to apply the practical expedient to account for each lease component and any non-lease component as a single lease component.

The assets are disclosed in the statement of financial position as right-of-use assets, and are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the applicable incremental borrowing rate is used. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the estimated amount expected to be payable under a residual value guarantee, or if the University changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The University has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Interest expense on the lease liability is disclosed separately from the depreciation charge for the right-of use assets. Interest expense on the lease liability is a component of finance cost, which is presented separately in the statement of profit and other comprehensive income.

2.10.3 Short-term leases and leases of low value

The university applies the short-term lease recognition exemption to its short-term leases of vehicles, equipment and exam venues (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Furthermore it applies the lease of low value assets recognition exemption to equipment that are considered of low value (i.e. less than R79 800). These leases are recognised as an expense on a straight line basis over the lease term.

2.11 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 settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The university has provisions for its leave liability and staff bonuses which is covered under the IAS 19 Employee Benefits. Refer to accounting policy 2.22.

2.12 FINANCIAL INSTRUMENTS

The University implemented IFRS 9 during the year, refer to note 30.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity. Non-derivative financial instruments comprise investments in equity and debt securities, student and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables. Financial assets and financial liabilities are recognised when a University entity becomes a party to the contractual provisions of the instruments.

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost or fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the University's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the University has applied the practical expedient, the University initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the University has applied the practical expedient, are measured at the transaction price determined under IFRS 15.

The University's business model refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

2.12.1 Measurement

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, directly attributable transaction costs, and for financial instruments through profit or loss, excluding attributable costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

Financial assets are classified into the following categories:

- Financial assets at amortised costs
- Financial assets at fair value through profit or loss
- Designated at fair value through profit or loss.

2.12.2 Interest-bearing borrowings

Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, adjusted for any loss allowances.

2.12.3 Student and other receivables

Student and other receivables are subsequently classified at amortised cost, using the effective interest method less any expected credit losses. Trade receivables that do not contain a significant financing component or for which the University has applied the practical expedient are measured at the transaction price determined under IFRS 15.

2.12.4 Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost, using the effective interest method. For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments, net of bank overdrafts, all of which are available for use by the University unless otherwise stated. Bank overdrafts that are repayable on demand and form an integral part of the University's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

2.12.5 Trade and other payables

Trade and other payables are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier. Trade payables are subsequently carried at amortised cost using the effective interest method.

2.12.6 Student deposits

Student deposits are classified at amortised cost and represents amounts which have been overpaid by students and are refundable on demand. Student deposits are subsequently carried at amortised cost using the effective interest method.

2.12.7 Recognition and de-recognition

A financial instrument is recognised when the University becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the University's contractual rights to the cash flows from the financial assets expire or if the University transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date (the date that the University commits itself to purchase or sell the asset). Financial liabilities are de-recognised when the University's obligations specified in the contract expire or are discharged or cancelled.

2.12.8 Offset

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the University has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.12.9 Investments at fair value through profit or loss

An instrument is classified as at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss. Fair value movement recognised in profit or loss excludes interest and dividends.

2.13 INVENTORY

Inventory is stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and selling expenses. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition, and is determined using the weighted average cost method. Obsolete, redundant and slow moving inventories are identified on a regular basis and are written down to their estimated scrap values.

Inventories comprise study materials and courseware, technical store and consumables.

2.14 NORMAL TAXATION

The University is exempted from normal taxation in terms of section 10 of the South African Income Tax Act, 1962 (Act No. 58 of 1962).

2.15 RELATED PARTIES

Related parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the other party in making financial and operational decisions. Key Management staff and their close family members are also regarded as related parties. Key Management staff are those persons having authority and responsibility for planning, directing and controlling the activities of the University.

2.16 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the University, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

2.17 DETERMINATION OF FAIR VALUES

A number of the University's accounting policies and disclosures require the determination of fair values, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the methods indicated below. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

2.17.1 Investment property

An external, independent valuation company, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the University's investment property portfolio. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks inherent in the net cash flows is then applied to the net annual cash flows to arrive at the property valuation.

2.17.2 Investments in equity and debt securities

The fair value of financial assets at fair value through profit or loss is determined by reference to their quoted bid price at the reporting date. Investments are managed by asset managers and are traded on a regular basis.

2.17.3 Trade and other receivables

The fair value of student and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

2.18 REVENUE

2.18.1 Goods sold

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances and discounts. Revenue is recognised when control has been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be measured reliably, the amount of revenue can be measured reliably, and there is no continuing management involvement with the goods.

2.18.2 Services and tuition fees

Revenue from contracts with customers for services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. Stage of completion is milestone based. As the academic and financial years run simultaneously, all performance obligations occur, in most cases, within the financial year, therefore tuition fees are recorded as income in the period to which it relates. Deposits received from prospective students are recognised as income once the service has been rendered.

2.18.3 Performance Obligations

The performance obligation for tuition fees is satisfied overtime and fully satisfied upon the results of the student examinations being released.

Payment is generally due within 90 days after registration in the case of semester modules and 210 days in respect of year modules. Using the practical expedient in IFRS 15, the University does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Some contracts provide students with the option to write a supplementary examination in the following year as well as some miscellaneous services. These are included in the transaction price for that year and is accounted for as variable consideration. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The University calculates its performance obligations based on the council of higher education norms of 120 hours per semester per module and 240 hours per year module to complete the course material for each module. The average exam time was then added in order to calculate the IFRS 15 additional revenue.

2.18.4 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the University has received consideration. If a customer pays before the transfer of the goods or services, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the obligations are performed in terms of the contract.

2.18.5 Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease.

2.18.6 Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the University performs its obligation by transferring the good or service to the customer before the customer pays consideration or before the payment is due a contract asset is recognised for the earned consideration that is conditional.

2.19 GOVERNMENT GRANTS

An unconditional government grant or subsidy is recognised in profit or loss when the grant becomes receivable. Other conditional government grants are recognised initially as deferred income when there is reasonable assurance that they will be received and that the University will comply with the conditions associated with the grant. Grants that compensate the University for expenses incurred are recognised in profit or loss on a systematic basis in the same periods in which the expenses are recognised.

Non-monetary assets received through a government grant are accounted for at a nominal amount.

2.20 DONATIONS

Donations are recognised as income when received.

2.21 DIVIDEND AND INTEREST INCOME

Dividend income is recognised when the right to receive payment is established.

2.22 EMPLOYEE BENEFITS

2.22.1 Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service. The accruals for employee entitlements to salaries and annual leave represent the amount which the University has a present obligation to pay as a result of employee services provided to the reporting date, and is expected to settle wholly before the twelve months after the end of the annual reporting period in which the service was rendered. The accruals have been calculated at undiscounted amounts based on current salary rates.

2.22.2 Long-term service benefits – Post Employment Medical Benefits

The University's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. Any actuarial gains and losses are recognised in profit or loss in the period in which they arise. The discount rate is the yield at the reporting date on RSA Government bonds that have maturity dates approximating to the terms of the University's obligation.

2.22.3 Termination benefits

Termination benefits are recognised as an expense in profit and loss when the University is demonstrably committed without realistic possibility of withdrawal to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognised if the University has made an offer encouraging voluntary redundancy, if it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

2.22.4 Defined contributions plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution retirement plans are recognised as an employee benefit expense in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

2.22.5 Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The University's net obligation in respect of defined benefit retirement plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value.

The fair value of any plan assets and any unrecognised past service costs is deducted. The discount rate is the market yield at the reporting date on RSA Government bonds that have maturity dates approximating to the terms of the University's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit or loss.

When the calculation results in a benefit to the University, the recognised asset is limited to the net total of any unrecognised past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

The University recognises all actuarial gains and losses arising from defined benefit plans immediately in other comprehensive income.

NOTE 1: PROPERTY, PLANT AND EQUIPMENT

	Note	Land and buildings R'000	Furniture and equipment R'000	Computer equipment and leased assets R'000	Vehicles & farm equipment R'000	Laboratory, museum, art and audio-visual R'000	Library R'000	Total R'000
At 1 January 2017								
Cost		2 435 618	467 062	495 075	14 035	609 597	639 509	4 660 896
Prior year error	29	(77 363)						(77 363)
Cost - restated		2 358 255	467 062	495 075	14 035	609 597	639 509	4 583 533
Accumulated depreciation		(431 938)	(265 640)	(255 177)	(10 646)	(155 112)	(587 750)	(1 706 263)
Net carrying value restated		1 926 317	201 422	239 898	3 389	454 485	51 759	2 877 270
At 31 December 2017								
Opening net book amount		1 926 317	201 422	239 898	3 389	454 485	51 759	2 877 270
Prior year error	29	(3 391)						(3 391)
Net transfer to investment properties		(6 043)						(6 043)
Reclassification of assets			(53 866)	48 668	10 445	(5 247)		
Additions		5 537	19 914	80 023	3 040	67 953	19 981	196 449
Disposals			(6 392)	(15 455)	(1 401)	(858)	(28 829)	(52 935)
Depreciation on disposals			3 704	7 142	1 210	695	28 829	41 580
Depreciation		(52 308)	(45 319)	(81 673)	(8 939)	(93 544)	(34 817)	(316 600)
Closing net carrying value restated		1 870 112	119 463	278 603	7 744	423 484	36 923	2 736 329
At 1 January 2018								
Cost		2 354 357	426 718	608 311	26 120	671 445	630 660	4 717 611
Accumulated depreciation		(484 245)	(307 255)	(329 708)	(18 376)	(247 961)	(593 737)	(1 981 282)
Net carrying value		1 870 112	119 463	278 603	7 744	423 484	36 923	2 736 329
At 31 December 2018								
Opening net book amount		1 870 112	119 463	278 603	7 744	423 484	36 923	2 736 329
Net transfer from investment properties		28 849						28 849
Impairment		(92 134)						(92 134)
Additions		23 983	21 892	34 382	348	32 574	25 914	139 093
Disposals			(2 533)	(7 642)	(474)	(600)	(50 672)	(61 921)
Depreciation on disposals			2 263	4 988	434	541	50 672	58 898
Depreciation		(56 672)	(37 050)	(76 506)	(2 243)	(91 463)	(26 360)	(290 294)
Closing net carrying value		1 774 138	104 035	233 825	5 809	364 536	36 477	2 518 820
At 31 December 2018								
Cost		2 416 881	446 077	635 051	25 994	703 420	605 902	4 833 325
Accumulated impairment		(92 134)						(92 134)
Accumulated depreciation		(550 609)	(342 042)	(401 226)	(20 185)	(338 884)	(569 425)	(2 222 371)
Net carrying value		1 774 138	104 035	233 825	5 809	364 536	36 477	2 518 820
Net carrying value								
At 31 December 2018		1 774 138	104 035	233 825	5 809	364 536	36 477	2 518 820
At 31 December 2017		1 870 112	119 463	278 603	7 744	423 484	36 923	2 736 329

A register of land and buildings owned by the University is available at the University's registered address. The University is not permitted to dispose of or alienate land and buildings without the approval of the Minister.

Included in the cost of PPE of R4 833 325 000 is an amount of R122 729 925 relating items of PPE that are fully depreciated and carried in the books at R1 or less. The accumulated depreciation of these assets is R122 729 925 and the net book value is R0 as at 31 December 2018. These assets have not been revalued but will continue to be use until disposed of.

In 2018 the impairment loss of R92 134 000 which represents the impairment of the College of Economic and Management Sciences building as a result of the University changing it policies relating to construction of buildings. This amount was previously recorded as part of work in progress. This amount was recognised in the statement of profit or loss and other comprehensive income as other operating expenses.

Land included in the above land and buildings

	2018 R'000	2017 R'000
Balance as at 1 January	154 442	154 442
Balance as at 31 December	154 442	154 442

NOTE 2: OTHER ASSETS

	2018 R'000	2017 R'000
Deposit in the construction of a joint library		
Balance as at 1 January	50 000	
Additions		50 000
Transferred to Right of Use asset	(50 000)	
Balance as at 31 December		50 000

The University entered into a collaboration agreement with Universities' of Fort Hare and Walter Sisulu, to provide library services to the students in East London. The construction was completed in 2018. The 3 universities carry the costs of the operating expenses in the ratio 45:45:10 respectively

NOTE 2.1: RIGHT OF USE ASSETS

	2018 R'000	2017 R'000
Library		
Transfer from Other assets	50 000	
Depreciation	(750)	
Balance as at 31 December	49 250	
Leased Buildings		
The university leases buildings for its regional offices		
Opening balance adjustment on transition to IFRS 16	78 856	
Additions	9 164	
Depreciation	(29 402)	
Balance at 31 December	58 618	
Total	107 868	

NOTE 2.2: LEASE LIABILITIES

	2018 R'000	2017 R'000
The liabilities are raised in terms of IFRS 16 and are repayable in monthly instalments	61 782	
Less: Amounts payable included in current liabilities	(26 408)	
Balance at end of year	35 320	

Effective January 1, 2018, the University early adopted IFRS 16 using a prospective cumulative catch up approach as permitted for the transition to IFRS 16 and accordingly the information presented for 2017 has not been restated. The University has made use of the transitional provisions as per IFRS 16. It remains as previously reported under IAS 17 and related interpretations.

Right-of-use assets and lease obligations of R78 856 000 were recorded as of January 1, 2018, with no net impact on retained earnings. When measuring lease liabilities, the university discounted lease payments on lease building using its Portfolio incremental borrowing rate on lease property at January 1, 2018. The weighted average incremental borrowing rate was 8.17%.

The University has elected to apply the practical expedient to account for leased assets with the individual value of R79 800 as operating lease. All leased printers are included in this category.

The University has elected to apply the transitional provision of the practical expedient to account for leased vehicles for which the lease term ends within twelve months of the date of initial application in a similar manner as short-term leases.

The University has elected to apply the practical expedient to grandfather the assessment of which transactions are leases on the date of initial application, as previously assessed under IAS 17 and IFRIC 4. The University applied the definition of a lease under IFRS 16 to contracts entered into or changed on or after January 1, 2018. The following table reconciles UNISA's operating lease obligations at December 31, 2017, as previously disclosed in the consolidated financial statements, to the lease obligations recognized on initial application of IFRS 16 at January 1, 2018.

Operating lease commitments at 01 January 2018 (Note A)	156 234
Discounted using the incremental borrowing rate at 01 January 2018	8.17%
Extension options reasonably certain to be exercised	7 777
Lease obligations recognised at 01 January 2018	78 856

Note A: Includes lease commitments relating to prior year, identified in 2018

	2018 R'000
Expenses relating to variable lease payments not included in the measurement of lease liabilities	
Joint Library	418
Total cash out flow for leases	164 010
Maturity Analysis – low value leases	
Not later than 1 year	16 404
Later than 1 year and not later than 5 years	42 379
	58 783
Maturity Analysis – leases	
Not later than 1 year	26 277
Later than 1 year and not later than 5 years	51 151
	77 428

Short-term and low-value lease expenditure is disclosed under note 19 as separate line items. Finance costs are disclosed in to note 20.

