



University of Venda

**Commission of Inquiry into Higher Education and Training during SET 3
Hearing: Funding of Institutions of Higher Learning and Colleges
21 October 2016**

Q1: Please indicate the number of students who applied but were refused first year admission per broad field of study.

SCHOOL	2011 Declined	2012 Declined	2013 Declined	2014 Declined	2015 Declined	2016 Declined
AGRICULTURE	202	145	242	248	349	440
EDUCATION	399	404	1153	2237	3647	4587
ENVIRONMENTAL SCIENCES	0	18	881	828	809	1347
HEALTH SCIENCES	671	736	1319	1809	1173	3313
HUMAN AND SOCIAL SCIENCES	1250	499	1910	913	2045	3071
LAW	71	148	611	1032	1649	2258
MANAGEMENT SCIENCES	651	842	719	1018	1472	2531
MATHEMATICAL& NATURAL SCIENCES	180	195	152	568	440	685
	3424	2987	6987	8653	11584	18232

Q1: Refusal Admission and Progression

a) The principal reasons for refusal.

- *Not meeting University requirements*
- *Not meeting subject requirements*

a) Whether any were refused admission to the next academic year (other than for reasons of failure the previous year), and if so, how many and for what reasons.

- *Prerequisite subjects*

Q2: The number of students accommodated in residences provided by the institution.

The cost to each student of such accommodation, and the cost to the institution of providing it. A distinction should be made between university owned residences and privately leased accommodation.

FEMALE		MALE		
NAME OF RESIDENCE	CAPACITY	NAME OF RESIDENCE	CAPACITY	TOTAL
LOST CITY GIRLS	180	LOST CITY BOYS	180	
RIVERSIDE	128	RIVERSIDE	128	
F4	372	CAROUSEL	123	
F5	129	F3	369	
MANGO GROOVE	124			
BERNARD NCUBE	58			
PREFAB	185	PREFAB	189	
TOTAL	1176		989	2165
<u>Table 1</u>	54%		46%	

Q2: Payment for Univen Residences

Univen residence fee structure – NSFAS pay in full:

- Prefabs R10 090 per annum
- New F5 residence R17 580 per annum
- All other residences R14 640 per annum

Q2: Payment for Outside Residences

Outside Accommodation

2016

NO	Landlord	Cost	No of Students