NOTE 3: INTANGIBLE ASSETS

	2018 R'000	2017 R'000
Computer Software & Library Databases Cost		
Balance as at 1 January	154 907	187 800
Acquisitions	19 920	2 791
Disposals	(57 888)	(35 684)
Balance as at 31 December	116 939	154 907
Accumulated amortisation		
Balance as at 1 January	(111 441)	(116 097)
Amortisation for the year	(17 138)	(31 028)
Disposals	57 493	35 684
Balance as at 31 December	(71 086)	(111 441)
Carrying value		
At 31 December	45 853	43 466

NOTE 4: INVESTMENT PROPERTY

	2018 R'000	2017 R'000
Cost		
Balance as at 1 January	37 978	34 120
Transferred to Property, Plant & Equipment	(35 086)	(5 647)
Additions		9 505
Balance as at 31 December	2 892	37 978
Accumulated depreciation and impairment losses		
Balance as at 1 January	(7 584)	(9 042)
Transferred to Property, Plant & Equipment	6 237	2 185
Depreciation for the year	(57)	(727)
Balance as at 31 December	(1 404)	(7 584)
Carrying value		
At 31 December	1 488	30 394
Maturity analysis		
Lease payments receivable within one year	4 896	7 310
Lease payments receivable within 2–5 years		4 896
	4 896	12 206

The University applies the cost model for investment property. The investment property relates to buildings which was valued during 2014 by Corporate Valuations CC, a registered independent property appraiser having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. Fair values were determined by using the income capitalisation method. The fair value as determined by the property appraiser as at 31 May 2015 amounted to R42,7 million. The University's assessment of the valuation indicated no significant change in the fair value of the property as at the reporting date. The property will be valued in 2019.

Rental income from investment property amounted to R7,310 million (2017: R5,298 million) and the direct operating expenses amounted to R0,126 million (2017: R0,057 million).

A register of the land and buildings included in investment properties is available at the University's registered address.

NOTE 5: INVENTORIES

	2018 R'000	2017 R'000
Study materials and courseware	194 229	163 101
Work in process		11 479
Technical inventories	1 254	1 337
Consumable inventory	14 998	15 574
	210 481	191 491
Expenses relating to inventory Included in other operating expenditure	60 640	74 506

NOTE 6: TRADE AND OTHER RECEIVABLES

	2018 R'000	2017 R'000
Student receivables core	186 960	308 286
Contract assets	30 120	
Prepayments	39 111	29 106
Department of Higher Education and Training	31 258	11 376
Accrued interest	40 002	25 963
National Student Financial Aid Scheme (NSFAS)	307 862	42 401
Other receivables	99 876	243 395
	735 189	660 527

Trade receivables are non-interest bearing and are generally on 60 –120 days past due.

Movement in the allowance for expected credit losses for:

Student receivables

Balance as at 1 January	42 000	55 162
Reversal of prior period provision	(42 000)	(55 162)
Allowance for impairment		42 000
Provision for expected credit losses	318 576	
Write-off		

Balance as at 31 December

318 576	42 000
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National Student Financial Aid Scheme NSFAS

Balance as at 1 January	115 621	31 397
Reversal of prior period provision	(115 621)	(31 397)
Allowance for provision		115 621
Provision for expected credit losses	118 212	
Write-off		

Balance as at 31 December

118 212	115 621
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Other receivables

Balance as at 1 January	64 863	79 045
Reversal of prior period provision	(64 863)	(79 045)
Allowance for provision		64 863
Provision for expected credit losses	62 019	
Write-off		

Balance as at 31 December

62 019	64 863
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Total allowance for expected credit losses

498 807	222 484
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Impairment provision matrix

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the University's trade receivables and contract assets using a provision matrix:

Student Receivables

31 December 2018	2016 R'000	2017 R'000	2018 R'000	Total R'000
Expected credit loss rate	1.000	0.748	0.565	0.630
Estimated total gross carrying amount at default	27 038	115 972	362 526	539 656
Expected credit loss	27 038	86 747	204 791	318 576

National Student Financial Aid Scheme

31 December 2018	2016 R'000	2017 R'000	2018 R'000	Total R'000
Expected credit loss rate	0.817	0.294	0.171	0.229
Estimated total gross carrying amount at default	42 424	24 706	358 944	426 074
Expected credit loss	34 667	7 251	76 294	118 212

Other Debtors

31 December 2018	2016 R'000	2017 R'000	2018 R'000	Total R'000
Expected credit loss rate	1.000	0.810	0.211	0.599
Estimated total gross carrying amount at default	31 174	26 030	46 263	103 467
Expected credit loss	31 174	21 084	9 761	62 019

The University's exposure to credit, currency and interest rate risks relating to receivables is disclosed note 21.

NOTE 7: OTHER INVESTMENTS

	2018 R'000	2017 R'000
Non-current investments		
Designated at fair value through profit or loss		325 351
Current investments		
Designated at fair value through profit or loss		60 522
Equity instruments at fair value through profit or loss	4 648 913	
Debt instruments at fair value through profit or loss	2 520 929	6 397 642
	7 169 842	6 458 164
	7 169 842	6 783 515

The non-current investments have been set aside to fund the future post-employment liabilities of the University. In 2018 R55 million (2017: R60 million) of the current investments are administered on behalf of the Department of Higher Education. The University's exposure to credit, currency and interest rate risks relating to other investments is disclosed in note 21.

NOTE 8: CASH AND CASH EQUIVALENTS

	2018 R'000	2017 R'000
Bank balances and cash on hand	272 278	379 946
Short-term bank deposits, money market deposits	33 508	67 958
	305 786	447 904

The weighted average effective interest rate, for the year, earned on short-term bank deposits was 7.7% (2017: 8.1%). The University's exposure to interest rate risks and a sensitivity analysis for financial assets and liabilities are disclosed in note 21.

NOTE 9: FUNDS

	2018 R'000	2017 R'000
Property, plant and equipment distributable reserves		
Held for investment in property, plant and equipment.	1 547 627	1 520 738

The balance represents funds set aside for investment in property, plant and equipment.

Distributable reserves

Unrestricted

The balance represents operating funds controlled by Council.

	6 918 954	6 871 763
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Restricted

The balance represents operating and property, plant and equipment funds restricted for specific use.

	35 426	36 268
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NOTE 10: POST-EMPLOYMENT OBLIGATIONS

10.1 Post-Employment Medical Obligations: Former UNISA, TSA and Vista (Vudec)

In accordance with past personnel practice, the Council has undertaken to make contributions to a defined benefit plan that provides medical benefits for employees upon retirement. The plan entitles retired employees and future retirees of the former Unisa to receive the following contributions:

- Employees who retired up to and including 30 June 1990 receive 100% of the premium;
- Employees who retired on or after 1 July 1990 and were employed by Unisa before 1 February 1996, receive a subsidy of 80% of contributions to Bonitas and 73,44% of contributions to Bestmed;
- Employees who are employed as from 1 February 1996 up to and including 31 August 2003 receive 50% of the premium;
- Employees who are employed as from 1 September 2003 receive 2% per year of employment with a maximum of 50% of the premium;
- TSA members receive a subsidy of 60% of contributions, inclusive of any savings account contribution, on retirement;
- Vudec members receive a subsidy of 70% of contributions. The entitlement of these benefits is based upon employment prior to 1 January 2000;
- Employees employed after 31 December 2005 receive no post-retirement medical benefits.

Amounts recognised in the statement of financial position:

	2018 R'000	2017 R'000
Post-employment defined benefit medical obligations	816 587	805 484
Non-Current		
Post-employment defined benefit medical obligations	758 027	751 812
Amounts payable within one year, included in current liabilities		
Post-employment defined benefit medical obligations	58 560	53 672

The present value of this commitment is valued by an independent actuary, based on the specific contribution rates, and the costs are spread over the expected remaining period of employment.

The post-employment medical obligation is unfunded. The last actuarial valuation was at 31 December 2018.

Liability

Present value of unfunded defined benefit obligation	816 587	805 484
Present value of unfunded defined benefit obligation comprises liabilities towards:		
Active employees	143 476	159 947
Continuation members	673 111	645 537
	816 587	805 484

Amounts recognised in profit or loss

Included as personnel costs in profit or loss

Current service cost	6 335	6 817
Interest cost	71 247	71 879
	77 582	78 696

Movement in the net liability recognised in the statement of financial position is as follows:

Net liability at beginning of year	805 484	803 935
Expense recognised in profit or loss	77 582	78 696
Actuarial gains	(12 807)	(26 782)
Benefits payments	(53 672)	(50 365)
Liability at end of year	816 587	805 484

Membership

Active employees	170	198
Continuation members	886	886
Total number of members at year end	1 056	1 084

Valuation assumptions

	2018 R'000	2017 R'000
Discount rate	9.51%	9.15%
Healthcare inflation costs	7.56%	7.92%
Real discount rate	1.81%	1.14%

Sensitivity analysis – 2018

	Variation	Current Obligations R'000	Revised Obligations R'000	% Change
Assumptions				
Real discount rate	-100 basis points			
Active members		143 476	167 490	16.7%
Continuation members		673 111	731 586	8.7%
		816 587	899 076	
Real discount rate	+100 basis points			
Active members		143 476	124 131	(13.5%)
Continuation members		673 111	622 896	(7.5%)
		816 587	747 027	
Medical inflation rate	1% increase	816 587	892 703	9.3%
	1% decrease	816 587	750 469	(8.1%)
Medical cost trends	1% increase	816 587	89 240	10.9%
	1% decrease	816 587	73 966	(8.7%)
Discount rate	1% increase	816 587	89 008	10.1%
	1% decrease	816 587	73 966	(8.7%)

Sensitivity analysis – 2017

	Variation	Current Obligations R'000	Revised Obligations R'000	% Change
Assumptions				
Real discount rate	-100 basis points			
Active members		159 947	184 215	15.2%
Continuation members		645 537	704 235	9.1%
		805 484	888 450	
Real discount rate	+100 basis points			
Active members		159 947	136 389	-14.7%
Continuation members		645 537	595 367	-7.8%
		805 484	731 756	
Medical inflation rate	1% increase	805 484	881 890	9.5%
	1% decrease	805 484	735 344	-8.7%
Medical cost trends	1% increase	816 587	89 240	10.9%
	1% decrease	816 587	73 966	(8.7%)

	Variation	Current Obligations R'000	Service costs plus interest R'000	% Change
Discount rate	1% increase	805 484	85 486	10.6%
	1% decrease	805 484	70 242	-9.1%

The University expects to pay R 51 million in contributions during 2019 in respect of its in-service members (i.e. R 30 million employer contribution and R 21 million employee contribution).

10.2 Defined benefit pension fund asset

The assets of the Unisa Retirement Fund ("Unisarf", or the "Fund") are held independently of the University of South Africa's assets in a separate trustee-administered fund. The benefit plan is a final salary benefit plan for qualifying members. Members of the fund are nominated as trustees to the Board of Trustees that governs the fund.

The Fund is required to be valued by independent actuaries every three years, in line with the statutory requirement in terms of Section 16(8) of the Pension Funds Act. The last statutory valuation was undertaken with an effective date of 31 December 2017 and the Valuator reported that the Fund was in a sound financial position at that date. The next statutory valuation is to be performed with an effective date of 31 December 2020.

A valuation has been carried out as at 31 December 2018 specifically for the purposes of the University's IAS19 disclosure requirement. The purpose of this valuation is to quantify the net pension asset or liability in respect of the defined benefit element of Unisarf for recognition in terms of the IAS19 accounting standard. The movement in the value in the Fund's defined benefit assets and liabilities has been shown below.

	2018 R'000	2017 R'000
Projected benefit obligations	(1 280 438)	(1 194 492)
Fair value of plan assets	1 477 696	1 451 681
Pension fund asset at year end	197 258	257 189
Asset Limitation		(64 082)
Pension fund asset at year end after asset limitation	197 258	193 107
Plan assets comprise		
Equity securities	675 899	673 286
Bonds and cash	801 797	778 395
	1 477 696	1 451 681

At 31 December 2018, 46% (2017:46.4%) of the plan assets were invested in equity securities and 54% (2017: 53.6%) were invested in bonds and cash.

Movement in the present value of the defined benefit obligations

Defined benefit obligation 1 January	1 194 492	1 054 563
Transfers in – new pensioner capital	161 826	220 305
Benefits paid by the plan (net of reinsurance recoveries)	(118 147)	(94 830)
Current service cost and interest	116 024	106 660
Actuarial gains/(losses) recognised	(73 757)	(92 206)
Defined benefit obligation as at 31 December	1 280 438	1 194 492

Movement in the present value of plan assets

Fair value of plan assets at 1 January	1 451 681	1 240 462
Transfers in – new pensioner capital	161 826	220 305
Benefits paid by the plan	(118 147)	(94 830)
Expected return on plan assets	137 547	118 868
Contribution holiday	(20 000)	(20 000)
Actuarial gains	(143 561)	(13 124)
Fair value of plan assets at 31 December	1 469 346	1 451 681

Amounts recognised in profit or loss and other comprehensive income:

Current service costs	1 586	3 657
Interest on obligation	114 438	103 003
Expected return on plan assets	(137 547)	(118 868)
	(21 523)	(12 208)

Movements in the pension fund asset recognised in the statement of financial position are as follows:

Net asset at beginning of year	193 107	191 918
Net movement for the year	4 151	1 189
Net asset at end of year	197 258	193 107
Actual return on plan assets	12.7%	12.2%

Key valuation assumptions

	2018 R'000	2017 R'000
Investment returns	9.60%	9.40%
Inflation	5.80%	6.30%
Salary increases	8.50%	9.00%
Pension increase	2.90%	3.15%
Pensioner mortality	PA(90)-1*	PA(90)-1*
Capitalisation factor for minimum benefit	6%PA(90)-1*	6%PA(90)-1*
Discount rate	9.60%	9.40%

The expected return on assets in 2018 and 2017 is the same as the rate used to discount the liabilities in each respective year, thus no provision has been made for the equity risk premium. The average duration of the defined benefit obligation is 8.84 years.

* Per the standard actuarial tables.

Sensitivity analysis – 2018

The sensitivity of the pension fund surplus to changes in certain key valuation assumptions is disclosed below:

Assumption	Variation	Current Assets	Revised Asset	% Change
Investment return	1% decrease	1 469 346	30 427	(83.9%)
Investment return	1% increase	1 469 346	197 258	4.4%
Salary increases	1% increase	1 469 346	197 258	4.4%
Salary increases	1% decrease	1 469 346	88 020	(53.45)

Sensitivity analysis – 2017

The sensitivity of the pension fund surplus to changes in certain key valuation assumptions is disclosed below:

Assumption	Variation	Current Assets	Revised Asset	% Change
Investment return	1% decrease	1 451 681	96 185	-50.2%
Investment return	1% increase	1 451 681	193 107	0.0%
Salary increases	1% increase	1 451 681	193 107	0.0%
Salary increases	1% decrease	1 451 681	147 064	-23.8%

The University expects to pay R 439 million in contributions during 2019 in respect of its in-service members (i.e. R 197 million employer contribution and R 242 million employee contribution).

10.3 National Tertiary Retirement Fund guarantee

In November 1994, the former TSA withdrew from the Government pension fund and transferred their funds to the National Tertiary Retirement Fund (NTRF). The NTRF is a defined contribution fund governed by the Pensions Act, 1956. In terms of the conditions of transfer, staff members who were in the employ at 30 November 1994 and members of the Government pension fund were guaranteed that they would not be worse off than if they remained on the defined benefit scheme. Any liability arising from the guaranteed amount is accounted for as a defined benefit obligation.

The fund is financed by employer and employee contributions. It is policy to ensure that the fund is adequately funded to provide the benefits of members, and particularly to ensure that any shortfall with regard to the defined benefit structure is being met by additional contributions.

A valuation has been carried out as at 31 December 2018 specifically for the purposes of the University's IAS19 disclosure requirement. The purpose of this valuation is to quantify the net pension asset or liability in respect of the defined benefit element of the NTRF for recognition in terms of the IAS19 accounting standard. Liabilities in respect of the defined benefit structure are calculated based on assumptions regarding the expected experience in respect of death, withdrawals, early retirement, family statistics, rate of increase in pensionable remuneration administration costs and the expected yield on assets.

Liability

	2018 R'000	2017 R'000
Present value of unfunded defined benefit obligation guaranteed	24 885	33 025

Amounts recognised in profit or loss and other comprehensive income:

	2018 R'000	2017 R'000
Current service costs	5 855	4 846
Interest costs	773	1 067
Included in personnel costs	6 628	5 913

Movements in the pension fund liability recognised in the statement of financial position are as follows:

	2018 R'000	2017 R'000
Liability at beginning of year	33 025	55 845
Expense recognised	6 628	5 913
Benefits paid		(3 493)
Contributions made to employers surplus account	(20 000)	(20 000)
Actuarial losses/(gains)	5 232	(5 240)
Liability at end of year	24 885	33 025

Sensitivity Analyses – 2018

The sensitivity of the liability to changes in the net discount rate is disclosed below:

	Variation	Current liability	Revised Liability	% Change
Assumption	0.9% increase	24 885	2 214	91.10%
Net discount rate	1.8% increase	24 885	(13 882)	155.78%

Sensitivity Analyses – 2017

The sensitivity of the liability to changes in the net discount rate is disclosed below:

	Variation	Current liability	Revised Liability	% Change
Assumption	0.9% increase	33 025	10 148	69.27%
Net discount rate	1.8% increase	33 025	(3 314)	110.03%

Principal actuarial assumptions used for accounting purposes were

	2018	2017
Expected rate of return	10.08%	9.87%
Future pension increases	3.60%	3.90%
Future salary increases	7.55%	7.00%

The SA 56-62 ultimate table was used as a basis for mortality assumptions.

The University expects to pay R 51 million in contributions during 2019 in respect of its in-service members (i.e. R 21 million employer contribution and R 30 million employee contribution).

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

10.4 Re-measurement gains and (losses) in other comprehensive income

Note	2018 R'000	2017 R'000
Post-retirement Medical Aid	12 807	26 782
National Retirement Tertiary Fund guarantee	(5 232)	5 240
Unisarf Actuarial (loss)/gain	73 757	92 206
Return on planned assets	(135 211)	(13 124)
Asset ceiling limitation		(64 082)
	(53 879)	47 022

NOTE 11: ACCUMULATED LEAVE LIABILITY

	2018 R'000	2017 R'000
Balance at beginning of the year	322 740	295 749
Utilised during the year	(22 302)	(19 467)
Additional provisions	51 234	46 458
Balance at end of year	351 672	322 740

In prior periods the University incorrectly disclosed the accumulated leave provision split between current and non-current liabilities. In terms of IAS 19 this is disclosed as current liabilities. The disclosure as well as the comparative figures had been reclassified. An amount of R302 022 000 was disclosed as non-current liabilities in the prior year now disclosed under current liabilities. This represents the provision for annual leave. Entitlement to the leave pay out only occurs upon the passing away, resignation or retirement of a staff member.

NOTE 12: TRADE AND OTHER PAYABLES

	2018 R'000	2017 R'000
Trade payables	100 963	106 939
Sundry Creditors	247 924	262 550
Accruals	63 543	81 882
DHET (Gap Funding)	56 895	74 401
DHET (Vista Debtors)	14 425	14 355
South African Revenue services	88 033	77 536
Staff costs	184 043	156 108
Other	242 300	364 510
	998 126	1 138 281

Terms and conditions of the above financial liabilities:

Trade payables, sundry creditors and other payables are non-interest bearing and are normally settled on 60-day terms.
DHET (Vista Debtors) are non-interest bearing and payable upon demand.

NOTE 13: DEFERRED INCOME

	2018 R'000	2017 R'000
The amount represents student fees received in advance in respect of the 2018 academic and financial year. The student fees are recognised as income in the year when tuition is provided to the student.	743	2 154
Various other grants received by the University during 2018 to the amount of R151 million (2017: R57,851 million). The University has spent R128,429 million during 2018 (2017: R29,748 million).	47 218	35 426
The Department of Higher Education and Training (DHET) has made twelve funding allocations to the University:		
An amount of R100 million for the improvement of infrastructure and student output efficiencies received in prior years. For 2018, an amount of R0 million (2017: R0 million) was spent on infrastructure, and R0.121 million (2017: R5,357 million) was charged through profit and loss	67 312	67 433
An amount of R87,130 million for Infrastructure and Efficiency Funds (FC1 to FC9) received in prior years. An amount of R10,104 million (2017: R11,087 million) was spent on infrastructure, and R15 985 million (2017: R22,211 million) was charged through profit and loss	31 190	47 176
An amount of R94,500 million (2017: R98,209) for University Capacity Grant. The University has spent R62,113 million during 2018 (2017: R107,378 million) was spent and R62,434 million (2017: R107,378 million) was charged through profit and loss	32 065	11 252
An amount of R12,500 million (2017: R2,5 million) for New generation of academics programme(Ngap). The University has spent R7,578 during 2018 (2017: R 7,725) which was charged through profit and loss.	19 153	14 229
An amount of R1,765 million was received during 2017 for Teaching collaborative grant . The university has spent R0 million in 2018 (2017: R1,191 million) and R0 million (2017: R1,191 million) was charged to profit and loss	399	399
An amount of 115,868 million for New Infrastructure and Efficiency Funds 2018/19 to 2020/21 was received during 2018. An amount of R0,00 was spent on infrastructure, and R0,00 was charged through profit and loss	115 868	
An amount of R1,195 million (2017: R1,766 million) was received for veterinary sciences programmes. The University has spent R1,792 million during 2018 (2017: R1,486 million) and R1,792 million (2017: R1,486 million) was charged to profit or loss.	2 225	1 549
	328 747	179 618

NOTE 14: FUNDS ADMINISTERED ON BEHALF OF DHET

	2018 R'000	2017 R'000
As legal successor for the former Vista University, the University administers the medical aid liability of the Vista pensioners on behalf of the Department of Higher Education and Training. These funds are recognised as a non-current liability. Refer to note 7.	55 199	60 082
Less: Current portion	(6 108)	
	49 091	60 082

NOTE 15: STUDENT DEPOSITS

	2018 R'000	2017 R'000
This represents student debtors accounts which have been overpaid.	159 742	168 734

NOTE 16: REVENUE FROM CONTRACTS WITH CUSTOMERS

	2018 R'000	2017 R'000
Tuition and other fee income	3 763 305	3 370 481
Included in sales of goods and services line item in the statement of profit or loss and other comprehensive income, is revenue from contracts which relates to enrolment fees for short learning programmes.	95 392	104 153

NOTE 17: INVESTMENT INCOME AND FAIR VALUE ADJUSTMENTS

	2018 R'000	2017 R'000
Rental Income	7 310	5 298
Interest income		
Financial assets measured at amortised cost	12 001	16 950
Financial assets measured at fair value through profit and loss	252 279	208 173
	264 280	225 123
Dividend income		
Financial assets measured at fair value through profit and loss	88 461	66 918
	360 051	297 339
Net (losses)/gains on:		
Financial assets measured at fair value through profit and loss	–	28 752
Financial assets measured at fair value through profit and loss	(666 623)	562 600
	(666 623)	591 352

NOTE 18: PERSONNEL COSTS

	2018 R'000	2017 R'000
Academic and professional	2 373 936	1 948 786
Other personnel costs	2 763 426	2 790 771
	5 137 362	4 739 557

Included in Other personnel costs is an amount of R107,106 million (2017: R87,086 million) paid to invigilators, examiners tutors and markers.

Compensation paid to Senior Management and Council members is included in other personnel costs, and disclosed in note 27.

The number of persons employed as at 31 December 2017

	2018 R'000	2017 R'000
Full time	5 835	5 762
Part time	1 466	1 234
	7 301	6 996

NOTE 19: OTHER CURRENT OPERATING COSTS

The following items have been charged in arriving at the net surplus:

	2018 R'000	2017 R'000
Supplies and services	1 159 093	1 116 753
Cost of services outsourced	36 357	58 495
Maintenance	184 520	209 326
Bursaries	81 862	161 992
Non-capitalised assets	94 250	91 435
(Gain)/loss on exchange rate transactions	(91 244)	78 075
Provision for doubtful debts		160 145
Bad debts written off	22 950	819
Operating lease charges	38 243	69 036
Property (short term lease)	19 973	58 357
Vehicles (short term lease)	11 744	10 679
Printers (low value lease)	6 526	
Auditors remuneration	9 074	11 415
Audit	6 628	7 831
Other services	2 446	3 584
	1 535 106	1 957 113

NOTE 20: FINANCE COSTS

	2018 R'000	2017 R'000
Interest-bearing borrowings		
Interest paid other	7 187	
	716	529
	7 903	529

NOTE 21: FINANCIAL INSTRUMENTS

	Note	Total	Financial assets measured at fair value through profit and loss	Financial assets measured at amortised costs	At fair value through profit or loss (designated at fair value)	Loans and receivables	Financial liabilities measured at fair value through profit and loss	Financial liabilities measured at amortised cost
		R'000	R'000	R'000	R'000	R'000	R'000	
2018								
Assets								
Student receivables	6	186 960		186 960				
Trade and other receivables	6	478 998		478 998				
Other investments	7	7 169 842	7 169 842					
Cash and cash equivalents	8	305 786	305 786					
Total assets		8 141 586	7 475 628	665 958				
Liabilities								
Funds administered on behalf of DHET	14	(49 091)						(49 091)
Trade and other payables	12	(998 126)						(998 126)
Student deposits	15	(159 742)						(159 742)
Total liabilities		(1 206 959)						(1 206 959)
2017								
Assets								
Student receivables	6	308 286				308 286		
Trade and other receivables	6	352 241				352 241		
Other investments	7	6 783 515	6 397 642		385 873			
Cash and cash equivalents	8	447 904				447 904		
Total assets		7 891 946	6 397 642		385 873	1 108 431		
Liabilities								
Funds administered on behalf of DHET	12	(60 082)						(60 082)
Trade and other payables	15	(1 138 281)						(1 138 281)
Student deposits		(168 734)						(168 734)
Total liabilities		(1 367 097)						(1 367 097)

Financial risk management

The University's principal financial instruments comprise the following: financial assets at fair value through profit or loss (including equity instruments, debt instruments and unit trust investments) as well as cash and cash equivalents. The main purpose of these financial instruments is to fund the University's current and future operations. The University has other financial assets and liabilities such as student and other receivables and trade payables, which arise directly from its operations.

The main risks arising from the University's financial instruments are credit risk, market risk and liquidity risk.

The University's financial risk management objectives and policies are governed by a formalised investment policy and related procedures approved by the Council of the University. The means by which the risks referred to above are managed include a specified strategic asset allocation between different categories of financial assets and the appointment of specialised investment managers. The investment managers are issued with specific mandates that include restrictions to manage the financial risks referred to above. The Operational Investment Committee monitors the investment performance on a regular basis.

The University does not undertake any specific hedging activities.

21.1 Credit risk

Credit risk is the risk of financial loss to the University if a student, employee or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the University's receivables from students, employees and investment securities.

The University is exposed to credit risk arising from student receivables relating to outstanding fees. The University requires students to pay a minimum deposit on registration in respect of fees in order to mitigate this risk. Outstanding fees are monitored on a regular basis and action is taken in respect of long outstanding amounts.

Credit risk also arises from the University's other financial assets, which comprise cash and cash equivalents and financial assets at fair value through profit or loss. The University places cash and cash equivalents with reputable financial institutions and invests through specialised investment managers with mandates restricting credit risk exposure.

21.1.1 Exposure to credit risk

Expected credit losses

The ageing of student receivables at the reporting date was:

	2018		2017	
	Gross debtors impaired R'000	Gross debtors not impaired R'000	Gross debtors impaired R'000	Gross debtors not impaired R'000
Past 120 days	318 576	186 960	42 000	308 286
More than one year				
Total	318 576	186 960	45 000	308 286

All debtors that are passed 120 days are past due.

The maximum exposure to credit risk for student fees receivables at the reporting date by geographic region was:

	2018 R'000	2017 R'000
Domestic	180 498	302 584
Foreign students	6 462	5 702
	186 960	308 286

For other financial assets the maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

21.2 Market risk

21.2.1 Interest rate risk

The University manages its exposure to interest rate risk by limiting its investments in interest-bearing financial assets, as specified in its strategic asset allocation and mandate to investment managers.

21.2.1.1 Exposure to interest rate risk

21.2.1.1.1 Short term assets

The following table reflects the market value of the domestic cash portfolio:

	2018 R'000	2017 R'000
Bank balances	272 278	379 976
Money market deposits	33 508	67 958

The University measures the value of the domestic cash portfolio for the purposes of its financial statements at amortised costs. As such, the market risk variable to which the University is exposed in terms of these assets is interest rates (domestic only). Cash balances bear interest at variable rates.

Sensitivity analysis: Interest Rate Movements

The sensitivity analysis below focuses on cash flow sensitivity (the impact on future interest-related cash flows). It is understood that while interest rate changes may not have a significant impact on the fair value of the domestic cash portfolio, they would impact variable interest cash flows. The cash flow impact on the portfolio of a 2% parallel increase/decrease in South African interest rates was therefore considered.

The following sensitivity analysis which was based on a regression model using data from 31 January 2002 to 31 December 2018:

	Scenario 1	Scenario 2
Annual change in interest rate	2.00%	(2.00%)
Projected portfolio performance	9.49%	6.64%

	Scenario 1 R'000	Scenario 2 R'000
Projected interest cash flows for 2017	78 846	55 147

21.2.1.1.2 Long term assets

As at 31 December 2018, the University had 62% (2016: 64%) of its equity portfolio invested in domestic equities and 38% (2016: 36%) in international equities. The University measures the value of the abovementioned portfolio at fair value (market value).

Sensitivity analysis: Interest Rate Movements

The table below sets out the impact on the fixed interest portfolios and the resulting impact on profit or loss (on a pre-tax basis) of a 2% parallel increase in South African interest rates (relevant for the domestic fixed interest portfolios). All other variables have been kept constant. Note that a negative impact reflects the fact that the fair value of the fixed interest portfolios will fall in response to an increase in interest rates. The analysis is performed on the same basis as for 2017.

	2018 R'000	2017 R'000
Domestic bond portfolio	(191 743)	(145 757)
	(191 743)	(145 757)

The table below sets out the impact on the fixed interest portfolios of a 2% parallel decrease in South African interest rates (relevant for the domestic fixed interest portfolios). Note that a positive impact reflects the fact that the fair value of the fixed interest portfolios will increase in response to a fall in interest rates. The analysis is performed on the same basis for 2017.

	2018 R'000	2017 R'000
Domestic bond portfolio	235 791	179 843
	235 791	179 843

21.2.2 Foreign currency risk

The University's exposure to foreign currency risk arises from Ethiopian student fee income, international portfolio investments and foreign currency asset purchases. The University's international portfolio is managed by its asset manager. The remaining foreign currency exposure is not managed on an active basis.

21.2.2.1 Exposure to currency risk

As at 31 December 2018, the University had R1,50 billion (2017: R1,57 billion) invested in international assets within the long term portfolio in equities.

Sensitivity analysis: Exchange Rate Movements

A 10% strengthening of the Rand (ZAR) against the following currencies as at 31 December would have changed (increased/ (decreased)) equity and profit or loss (on a pre-tax basis) by the amounts shown below. This analysis assumes that all other variables remain constant. (For example, the US Dollar figure assumes that the Rand strengthens against the US Dollar only, and remains constant against the other currencies). The analysis is performed on the same basis as for 2017.

	2018 R'000	2017 R'000
US Dollar	(94 798)	(103 438)
Euro	(24 354)	(24 026)
Japanese Yen	(5 650)	(7 691)
	(124 802)	(135 155)

A 10% weakening of the Rand against the above currencies as at 31 December would have the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

21.2.3 Other Market price risks

21.2.3.1 Equity price risk

Equity price risk that arises from equity securities at fair value through profit or loss is minimal, as the University follows a long-term and conservative investment strategy. The primary goal is to maximise investment returns. The equity portfolio is managed by specialised fund managers with specific mandates.

21.2.3.2 Exposure to equity price risk

As at 31 December 2018, the University had 62% (2017: 64%) of its equity portfolio invested in domestic equities and 38% (2017: 36%) in international equities. The University measures the value of the equity portfolio at fair value (market value). The market risk variable to which the University is exposed in terms of these assets is equity indices (domestic and international).

Sensitivity analysis

The impact on the equity portfolios and the resulting impact on profit or loss (on a pre-tax basis) of a 20% fall in the JSE All Share Index (relevant for the domestic equity portfolio) and a 10% fall in the MSCI World Equity Index (relevant for the global equity portfolios) is as follows (the analysis is performed on the same basis as for 2017):

	2018 R'000	2017 R'000
Domestic equity portfolio	(444 406)	(478 225)
International equity portfolio	(148 868)	(153 898)
	(593 274)	(632 123)

A 20% increase in the value of the JSE All Share Index and a 10% increase in the value of the MSCI World Equity Index as at 31 December 2018 would have the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

21.3 Liquidity risk

The University's operations are mainly cash driven. The liquidity is managed to ensure, as far as possible, that the University will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the University's reputation. The Operational Investment committee is tasked to manage the cash requirements.

21.4 Maturity analysis

2018	Note	Carrying amount R'000	Within 1 year R'000	2-5 years R'000	More than 5 years R'000
Funds administered on behalf of DHET	14	49 091		21 526	27 565
Trade and other payables	12	998 126	998 126		
Student deposits	15	159 742	159 742		
		1 206 959	1 157 868	21 526	27 565
2017	Note	Carrying amount R'000	Within 1 year R'000	2-5 years R'000	More than 5 years R'000
Funds administered on behalf of DHET	14	60 082	5 813	20 487	33 782
Trade and other payables	12	1 138 281	1 138 281		
Student deposits	15	168 734	168 734		
		1 367 097	1 312 828	20 487	33 782

21.5 Fair values

The fair values together with the carrying amounts of all financial instruments shown in the statement of financial position are as follows:

	Note	2018		2017	
		Carrying amount R'000	Fair Value R'000	Carrying amount R'000	Fair Value R'000
Debt instruments at fair value through profit or loss					
Quoted debt instruments	7	2 520 929	2 520 929	1 727 961	1 727 961
Equity instruments as fair value through profit or loss					
Listed equity investments		4 472 061	4 472 061	4 237 068	4 237 068
Non-listed equity investments		176 852	176 852	167 784	167 784
Debt instruments at amortised cost:					
Trade and other receivables		665 958	665 958	660 527	660 527
Cash and cash equivalents	8	305 786	305 786	447 904	447 904
		8 141 586	8 141 586	7 241 244	7 241 244
Total Current		8 141 586	8 141 586	7 241 244	7 241 244
Financial liabilities carried at amortised cost					
Non-current liabilities					
Funds administered on behalf of DHET		49 091	55 199	60 082	60 082
Current liabilities					
Trade and other payables		998 126	998 126	1 113 983	1 113 983
Student deposits		159 742	159 742	168 734	168 734
		1 206 959	1 206 959	1 367 097	1 367 097
Total current		1 157 868	1 157 868	1 307 015	1 307 015
Total non-current		49 091	49 091	60 082	60 082

Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the above table.

Listed debt and equity securities

Fair value is based on quoted market prices at the reporting date without any deduction for transaction cost.

Unit trust investments

The fair value of unit trust investments is determined as the redemption value of these investments at the reporting date.

Student and other receivables/payables and student deposits

For receivables/payables and student deposits with a remaining life of less than one year, the carrying amount is deemed to reflect the fair value.

21.6 Fair Value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
31 December 2018				
Investment Properties			1 488	1 488
Financial Assets				
Trade Receivables			665 958	665 958
Equity investments measured at fair value through profit or loss (unlisted)			176 852	176 852
Equity investments and bonds measured at fair value through profit or loss (listed)	6 992 990			6 992 990
Financial Liabilities				
Trade and other payables			998 126	998 126
Student Deposits			159 742	159 742
	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
31 December 2017				
Investment Properties			30 394	30 394
Financial Assets				
Trade Receivables			660 527	660 527
Equity investments measured at fair value through profit or loss (unlisted)			167 784	167 784
Equity investments and bonds measured at fair value through profit or loss (listed)	6 615 731			6 615 731
Financial Liabilities				
Trade and other payables			1 113 983	1 113 983
Student Deposits			168 734	168 734

There have been no transfers between categories.

NOTE 22: CONTINGENT LIABILITIES

22.1 Guarantees

A contingent liability in the form of guarantees, amounting to R0,253 million (2017: R0,278 thousand) exists in respect of loans and bank facility guarantees.

22.2 Industrial Relations

At 31 December 2018 outstanding claims amounting to approximately R27.5 million (2017: R18.1 million) in respect of on-going industrial relations litigation existed. No provisions for settlement of these claims have been recognised at reporting date, as the outcomes of these cases are uncertain at this point.

NOTE 23: COMMITMENTS

23.1 Capital commitments

Contracts negotiated and orders placed in respect of capital items and inventories not yet executed:

	2018 R'000	2017 R'000
Property, plant and equipment	301 398	141 040
Inventories and services	1 234 422	809 511
	1 535 820	950 551

23.2 Operating lease commitments

The future minimum lease payments under non-cancellable operating leases for 2017 are in terms IAS 17 are as follows:

	2017 R'000
Not later than 1 year	32 859
Later than 1 year and not later than 5 years	42 679
	75 538

The University leases photocopying machines, motor vehicles, buildings and warehouse facilities countrywide for the purpose of Regional Offices, Learning Centres, Examination Centres and storage facilities under operating leases. The leases typically run for a period of three years with an option to renew the lease after that date. Lease payments will increase annually or as agreed-upon based on changes in the price index.

NOTE 24: CASH GENERATED FROM OPERATIONS

Reconciliation of net surplus to cash generated from operations:

	Note	2018 R'000	2017 R'000
Net surplus		53 140	783 197
Adjustments for:			
IFRS 15 adjustments		20 098	
Pension fund (surplus) recognised	10.2	(4 151)	(1 189)
Fair value adjustments	17	666 623	(591 352)
Impairment Losses		92 134	
Depreciation and amortisation		329 276	346 658
Loss on sale property plant and equipment		141	6 372
Loss on sale of investments		31	3 185
Investment income	17	(360 051)	(297 339)
Finance costs	20	7 903	529
Net foreign exchange differences		(96 228)	78 075
Increase in post-employment obligation	10.1	11 103	1 549
Increase in funds administered on behalf of the DHET		(10 991)	(3 990)
Changes in working capital (excluding the effects of acquisition and disposal):		(72 878)	36 666
Trade and other receivables		(78 662)	(315 475)
Inventories	5	(18 990)	(70 206)
Trade and other payables		20 774	419 182
Cash generated from operations		636 150	284 286

NOTE 25: ESTIMATIONS AND JUDGEMENT APPLIED BY MANAGEMENT IN APPLYING THE ACCOUNTING POLICIES

The following estimations and judgements were applied by the Council and Management in applying the accounting policies.

25.1 Write-down of inventory

The level of study material and prescribed books on hand at each reporting date is examined and compared to the historical usage and estimated future student registrations. Study material that will be revised within a two year period is also identified. Any material in excess of demand is written down and reflected at their scrap value.

Damaged inventory is similarly written down when identified.

25.2 Post retirement employee benefits

The estimations and assumptions applied by the independent actuaries in valuing the University's post-retirement pension fund and medical aid liabilities are fully disclosed in the related notes.

25.3 Other

The expected credit loss allowance is estimated based on micro and macro-economic factors, taking into account an ever changing education challenges such as "fees must fall, zero fees increases, and the call for free education."

Refer to note 6 for estimations relating to IFRS 9 estimations.

Refer to accounting policy 2. 18 relating to IFRS 15 estimations.

NOTE 26: RELATED PARTIES

The University consolidation includes University of South Africa, The Unisa Foundation, The Unisa Fund Inc., and the Unisa Enterprises (Pty) Ltd.

26.1 Senior Management and employees

26.1.1 Emoluments paid to Senior Management

Senior Management has been defined on all post grades between Deputy Executive Dean/ Director and the Principal and Vice chancellor. Please refer to note 27 for more detail.

26.1.2 Study benefits

In terms of conditions of service, employees and dependants are entitled to the following study benefits:

- Senior Management and their close relatives who study at any other recognised tertiary institution will receive a subsidy from the University. During 2018 an amount of R151 730 (2017: R178 370) was paid as subsidies.
- Senior Management and their close relatives who study at the University will only pay the cost for one undergraduate semester module. In certain cases the study fees will be subsidised in full. During 2018 the benefit granted amounted to R nil (2017: R nil).

26.2 Exchanges with the Department of Higher Education and Training (DHET)

The DHET is the largest provider of funding to the University.

26.2.1 Funds administered on behalf of DHET

	2018 R'000	2017 R'000
Funds administered	55 199	60 082

The University has been appointed as legal successor for the former Vista University. In terms of a memorandum of agreement with the DHET the University will administer the medical aid liability of the Vista's pensioners on behalf of the DHET.

26.2.2 Amount receivable from the DHET

	2018 R'000	2017 R'000
Subsidy received	3 512 196	3 157 586

26.2.3 Funds allocated for the improvement of teaching/learning facilities and infrastructure, student output efficiencies and for staff restructuring

	2018 R'000	2017 R'000
Amount charged through profit and loss	121	5 357

The DHET has allocated R100 million in 2007 to the University for the improvement of infrastructure and student output efficiencies. The funds will be spent according to the pre-approved project plans submitted to the DHET. The University is required to submit regular reports to the DHET on the implementation of the projects, including accounting for all expenditure.

26.2.4 Funds allocated for teaching development

	2018 R'000	2017 R'000
Amount allocated	94 500	98 209
Amount spent	62 434	132 909
Amount charged through profit and loss	62 434	107 378

The DHET has allocated development funding for the improvement of teaching. The funds will be spent within the parameters as set out in the University's proposal to the DHET. The University will be required to submit regular reports.

26.2.5 Funds allocated for teaching development

	2018 R'000	2017 R'000
Amount allocated	115 868	

The DHET has allocated new infrastructure and efficiency funding. These funds will be spent within the parameters as set out by the DHET.

26.2.6 Funds allocated for foundation provision

	2018 R'000	2017 R'000
Amount allocated	1 194	1 766
Amount spent	1 791	1 486
Amount charged through profit and loss	1 791	1 486

The DHET has allocated funding for the improvement of equity profiles of veterinary sciences programmes, increases in the graduate outputs of these programmes, institutional cooperation and improvements in the geographical distribution of veterinary sciences specialization.

26.2.7 Funds allocated for veterinary sciences programmes

	2018 R'000	2017 R'000
Amount allocated	12 500	2 500
Amount spent	7 576	7 736

The DHET has allocated funding for infrastructure and efficiency (Engineering and Undergraduate Life and Physical Sciences).

26.2.8 Funds allocated for New generation of academics (nGap)

	2018 R'000	2017 R'000
Amount allocated	87 130	40 878
Amount spent	23 980	22 211
Amount charged through profit and loss	13 876	22 221

The DHET has allocated funding for infrastructure and efficiency. The funds will be spent within the parameters as set out in the University's proposal to the DHET. The University will be required to submit regular reports.

26.2.9 Funds allocated for infrastructure and efficiency (FC1 to FC9)

	2018 R'000	2017 R'000
Amount spent		
Amount charged to profit and loss		1 191

The DHET has allocated funding for the teaching and collaborative grant. The funds will be spent within the parameters as set out in the University's proposal to the DHET. The University will be required to submit regular reports.

26.2.10 Post-employment benefit plans

Contributions by the University to these plans are disclosed in note 10.

NOTE 27: COMPENSATION PAID TO EXECUTIVE MANAGEMENT AND COUNCIL MEMBERS

Compensation paid to Executive Management – 2018

The following disclosure relates to compensation paid to Executive staff. Remuneration is based on the cost of employment to the institution comprising flexible remuneration packages. Basic salary and employer contributions are included in long-term benefits.

NAME	OFFICE HELD	Long term benefits	Perfor- mance Bonus	Allowance	Leave Pay-out	Internal contract	Profit Sharing	Other Allo- wances	TOTAL COSTS
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Prof M S Makhanya	Principal and Vice Chancellor	4 062	1 121					34	5 217
Mr PZR Zwane	Chief Financial Officer	2 380	496	14		97			2 987
DR M M Socikwa	Vice Principal Operations and Facilities	2 377	470	14					2 861
Dr I O G Moche	Vice Principal Teaching Learning Community Engagement & Student Support	2 377	470					10	2 857
Prof P H Havenga	Executive Director: Academic Planner	2 271	321	5		25			2 622
Prof M J Linington	Executive Dean: College of Agriculture and Environmental Sciences	2 214	306	14				20	2 554
Prof E O Mashile	Executive Director: Tuition and Facilitation of Learning	1 987	262	273		17			2 539
Mr GM Letsoalo	Executive Director: ICT	2 213	302	14					2 529
Mr M Christoffels	Executive Director: ICT Acting Chief Information Officer (01/01/2018 – 07/05/2018)	2 040	240	189					2 469
Mr J C van Wyk	Executive Director: Legal Services	2 103	354						2 457
Prof BB Mamba	Executive Dean: Science Engineering and Technology (CSET)	1 898	262	12		163		24	2 359
Prof S K Ndlovu	Vice Principal Advisory and Assurance Services	2 250		15					2 265
Prof V A McKay	Executive Dean: College of Education (CE)	1 975	267	9					2 251

NAME	OFFICE HELD	Long term	Perfor-	Allowance	Leave	Internal	Profit	Other	TOTAL
		benefits	mance		Pay-out		Sharing	Allo-	
		R'000	Bonus	R'000	R'000	R'000	R'000	wances	R'000
			R'000					R'000	
DR SD Selematsela	Executive Director: Unisa Library Acting Vice Principal: Research Postgraduate Studies Innovation and Commerciali- sation (01/01/2018 – 31/05/2018)	1 752	258	216					2 226
Prof MK Havenga	Executive Dean: College of Graduate Studies	1 899	262	14		25		24	2 224
Prof MT Mogale	Executive Dean: Economic and Management Sciences (CEMS)	1 952	250	14					2 216
Dr Q M Temane	Deputy Registrar	1 413	365	250	182				2 210
Ms R Mathura	Executive Director: Finance	1 901	276	5				19	2 201
Prof E Sadler	Executive Dean: Accounting Sciences (CAS)	1 920	253	14					2 187
Prof AP Phillips	Executive Dean: Human Sciences (CHS)	1 899	262	10					2 171
Prof GP Coetzee	Deputy Executive Dean: Accounting Sciences (CAS)	1 758	232	4		106			2 100
Prof S Ndlovu- Gatsheni	Acting Executive Director: Change Management Unit (01/01/2018 – 31/12/2018)	1 232		621		215			2 033
Prof L Labuschagne	Executive Director: Research	1 994		10		29			2 033
Prof B E Zawada	Deputy Executive Dean: College of Human Sciences	1 759	238	5		31			2 033
Ms L Griesel	Executive Director: Strategy, Planning and Quality Assurance	1 055	418	179	340				1 992
Prof R S Tshaka	Acting Executive Dean: CHS (01/06/2018 – 31/08/2018)	1 139	129	349		225		20	1 862
Mr TT Letsoela	Chief Executive Officer Unisa Enterprise	1 849		10					1 859
Mr S M Phuthego	Acting Chief Audit Executive (01/08/2018 – 24/12/2018)	1 507	173	147					1 827

NAME	OFFICE HELD	Long term	Perfor-	Allowance	Leave	Internal	Profit	Other	TOTAL
		benefits	mance						
		R'000	Bonus	R'000	R'000	R'000	R'000	wances	R'000
			R'000					R'000	
Prof P M Sebate	Deputy Executive Dean: Education Acting Executive Dean: Education (15/10/2018 – 31/12/2018)	1 664	45	79				24	1 812
Prof A Davis	Acting Executive Director : Research (16/04/2018 – 06/07/2018)	1 034	174	286		188	129		1 811
Dr M J Mashiapata	Acting Executive Director: Tuition and Facilitation of Learning (01/06/2018 – 24/12/2018)	1 382	148	225				23	1 778
Mr R C Harding	Acting Deputy Registrar (15/10/2018 – 24/12/2018)	1 501	147	89					1 737
Dr K Kissoonduth	Acting Executive Director: Human Resources (12/02/2018 – 02/03/2018, 04/06/2018 – 30/06/2018)	1 519	167	41					1 727
Ms JSK Mahlare	Executive Director: Institutional Advancement	1 710		8					1 718
Prof M S Ngwenya	Acting Deputy Executive Dean: Economic and Management Sciences (01/06/2018 – 31/08/2018)	1 174	161	307		75			1 717
Mr Y Singh	Acting Executive Director: Risk and Compliance (01/01/2018 – 31/12/2018)	1 352		365					1 717
Ms K E Kekana	Acting Executive Director: Library Services (01/05/2018 – 31/05/2018)	1 373	273	43				9	1 698
Ms L S Nkosi	Acting Executive Director: Library Services (02/01/2018 – 28/02/2018)	1 449	143	69					1 661

NAME	OFFICE HELD	Long term benefits	Performance Bonus	Allowance	Leave Pay-out	Internal contract	Profit Sharing	Other Allowances	TOTAL COSTS
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Mr H F Swanepoel	Acting Executive Director: Human Resources (05/03/2018 – 06/04/2018, 01/05/2018 – 01/06/2018, 01/07/2018 – 31/07/2018)	1 376	139	115				24	1 654
Prof LDM Lebeloane	Deputy Executive Dean: Education	1 180		316		107		25	1 628
Prof S R Magano	Acting Deputy Executive Dean: Agriculture and life Sciences (01/06/2018 – 31/08/2018)	1 130	161	302		17		10	1 620
Prof M D Nicolau	Acting Deputy Executive Dean: Agriculture and life Sciences (01/09/2018 – 30/11/2018)	1 050	165	307		78			1 600
Prof T Mgutshini	Acting Deputy Registrar (01/06/2018 – 30/06/2018)	1 287	51	208		40			1 586
Prof T Meyiwa	Vice Principal: Research, Postgraduate Studies, Innovation and Commercialisation	1 312		254					1 566
Dr D T Hulbert	Acting Executive Director: ICT (01/01/2018 – 07/05/2018)	1 397		155					1 552
Prof M Basdeo	Executive Dean: Law	1 130	43	208		146			1 527
Mr M S Motebele	Acting Executive Director: University Estates (01/01/2018 – 30/06/2018)	1 325		196					1 521
Dr M P Molapo	Acting Executive Director: Research (01/01/2018 – 31/05/2018)	1 378		130					1 508
Ms A Steenkamp	Chief Information officer (resigned 31/07/2018)	1 173	282		49				1 504
Ms P H Tshabalala	Vice Principal: ICT	1 498							1 498

NAME	OFFICE HELD	Long term	Perfor-	Allowance	Leave	Internal	Profit	Other	TOTAL
		benefits	mance		Pay-out		Sharing	Allo-	
		R'000	Bonus	R'000	R'000	R'000	R'000	wances	R'000
			R'000					R'000	
Prof M C Mulaudzi	Acting Deputy Executive Dean: Economic and Management Sciences (01/03/2018 – 31/05/2018)	951	165	313		25		24	1 478
Dr E P Mokgobu	Vice Principal: Institutional Development and Transformation	1 468		7					1 475
Mr A E Maudu	Acting Executive Director: Study Material Production and Delivery (23/01/2018 – 30/04/2018)	1 318		108					1 426
Dr F Goolam	Registrar	1 125		261					1 386
Dr E M Johannes	Acting Executive Director: Strategy Planning and Quality Assurance (01/02/2018 – 07/05/2018, 01/08/2018 – 24/12/2018)	1 061	37	263					1 361
Ms B M Molawa	Acting Executive Director: Library Services (01/03/2018 – 30/04/2018)	1 290		65					1 355
Dr M Kanakana- Katumba	Deputy Executive Dean (Resigned)	1 314		12					1 326
Mr B Albrecht	Acting Executive Director: Human Resources (01/07/2018 – 31/07/2018)	1 101	43	34				18	1 196
Dr L L Ntswane	Executive Director: Study Material Publication Production and Delivery	1 170							1 170
Dr O J Kole	Acting Academic Planner (01/03/2018 – 30/06/2018)	791	30	290		25			1 136
Prof C I Tshoose	Acting Executive Dean: of Law College (01/03/2018 – 30/11/2018)	950	33	101		9			1 093

NAME	OFFICE HELD	Long term	Performance	Allowance	Leave	Internal	Profit	Other	TOTAL
		benefits	Bonus						
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Mr P B Mabelo	Executive Director: University Estates	925		4					929
Mr M Z Dlamini	Executive Director: Human Resources	771		128					899
Prof D Modise	Deputy Executive Dean (resigned 31/05/2018)	708			138				846
Dr R D Mokate	Executive Director (resigned 28/02/2018)	374	295	2	39				710
Mr B R Nkosi	Executive Director ICT	621							621
Prof GC Cuthbertson	Executive Director (resigned 31/01/2018)	165	278	1	162				606
Dr P S Zulu	Executive Director (resigned 28/02/2018)	310		2	255				567
Mr Z Bagus	Acting Executive Director (resigned 18/02/2018)	476		43					519
Prof O S Sibanda	Acting Executive dean: Law (resigned 28/02/2018)	196		62	190				448
Mr I I Mogomotsi	Executive Director (resigned 31/01/2018)	138		1	293				432

Compensation paid to Executive Management – 2017

The following disclosure relates to compensation paid to Executive staff. Remuneration is based on the cost of employment to the institution comprising flexible remuneration packages.

Council Member		Total
		R'000
Prof M S Makhanya	Principal and Vice Chancellor	3 788
Prof L Labuschagne	Executive Director: Research	2 484
Ms L Griesel	Executive Director: Strategy, Planning and Quality Assurance	2 328
Mr J C van Wyk	Executive Director: Legal Services	2 323
Dr Q M Temane	Deputy Registrar	2 240
Dr RD Mokate	Executive Director: School of Business Leadership	2 228
Mr GM Letsoalo	VP ICT Chief Information Officer	2 188
Mr PZR Zwane	Chief Financial Officer	2 188
DR M M Socikwa	VP Operations and Facilities	2 188
Dr I O G Moche	VP Teaching Learning Community Engagement & Student Support	2 187
Prof P H Havenga	Executive Director: Academic Planner	2 145
Prof BB Mamba	Executive Dean: Science Engineering and Technology (CSET)	2 094
Prof M J Linington	Executive Dean: College of Agriculture and Environmental Sciences	2 078
Prof MK Havenga	Executive Dean: College of Graduate Studies	2 071
Prof E Sadler	Executive Dean: Accounting Sciences (CAS)	2 060

Council Member		Total
		R'000
Prof AP Phillips	Executive Dean: Human Sciences (CHS)	1 946
Dr P S Zulu	Executive Director: Human Resources	1 924
Prof V A McKay	Executive Dean: College of Education (CE)	1 906
Prof G C Cuthbertson	Executive Dean: Change Management	1 889
Mrs A Steenkamp	Chief Audit Executive	1 840
Prof E O Mashile	Executive Director: Tuition and Facilitation of Learning	1 832
Prof MT Mogale	Executive Dean: Economic and Management Sciences (CEMS)	1 798
Mr I I Mogomotsi	Executive Director: University Estates	1 788
Prof I W Alderton	Deputy Executive Dean: College of Science, Engineering and Technology	1 786
Ms R Mathura	Executive Director: Finance	1 765
Prof LDM Lebeloane	Deputy Executive Dean: Education	1 760
Mr Z Bagus	Acting Executive Director: Study Material, Production and Delivery	1 755
Prof GP Coetzee	Deputy Executive Dean: Accounting Sciences (CAS)	1 744
Prof CJ Swanepoel	Seconded as Deputy Registrar	1 706
Prof M Labuschaigne	Deputy Executive Dean: College of Law	1 697
Prof D Modise	Deputy Executive Dean: Agriculture and Environmental Sciences (CAES)	1 662
Mr D C Fortuin	Executive Director: Compliance resigned 31/10/2017	1 653
Mr M Christoffels	Acting Executive Director: ICT Systems (10 November 2017 to 31 December 2017)	1 651
Dr B E Zawada	Deputy Executive Dean: College of Human Sciences	1 617
Prof A Davis	Acting Executive Director: Research Administration (15 February 2017 to 30 September 2017)	1 605
Prof R T Mporfu	Deputy Executive Dean: College of Economic and Management Sciences	1 587
Prof R Songca	Executive Dean: College of Law until 30/06/2017	1 567
Dr S Fikeni	Director Special Projects (Temporary appointment)	1 562
Prof PL Mabunda	Acting Deputy Executive Dean: Education	1 534
DR SD Selematsela	Executive Director: Unisa Library (appointed 01 May 2017)	1 163
Ms JSK Mahlare	Executive Director: Institutional Advancement (appointed 01 August 2017)	682
Mr TT Letsoela	Chief Executive Officer Unisa Enterprise (appointed 01 October 2017)	443
Prof D Singh	Vice Principal: Advisory and Assurance Services (Resigned 31/01/2017)	204
Dr AM Mahomed	Executive Director: Study Material, Production and Delivery (Resigned 31/01/2017)	190
Prof SK Ndlovu	Vice Principal Advisory and Assurance Services (appointed 01 December 2017)	179

Compensation paid to Executive Management – 2018

The following disclosure relates to compensation paid to Council Members for work as a Council member.

Council Member	Attendance at meetings R'000	Reimbursement of expenses R'000	Total R'000
MV Mokoka	176		176
D Mokgatle	146	13	159
TG Ramasike	137	18	155
L Tlhabenelo	133	10	143
S Simelane	137	4	141
SA Mhlungu	128		128
T Wentzel-du Toit	113	7	120
OSM Lebese	104	6	110
GM Nkondo	101	2	103
FE Letlape	63	3	66
MJ Maboja	43	2	45
B Ngcaweni	43	1	44
AS Magwaza	28		28
BS Khumalo	25	1	26

Council Member	Attendance at meetings R'000	Reimbursement of expenses R'000	Total R'000
SD Mayinga	20	3	23
M Modiba	23		23
M Shaik Amod	20	1	21
TT Ngcobo	20	1	21
C Thokoane	18	1	19
L Makuleni	18		18
MC Kganakga	15	2	17
L Magashoa	15		15
O Ngwenya	13	1	14
P Ntsimane	10	1	11
S Mlauzi	8	2	10
P Lebyane	8	1	9
EK Tsatsi	5		5
P Thuynsma	3		3
AA Da Costa	3		3

Compensation paid to Executive Management – 2017

The following disclosure relates to compensation paid to Council Members for work as a Council member.

Council Member	Attendance at meetings R'000	Reimbursement of expenses R'000	Total R'000
TG Ramasike	172	35	207
NV Mokoka	153	15	168
OSM Lebeso	127	9	136
DD Mokgatle	111	20	131
AS Simelane	125	3	128
LI Tlhabanelo	100	10	110
FE Letlape	87	6	93
SA Mhlungu	86		86
B Mehlomakulu	78	5	83
GM Nkondo	73	2	75
MJ Maboja	66	4	70
T Wentzel-du Toit	55	5	60
B Ngcaweni	51	1	52
I Tufvesson	48		48
MP Modiba	31		31
PJA Mphafudi	21	3	24
TT Ngcobo	22	1	23
G Reddy	15	2	17
BS Khumalo	13	2	15
PN Thuynsma	13	2	15
CPM Thokoane	13	1	14
MA Shak Amod	12	1	13
EK Tsatsi	12	1	13
PM Ntsimane	12		12
MC Kganakga	10	1	11
L Makuleni	9		9
SD Mayinga	7	1	8
O Ngwenya	7	1	8
EL Swart	6		6

Council Member	Attendance at meetings R'000	Reimbursement of expenses R'000	Total R'000
F Karodia	4	1	5
GS Moseneke	4		4
AA Da Costa	2		2

27.1 Post-employment benefit plans

Contributions by the University to these plans are disclosed in note 10.

NOTE 28: CAPITAL MANAGEMENT

Capital management refers to the University's investment portfolio. Refer to note 7 for the full details.

The University's objectives when managing capital are:

- safeguard the university ability to continue as a going concern
- generate additional investment income
- act as a short-term relief for operational cash flow requirements
- act as a source of bridging capital when required
- provide project finance
- provide financial stability and security
- protect the capital base of the reserve funds against inflation

Funds are invested according to the cash flow requirements and projected future cash flows.

The University manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The management of the capital has been outsourced to specialised investment fund managers who are issued with specific mandates and restrictions. The performance of fund managers is monitored on a regular basis by the Operational Investment Committee and reported to the Finance, Investment and Estates Committee of Council and Council.

The University is subject to the regulatory requirements of the Department of Higher Education and Training relating to its capital management.

NOTE 29: ADJUSTMENTS

1. The university incorrectly did not provide for staff bonuses in prior periods. This provision for staff bonuses have been brought into account.
2. The university incorrectly calculated depreciation on buildings for 2017.
3. The university incorrectly capitalised work in progress which should have been expensed.

The results for the year ended 31 December 2017 have been restated. Since the university is exempt from taxation, no taxation or deferred taxation effect of the restatements are disclosed.

The error has been corrected by restating each of the affected financial statement line items for the prior period as follows:

Accumulated Funds: Unrestricted	2017 R'000	As at 01 January 2017 R'000
Balance as previously reported	6 986 128	6 301 755
Work in progress incorrectly capitalised	(80 754)	(77 363)
Land and buildings depreciation correction	(9 313)	
Provision for bonuses	(24 298)	(22 187)
Balance restated	6 871 763	6 202 205

Trade and other payables

Balance as previously reported	1 113 983	698 542
Provision for bonuses	24 298	22 187
Balance restated	<u>1 138 281</u>	<u>720 729</u>

Land and buildings – Cost

Balance as previously reported	2 435 112	2 435 618
Adjustment arising from work in progress incorrectly capitalised	(80 754)	(77 363)
Balance restated	<u>2 354 358</u>	<u>2 358 255</u>

Land and buildings – accumulated depreciation

Balance as previously reported	(474 932)	
Adjustment arising from depreciation incorrectly calculated	(9 313)	
Balance restated	<u>484 245</u>	

Impact on the statement of profit or loss and other comprehensive income (Increase/(decrease) in profit)

	2017
	R'000
Total comprehensive income as previously reported	798 012
Increase in depreciation	(9 313)
Work in progress incorrectly capitalised – increase in expenses	(3 391)
Provision for bonuses - Increase in personnel costs	(2 111)
Total comprehensive income restated	<u>783 197</u>

Refer to note 11 for the reclassification of the leave liability.

NOTE 30: CHANGES IN ACCOUNTING STANDARDS AND DISCLOSURES

New and amended standards and interpretations

The University applied IFRS 15, IFRS 16 and IFRS 9 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 18 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers.

The University adopted IFRS 15 using the modified retrospective method of adoption with the date of initial application of 1 January 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The University elected to apply the standard to unfinished contracts as at 1 January 2018.

The cumulative effect of initially applying IFRS 15 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under IAS 18 and related Interpretations.

The effect of adopting IFRS 15 as at 1 January 2018 was, as follows:

Consolidated statement of financial position as at 01 January 2018

Assets	Increase/(decrease)
Contract Assets	20 097
Equity	
Distributable reserve – Unrestricted	20 097

Set out below, are the amounts by which each financial statement line item is affected as at and for the year ended 31 December 2018 as a result of the adoption of IFRS 15. The adoption of IFRS 15 did not have a material impact on OCI or the University's operating, investing and financing cash flows. The first column shows amounts prepared under IFRS 15 and the second column shows what the amounts would have been had IFRS 15 not been adopted.

Consolidated statement of financial position as at 31 December 2018

	Amounts prepared under		Increase/(decrease)
	IFRS 15	Previous IFRS	
Revenue from Contracts	3 858 697	3 828 577	30 120

The nature of the adjustments as at 1 January 2018 and the reasons for the changes in the statement of financial position as at 31 December 2018 and the statement of profit or loss for the year ended 31 December 2018 are described below:

Contract Assets

The University allows students to write a supplementary examination which occurs in the following financial period. The revenue relating to this supplementary examination is considered to be part of the transaction price and is reflected according to IFRS 15. The university had previously recognised this income in the period in which the examination was written.

IFRS 9 Financial Instruments

The University applied IFRS 9 prospectively, with an initial application date of 1 January 2018. The University has not restated the comparative information, which continues to be reported under IAS 39. Differences arising from the adoption of IFRS 9 have been recognised directly in retained earnings and other components of equity.

The effect of adopting IFRS 9 as at 1 January 2018 was, as follows:

Consolidated statement of financial position as at 01 January 2018

Assets	Increase/(decrease)
Trade and other receivables	1 114
Equity	
Distributable reserve – Unrestricted	1 114

The nature of these adjustments are described below.

Classification and measurement

Under IFRS 9, financial instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the University's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the University's business model was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of IFRS 9 did not have a significant impact to the University. The University continued measuring at fair value all financial assets previously held at fair value under IAS 39. The following are the changes in the classification of the University's financial assets:

- Trade receivables classified as Trade and Other receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Debt instruments at amortised cost beginning 1 January 2018.
- Certain investments to the value R385 873 000 were designated at fair value through profit or loss under IAS 39. In terms of IFRS 9 these are now classified as equity instruments at fair value through profit or loss.

In both IAS 39 and IFRS 9 measurement category, the University classified trade receivables at amortised costs. Any change in the carrying amount is as a result of the expected credit loss allowance.

Impairment

The adoption of IFRS 9 has fundamentally changed the University's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the University to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets.

Upon adoption of IFRS 9 the University recognised additional impairment on the University's Trade receivables.

Set out below is the reconciliation of the ending impairment allowances in accordance with IAS 39 to the opening loss allowances determined in accordance with IFRS 9:

	Allowance for impairment under IAS 39 as at 31 December 2017	Re-measurement	ECL under IFRS 9 as at 01 January 2018
Trade and other receivables under IAS 39/ financial assets at amortised cost and under IFRS 9	222 484	1 114	223 598

The university is of the opinion that the change required to the opening balance of the ECL under IFRS 9 for the opening balance is immaterial and therefore no adjustment has been made in the changes in equity statement.

IFRS 16 Leases

The University adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2018. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The University elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The University also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

The effect of adoption of IFRS 16 as at 1 January 2018 (increase/(decrease)) is as follows:

Consolidated statement of financial position as at 01 January 2018

Assets	Increase/(decrease)
Right of Use Assets	78 856
Equity	
Distributable reserve – Unrestricted	78 856

Nature of the effect of adoption of IFRS 16

The University has lease contracts for various items of plant, machinery, vehicles and other equipment. Before the adoption of IFRS 16, the University classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the University; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively.

Upon adoption of IFRS 16, the University applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the University.

Leases previously accounted for as operating leases

The University recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The University also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight determining the lease term where the contract contains options to extend or terminate the lease.

NOTE 31: STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

In terms of IAS 8 entities are required to include in their financial statements disclosure about the future impact of Standards and Interpretations issued but not yet effective at the reporting date.

At 31 December 2019, the following Standards and Interpretations were in issue but not yet effective.

	Standard/Interpretation	Effective date Periods beginning on or after
Amendments to IFRS 9	<i>Prepayment features with negative compensation.</i> <i>There should be no impact of the University.</i>	01 January 2019
Amendments to IAS 19	<i>Plan amendment, curtailment or settlement.</i> <i>There should be no impact of the University.</i>	01 January 2019
Amendments to IAS 1 and IAS 8	<i>Definition of material.</i> <i>There should be no impact of the University.</i>	01 January 2019
The conceptual framework for financial reporting	<i>The changes may affect the application of IFRS where no standard applies to a particular transaction or event.</i> <i>The University is still assessing the impact.</i>	01 January 2020



ANNUAL PERFORMANCE REPORT



1 INTRODUCTION

This summative report is in response to Unisa’s obligation to provide an annual account on progress made towards achieving the 2018 Annual Performance Plan targets. The report makes provision for the overall progress during the 2018 reporting period. This is a cumulative report that embodies all quarterly reporting accounts of progress from Q1 to Q4 of 2018. The Annual Performance Plan, a subset of these KPIs is implicitly covered in this report.

In instances where targets have been achieved, the report also makes provision for auditable information that will be tested to ensure that Unisa is well prepared for the Performance Audit process. The following robot model is applied to reflect the probability of achieving the stated targets:

Not achieved	The probability exists that the particular target will not be achieved, or have already not been achieved in line with the set timelines. In some cases, a request was put forward for a deferment but was not yet approved by Council.
Completed	Targets in this category have been completed in 2018, but after the set date has lapsed.
Audit to be finalised	The probability exists that the particular target could be achieved in line with the set timelines.
Achieved	The target was achieved and evidences provided.
Deferment	The target has moved to the following year.

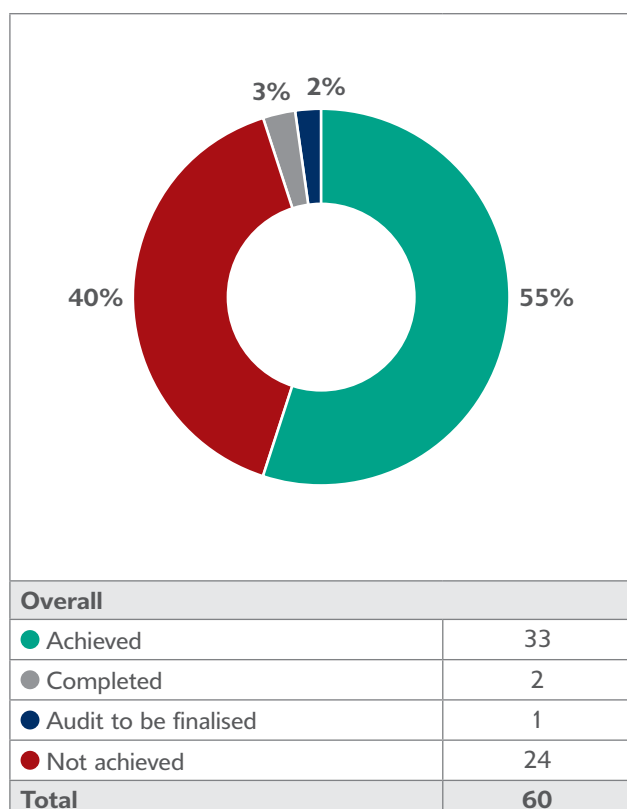


FIGURE 1: OVERALL 2018 APP PERFORMANCE

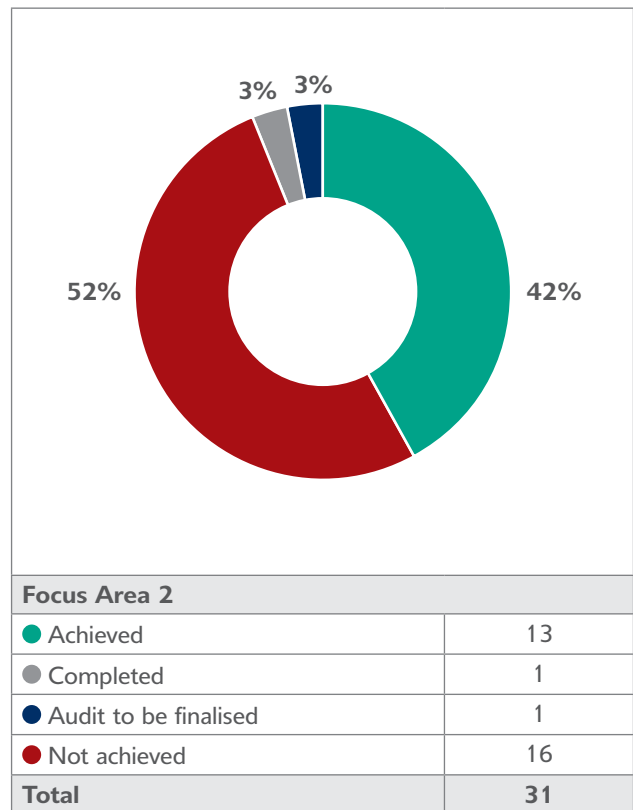
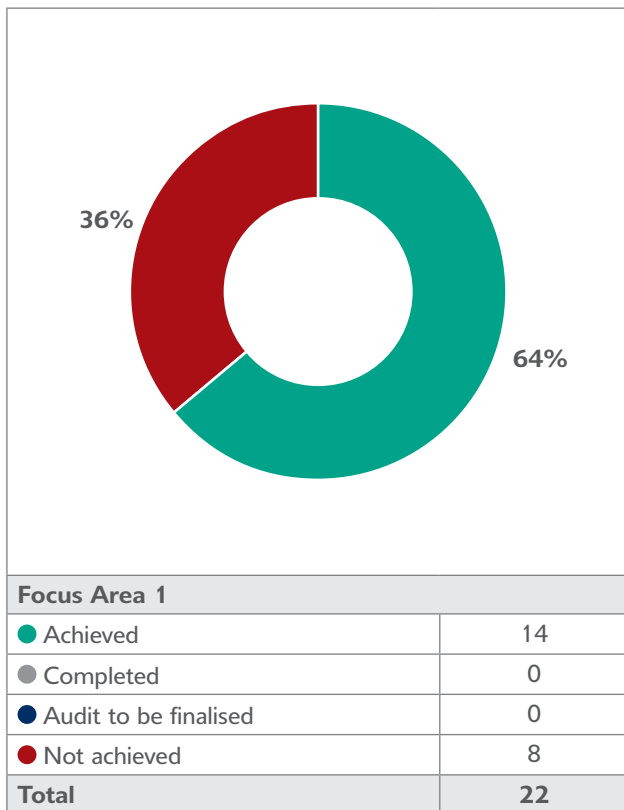
As indicated in Figure 1, the overall achievement rate is 55%. Furthermore, one target is yet to be finalised as it is still subject to an external audit process. This target, which depend on audited financial results due by end of June, is designated as “Audit to be finalised” and marked in blue.

Forty percent of the targets have been adjudicated as not achieved. It must be noted that some of these (2 or 3%) include initiatives that were actually completed in 2018, but due to timing issues did not make the set time. A comprehensive explanation of the challenges encountered and mitigation plans put in place is given for this category of targets in section 4 below.

2 SUMMARY ACHIEVEMENTS PER STRATEGIC AREA

2.1 Focus Area 1

Focus area 1, with 70 targets represents the institution’s initiatives geared towards offering a quality PQM, growing sustainable throughput by offering high quality support for its enrolled students and producing quality research outputs.



Highlights in this area include, the renewal of the PQM via program reviews (32 against a target of 30). These, also, refer to module redevelopment to include continuous assessment in line with the cumulative target of 30% of all undergraduate modules employing continuous assessment. Exam sitting has provisionally met the 72% threshold. Based on provisional data, the throughput rates have, exceeded the set targets (14% against a 12% target). The quality of Black academics, as measured by the number with doctoral degrees (421), has also exceeded the set target (380), as has the number of NRF rated researchers (231 against a target of 225). A total of 922 Academics possess Doctoral qualifications against a target of 800 set for 2018. Unisa held seven patents against a set target of two in 2018.

2.2 Focus Area 2

Focus Area 2 embodies the structural, governance, sustainability and infrastructural initiatives of the University. This focus area has 31 targets, which is the bulk of the committed 60 targets. A provisional achievement of 42% before finalisation of the financial targets in June indicates challenges were faced. It must be noted that a substantial number of targets could not be successfully concluded due to the ongoing institutional restructuring.

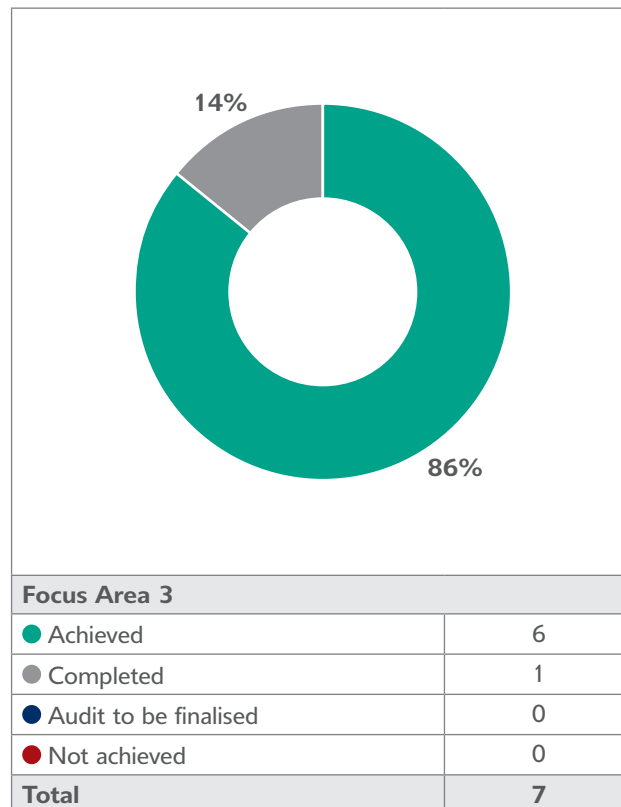
Highlights in this focus area include, the performance management and remuneration policy that was reviewed and approved by the Remuneration Committee of Council (RemCoC) and subsequently Council by June with implementation commencing in January 2019, the Human Resource Committee of Council (HRCoC) approved the organisational Change and health strategy by June for implementation by January 2019. From a transformation viewpoint, 363 South African women were permanently employed in academic positions against a target of 310. As regards governance, all prescribed bi-annual Audit and Enterprise Risk Management Committee of Council (AERMCoC) reports were submitted on time. Furthermore, the report on the assessment of King IV Principle 14: Remuneration governance was signed off. In pursuit of financial stability, R207million third income stream was raised, against a target of R198 million. A provisional 11,28% surplus has been recorded, and preliminary unaudited figures indicate a 72% spend on BEEE compliant suppliers. This is against a target of 40%. Council approved the Infrastructure Management Policy and Development Framework and approved the Campus Master plan as statutorily required. Based on provisional figures, the wage bill was contained below the target of 68%, as it accounted for 66,9% Recurrent Council Controlled Income (RCCI).

At least 353 430 students (87% of all formal and other registrations) used ICT self-service, which is a desired trend and a vote of confidence in enabling ICT systems. Almost all (99.98%) of study material orders were picked and dispatched within 5 days of the confirmation of a registration. Of all students registered by the closing date, all study material was dispatched within the prescribed 15 days.

2.3 Focus Area 3

Focus Area 3 is concentrated on enabling information technology. Seven targets are in this focus area. Six targets have been achieved and two completed in 2019.

Achievements in this focus area include, the free-to-browse access being implemented with Telkom by June 2018, with other service providers, MTN, Cell C and Vodacom also secured by the end of 2018. A digital “end to end platform” was implemented via YouTube. ICTCoC approval of the stabilization plan for the legacy student system and close out of the SITS project were concluded. Initiation of the new student system replacement project, and ICTCoC approval of the 2020 stabilization plan for Unisa Learning Management System as part of the ODeL enablement phase 1, is concluded by August.



3 DETAILED ANALYSIS PER STRATEGIC FOCUS AREA AND OBJECTIVE

3.1 Progress report 2018 – Strategic Focus Area 1

Strategic Focus Area 1: Towards becoming a leading ODeL, comprehensive university in teaching and learning, research, innovation and community engagement based on scholarship.

Strategic Target 1: Quality educational offerings serving current and future generations through a streamlined and relevant PQM appropriate to a comprehensive university, responsive to current and future societal and stakeholder needs and the unique student profile.

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
1.	Achieve improved throughput rates and implement enrolment management[5].	Improve the proxy graduation rate.	11.5% Proxy graduation rate (as defined by DHET) calculated for the 2018 academic year from the Unisa HEDA system.	After the first HEMIS submission 52 318 graduates were recorded, against a provisional registration of 373 747 which is 14%.	Achieved
		Improve the exam sitting pass rate.	72% Exam sitting pass rate calculated for the 2018 academic year from the Unisa HEDA system.	The provisional exam pass rate as at March 2019 is 72.1%.	Achieved

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
		Improve the degree success rate.	72.5% Degree-credit success rate (as defined by DHET) calculated for the 2018 academic year from the Unisa HEDA system.	Degree credit success rate of 52% was achieved as at Second HEMIS submission.	Not Achieved
		Manage enrolments in line with Senate approved admission requirements and criteria to promote access.	358 474 Headcount Enrolments.	As at second HEMIS submission in April 2019, 373 747 registrations were recorded against a target of 358 474 for 2018. The University found itself in this predicament due to the mixed messages in respect to "walk in" intake effected in January 2018. This was on the back of the free education for the poor in December 2017.	Achieved
		Manage enrolments in line with Senate approved admission requirements and criteria to promote access.	54 434 First Time Entering students.	As at second HEMIS submission in April 2019, 70 702 first time entering undergraduate registrations were recorded. The target was 54 434. The University found itself in this predicament due to the mixed messages in respect to walk in intake that was effected in January 2018. This was on the back of the free education for the poor in December 2017.	Achieved
		Achieve improved throughput rates at undergraduate level and implement enrolment management[6].	6.5% 1st B degree enrolled headcount students completing within expected minimum time.	As at second HEMIS submission in April 2019 indicates a throughput rate in minimum expected time of 25.1%. The target is achieved.	Achieved
		Achieve improved throughput rates at undergraduate level and implement enrolment management[6].	28% Hons and equivalent enrolled students completing within expected minimum time.	As at second HEMIS submission in April 2019, a throughput rate in minimum expected time of 29.0%. The target is achieved.	Achieved
		Achieve improved throughput rates at undergraduate level and implement enrolment management[6].	23% Masters and equivalent enrolled headcount students completing within minimum time.	As at second HEMIS submission in April 2019, a throughput rate in minimum expected time of 28.1%. The target is achieved.	Achieved
		Achieve improved throughput rates at undergraduate level and implement enrolment management[6].	15% Doctorate and equivalent enrolled headcount students completing within minimum time.	As at second HEMIS submission in April 2019, a throughput rate in minimum expected time of 31.3%. The target is achieved.	Achieved
2.	Renew and/or review programmes through the process of quality peer review to ensure inclusion of pedagogies supporting service learning and African pedagogies.	Renew and/or review programmes – through the process of internal quality peer review.	STLCEC approved list of programs (30) reviewed by December 2018.	This target was met. All the STLCEC lists with 32 programmes were reviewed during 2018.	Achieved

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
3.	Implement the ODeL business model and ensure curriculum transformation for teaching and learning into undergraduate modules.	Revitalise student assessment through continuous assessment and assessment for learning practices.	30% of undergraduate modules applying continuous assessment[7], calculated as at 31 December 2018.	Modules including continuous assessment were integrated and infused in 351 modules, which were developed and completed in 2018.	Achieved
		Implement ODEL Business model for Teaching and Learning into Undergraduate Modules.	Council approved review of the Senate approved ODeL business model to ensure alignment with Unisa 2030 strategy by June 2018 and integrated implementation plan developed by November 2018.	The revised Business model was completed, but there is a need to align it with the Regional model that was only approved in December.	Not Achieved

Strategic Target 2: A leading participant in and producer of research and innovative solutions in identified niche areas, with a particular focus on identifying African solutions and global responses to African/continental strategic focus areas and concerns.

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
1.	Advance ODL research on the African continent and internationally.	Produce ODL research.	220 ODL DHET accredited research output units (journal articles, conference proceedings and books) for the 2018 academic year.	67.7 units excluding books/book chapters and conference proceedings. These figures are provisional and could change after final audited data is available in May.	Not Achieved
		Confer Master and doctoral degrees in ODL.	11 new Master's and/or Doctoral degrees on Unisa staff members conferred in ODL teaching and learning for the 2018 academic year.	Provisionally there are 4 new masters, 4 new doctoral graduates.	Not Achieved
		Increase the number of Instructional staff with PhD qualification.	380 black South African permanent academic staff with doctorates for the 2018 academic year.	The number of black South African permanent academic staff with doctorates for the 2018 academic year is 421.	Achieved
		Increase number of NRF rated researchers associated with Unisa (permanent staff and contract staff/academic associates).	225 (13%) NRF rated researchers associated with Unisa Permanent Instruction/ Research Staff for the 2018 academic year.	The number of permanent academics with NRF rating as on 14 November 2018 is 231.	Achieved

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
		Increase number of NRF rated researchers associated with Unisa (permanent staff and contract staff/academic associates).	80 black South African NRF-rated researchers associated with Unisa Permanent Instruction/ Research Staff for the 2018 academic year.	The number of permanent academics with NRF rating as on 14 November 2018 is 88.	Achieved
		Increase number of NRF rated researchers associated with Unisa (permanent staff and contract staff/academic associates).	20 black Woman South African NRF rated researchers associated with Unisa Permanent Instruction/ Research Staff for the 2018 academic year.	The number of permanent black female academics with NRF rating as on 16 November 2018 is 16.	Not Achieved
2.	Improve the quality of research and outputs.	Increase the per capita weighted research output to reach.	Per capita weighted research output of 1.70 for the 2018 academic year.	Provisional data indicates 1.42 research outputs per capita has been recorded.	Not Achieved
		Increase the number and quality of research outputs in journals listed on the DHET accredited international indices (ISI/ IBSS/Scopus/ Norwegian list).	1 200 recorded research output units in journals listed on the DHET accredited indices for the 2018 academic year.	There were 1081.1808 recorded research output units in journals listed on the DHET accredited indices for the 2018 academic year.	Not Achieved
		Improve research output units from black South African researchers.	310 research output units from black South African researchers in Journals listed on the DHET accredited indices for the 2018 academic year.	Provisionally, 275 research output units from black South African researchers in Journals listed on the DHET accredited indices for the 2018 academic year have been recorded.	Not Achieved
3.	Increase research productivity, effectiveness and innovation.	Develop a targeted funding instrument and practices to promote publications in African Journals.	Develop a strategy to promote the Africa's research landscape by June 2018 and commit a % allocation from the Research Subsidy Grant.	The 2018 R&I Strategic Plan addresses the first part of the objective; therefore 100% achieved. The plan was finalised in December 2017. Transformation is one of the imperatives in initiatives that carried out, and, coupled with the 5 Niche Areas, provide a clear strategy for how "promote the Africa's research landscape". 117% of the 2018 Research Subsidy Grant was committed to Research initiatives.	Achieved

3.2 Progress report 2018 – Strategic Focus Area 2

Strategic Focus Area 2: To craft and embed an agile, innovative, sustainable and efficient operational environment

Strategic Target 5: To create a management and governance framework to allow for flexibility and innovation, and ensure efficiency, high performance, service delivery and accountability.

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
1.	Finalise the structural realignment and align all policies, procedures and processes with the approved ODeL business model.	Review the MTFSP and pricing strategy.	Council approved resource allocation model and pricing strategy by November 2018.	The resource allocation and budget policy was approved in September 2018. Tuition fee strategy was not approved at FIECoC in September and November.	Not Achieved
		Implement the approved organisational structures for all support functions.	HRCoC mission critical positions filled by June 2018 and implementation of all other structures commenced.	Mission critical positions were approved to be filled by 31 December 2018 – Completed. 136 Positions approved / 102 Positions filled / 16 Placed on hold due to 'new' structure / 18 Job descriptions to be reviewed in respect to 'new' Structure. Top structure for ICT was approved in Sept 2018. Filling of Management positions in the approved ICT structure commenced in the second half of 2018. Top structure for the rest of the University was approved by Executive Committee of Council on 10 December 2018 with implementation to commence.	Not Achieved
2.	Provide high quality human resources services to promote institutional agility.	Review HR policies to give expression to the transformation agenda.	Performance Management and Remuneration Policy reviewed and approved by June 2018 for implementation by 1 January 2019.	Policies have been reviewed and consulted. They were approved by Council at its meeting on 21 June 2018 – Completed	Achieved
		Manage staff capacity and retention.	0.24 % Early turnover (percentage of newly recruited staff[8] leaving in the first year).	8 early turnover instances (1 as a result of death) out of 5 835 employees $8/5\ 835 = 0.14\%$.	Not Achieved
		Manage staff capacity and retention.	Time to hire 6 weeks for contract appointments and 3 months for permanent appointments.	(i) 3 x months for permanent appointments. Permanent Academic and Research staff (P5 & Below) = 156. Permanent Administrative & Professional staff (P5 & Below) = 199. TOTAL: 355 = 2.76 months/appointment (ii) 6 x weeks for contract appointments. Fixed-term contract staff (P5 & Below) = 2 724. Independent Contract staff appointed, including Tutors = 6 885. TOTAL: 9 609 = 5.25 weeks/contract appointment	Not Achieved
3.	Provide assurance with regard to the compliance with all policies and procedures to ensure a sustainability focus.	Provide relevant reports on the compliance of policies and procedures and provide proactive advice on its relevance and appropriateness.	AERMCoC bi-annual report in June 2018 and November 2018 on the fair and consistent application of all policies and procedures.	All regulatory reports due in the period between July and September 2018 have all been submitted on time.	Achieved

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
		Provide relevant reports on the compliance of policies and procedures and provide proactive advice on its relevance and appropriateness.	SECoC bi-annual report on the policies reviewed to ensure a sustainability focus by June 2018.	The reports did not serve at the AERMCoC.	Not Achieved
		Provide relevant reports on the compliance of policies and procedures and provide proactive advice on its relevance and appropriateness.	Maintain an unqualified audit for 2018 external audit process and at least 40% reduction in findings in the management report.	The 2018 audit outcomes are only due on the 30 June 2019.	On Track
4.	Ensure long term financial sustainability.	Oversee all institutional initiatives to ensure Financial Sustainability.	Third stream income[9] equal or greater than R198m credited to Unisa calculated as at 31 December 2018.	This target has been achieved. Unaudited figures indicate that R207m was raised.	Achieved
			0.19% surplus margin.	Preliminary unaudited figures indicate that 11.28% has been achieved.	Achieved
			4.9% Return on Investment.	This target was not achieved because of market performance, but the rolling target performance has been achieved.	Not Achieved
			Equal or less than 68% HR cost of total CCRI.	The budget for 2018 was 70.5%. Preliminary Unaudited figures indicate an actual expenditure for 2018 of 66.9%. This figure is provisional as the report is still to serve at ManRem.	Achieved
5.	Transform supply chain management practices.	Promote SCM transformation objectives.	Equal or higher than 40% spend on BEE[11] of the total discretionary spend in accordance with Council approved SCM policy.	Preliminary unaudited figures indicate a 72% spend on BEEE compliant suppliers.	Achieved
6.	Implement relevant policies, processes, and structures related to risk management.	Develop and report on enterprise risk management matters.	AERMCoC approved risk maturity determination by June 2018 and first continuous improvement cycle for the ERM Framework activated by August 2018.	The ERM Framework was submitted in November 2017 to AERMCoC to be recommended for approval by Council. The AERMCoC, on its 6 November 2017 meeting had already recommended the ERM Framework for approval by Council. However, due to administrative issues the document was not placed on the agenda of the November 2017 Council meeting for final approval.	Not Achieved
		Conduct strategic environmental scanning to inform the risk register.	Council approved discussion document towards the development of a business continuity plan by April 2018.	The following are the key deliverables of the Deloitte project, which was focused only on Muckleneuk, the School of Business Leadership and Sunnyside campuses.	Not Achieved
7.	Create an institutional value based culture.	Conduct ethics culture assessments.	Ethics culture assessment score from Ethics SA of 66% by July 2018.	The report was prepared. However, the 66% target is not evident.	Completed

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
8.	Promote sound corporate governance.	Ensure compliance with King IV principles to promote good governance.	Council approved report on specific King IV compliance principles tested as per the internal audit plan by November 2018.	The final report on the assessment of King IV Principle 14: Remuneration governance was approved and signed off.	Achieved

Strategic Target 8: To develop a transformative work environment that enhances high performance, wellness and promotes the qualities of an engaged workforce.

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
1.	Identify the existing set of skills compared with the required skills and knowledge to achieve the Unisa strategy through the approved institutional business model (ODEL).	Conduct the skills audit in identified areas and report on outcomes.	HRCoC approved skills audit report for professional and support departments following placements in the new structure by November 2018.	No placements were made in the new structure as the realignment is still in progress. A report, however, served on the envisaged skills audits in the departments of Finance, Human Resources and ICT. The matter was placed on the UBF Agenda in 2018 and the presentation was made in February 2019.	Not Achieved
2.	Foster an engaged workforce.	Continuously review the organisational health to promote an engaged workforce.	HRCoC approved Organisational change and health strategy by June 2018.	The strategy was approved by HRCoC via round robin during June 2018 and was submitted to Council for noting on 21 June 2018.	Achieved
		Design an advocacy and communication strategy for staff to proactively obviate resistance to transformative initiatives.	Management approved staff communication strategy in line with Organisational health outcome by May 2018 and successfully implemented by 31 December 2018.	Mancom approval achieved as stipulated in the target, but in June and not May.	Not Achieved
		Facilitate the recruitment, development and retention plans for black South African Women.	310 black South African Women in permanent academic positions for the 2018 academic year.	For the 2018 academic year, 363 South African women were permanently employed in academic positions.	Achieved
3.	Create an enabling environment for persons with disabilities.	Advance institutional practices in regard to person with disabilities.	1.3% persons with disabilities of total permanent staff headcount.	This target has been marginally missed as 71 Disabled permanent staff out of 5 835 employees were appointed.	Not Achieved

Strategic Target 9: To manage institutional infrastructure projects.

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
1.	Provide a healthy and safe environment.	Institutional integration of cleaning, catering and gardening services.	SECoC approved integrated cleaning, protection and garden services plan (Personal Safety & Hygiene, Occupational health & safety, and Code of Ethics and Conduct) by September 2018.	All training programmes on supervisory skills, waste sorting, environmental training, HR Employee code of conduct were completed, however, the training on customer care was not completed.	Not Achieved
2.	Provide well governed quality, effective and efficient operations and facilities management services.	Devise relevant policies and plans.	Council approved Infrastructure Management Policy and development Framework by June 2018.	The Infrastructure Policy was approved by Council on the 25 April 2018.	Achieved
		Devise relevant policies and plans.	Council approved 3-5 year infrastructure management plan/master plan by September 2018.	Master Plan was approved by Council on the 25 April 2018.	Achieved
		Develop a transport and fleet management policy.	Council approved Transport and Fleet Management policy by September 2018.	The Policy had not been approved. However, there was Mancom approval of the strategy in November.	Not Achieved

Strategic Target 10: Increase effective and efficient service to students to promote a quality student experience.

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
1.	Develop and implement communication tools to enhance the student experience.	Create a conducive environment for students to access and update personal information on-line	Not less than 75% of registered students using electronic self-service update link calculated on 31 December 2018.	353 430 Unique users were recorded from a total of 404 701 registered students (inclusive of non-formal students) as having used myUnisa Portal for self-service. This represents 87% of registered students.	Achieved
2.	Enhance student access to technology.	Provide student devices to new first time entraining students.	Council approved strategy, plan and financing model for student access to devices by March 2018 and pilot implementation for NSFAS students commenced by June 2018.	The strategy for the allocation of devices is in place. The devices will be procured for allocation in the 1st semester of 2019. The following activities have been completed: <ul style="list-style-type: none"> - Development of Policy on e-devices; - Further allocation of R5 million from UNISA funds to purchase additional textbooks that are now available to UNISA registered students in all 14 UNISA libraries; and - The finalisation of the supply chain management process to secure laptops for UNISA students, with a focus, in the first instance, on NSFAS-funded students. The service providers have been appointed. - A web link was sent to qualifying students to choose between textbooks and laptops. As at 15 Feb 2019, over 11 000 students opted for laptops. - A distribution strategy and the SLA will be shared with the service providers in the meeting scheduled 19 Feb 2019. 	Not Achieved

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
3.	Promote a high quality student focussed service delivery culture.	Develop and implement a technology driven call centre.	Council approved call center model and funding proposal by June 2018 and operational by September 2018.	MANCOM appointed an Implementation Task Team chaired by VP: SRAS and the VP: ICT to explore a cost-effective model for implementing the SCSC. Consultations aimed at gaining Mancom approval of a revised SCSC implementation schedule which was set for 15 October 2018. The first part of the SCSC telephone roll-out (toll-free number: 0800 001870) was achieved by 15 October 2018. However, the placement of staff in the SCSC remained unresolved.	Not Achieved
		Monitor and measure student satisfaction (including students with disabilities).	Student satisfaction 75%.	The instrument was developed, but due to the prevailing environment this was not put out to the field.	Not Achieved
4.	Ensure timely delivery of all study material to students.	Improve management and delivery of study material.	No study material still being dispatched 15 days after the closing date of registration.	99.98% of study material orders were picked and dispatched within 5 days of the confirmation of a registration.	Not Achieved

3.3 Progress report 2018 – Strategic Focus Area 3

Strategic Focus Area 3: To harness ICTs to support the transformation of the core business, to enable high performance, service and quality to all its communities.

Strategic Target 11: Create Enhanced ICT systems to support the university's core business, identified in Strategic Focus Areas 1 & 2 in a manner that promotes efficiency, accessibility, and ease of use.

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
1.	Stabilise the ICT environment and create cyber-security awareness amongst staff and students.	Establish a 24/7 ICT self help desk for staff and students.	A 24/7 self help desk for staff and students implemented by December 2018.	The help self-desk has had to close due to the following: a) IT Services offered to staff 24 by 7. b) Services offered to staff outside normal working hours. c) IT Services were offered to students 24 by 7.	Achieved
2.	Stabilise the ICT environment and create cyber-security awareness amongst staff and students.	Facilitate and manage stabilising the ICT systems.	98% Availability of Critical Business Systems – Student Administration System, MyUnisa, Oracle E-Business Suite, ECM/ Uniflow, SRM, Email (Staff and Students), Internet and 99.99% Availability of Facilities – Data Centre Facilities).	The systems availability has been achieved as per the performance report tabled at the ICT Steering Committee.	Achieved
3.	Promote student access and connectivity to devices underpinned by student digital portals.	Free to Browse teaching, learning and research content for Students.	Free-to-browse access implemented with 1 service provider network for students by June 2018 and negotiations with more providers commenced.	Contract negotiation between UNISA Legal and Cell C took long due to the fact that this kind of agreement was a first for UNISA. Conclusion of this contract provided a benchmark which led to an overachievement on this target by signing with the additional 3 Network Providers.	Completed

No.	Strategies	Actions	2018 Target	2018 Summative Report	Status
4.	A digitally transformed teaching, learning and research environment integrated with university systems.	Create a digital platform that enables students and staff to create, store, upload, download and stream media.	Digital end-to-end media platform[12] implemented by December 2018.	A Digital platform via YouTube was implemented as phase 1. Alternative platforms will be trialled in 2019.	Achieved
		A digitally transformed teaching, learning and research environment integrated with university systems.	Digital teaching and learning platform (MyUnisa) implemented in a cloud environment by December 2018	Implementation of the cloud environment and unbundling of myUnisa is scheduled for 1 December 2018.	Achieved
5.	Optimize and automate the administration of the student walk.	Automated response solutions to students queries.	Student legacy information system modernisation program (Phase 1) completed by October 2018 and close out report submitted to ICTCoC by November 2018.	ICTCoC of 11 May 2018 approved Stabilization plan for Legacy student system, the close out of SITS project and the start of a new student replacement project.	Achieved
			ODEI Enablement phase 1 completed by October 2018 and close out report submitted to ICTCoC by November 2018.	The 2020 Stabilization Plan for Unisa Learning Management System approved in ICT has been completed. ICTCoC August 2 approved the close-out report.	Achieved

ACRONYMS AND ABBREVIATIONS

AERMCoC	Audit and Enterprise Risk Management Committee of Council
AFS	Annual financial statements
AI	Artificial Intelligence
APP	Annual Performance Plan
APS	Admission Point Scores
AQIP	Academic Qualifications Improvement Programme
ASAAE	Association of South African Agricultural Educators
ASACoC	Academic and Student Affairs Committee of Council
BCCoC	Brand and Communication Committee of Council
BMR	Bureau of Market Research
CAES	College of Agriculture and Environmental Sciences
CAS	College of Accounting Sciences
CCMA	Commission for Conciliation, Mediation and Arbitration
CE	Community engagement
CEDU	College of Education
CEMS	College of Economic and Management Sciences
CGS	College of Graduate Studies
CHE	Council for Higher Education
CHS	College of Human Sciences
CLAW	College of Law
CSET	College of Science, Engineering and Technology
Codesria	Council for the Development of Social Science Research in Africa
DHET	Department of Higher Education and Training
DIA	Directorate Information and Analysis
DITT	Directorate: Innovation and Technology Transfer
DoL	Department of Labour
DTSFL	Department: Tuition Support and Facilitation of Learning
EAP	Economically active population
EE	Employment equity
ERM	Enterprise Risk Management
ESD	Enterprise and Supplier Development
Exco	Executive Committee of Council
FIECoC	Finance, Investments and Estates Committee of Council
GCSRT	Global Clinical Scholars Research Training
GDP	Gross domestic product
HBUST	Hebei University of Science and Technology
HE	Higher education
HEFMA	Higher Education Facilities Management Association
HEQC	Higher Education Quality Committee
HR	Human resources
HRCoC	Human Resource Committee of Council

ICT	Information and communication technology
ICTCoC	Information and Communication Technology Committee of Council
IDEAS	Institute for the Development of Energy for African Sustainability
IF	Institutional Forum
IIA	Institute of Internal Auditors
IP	Intellectual property
IIRC	International Integrated Reporting Council
LSO	Legal Services Office
MDSP	Masters and Doctoral Support Programme
MoA	Memorandum of agreement
NGCoC	Nominations and Governance Committee of Council
NRF	National Research Foundation
NSFAS	National Student Financial Aid Scheme
NSRC	National Student Representative Council
ODL	Open distance learning
ODEL	Open Distance and e-Learning
PQM	Programme Qualification Mix
PRG	Professional Research Group
PSET	Post-School Education and Training
QA	Quality assurance
RCCI	Recurrent Council Controlled Income
RemCoC	Remuneration Committee of Council
RITR	Research Institute for Theology and Religion
SAHRC	South African Human Rights Commission
SAQA	South African Qualifications Authority
SBL	Graduate School of Business Leadership
SCM	Supply Chain Management
SCSC	Student Communication Service Centre
SECoC	Social and Ethics Committee of Council
SLPs	Short learning programmes
SMMEs	Small, medium-sized and micro-enterprises
SoTL	Scholarship of Teaching and Learning
SRC	Students' Representative Council
SRLC-HE	Strategic Risk Leadership Conversations on Higher Education
SRU	Student retention unit
STEAM	Sciences, technology, engineering, arts and mathematics
STEM	Science, technology, engineering and mathematics
TIA	Technology Innovation Agency
TLCESS	Teaching, Learning, Community Engagement and Student Support
TVET	Technical and Vocational Education and Training
Unesco	United Nations Educational, Scientific and Cultural Organization
Unisa	University of South Africa
USAF	Universities South Africa
VC	Vice-Chancellor





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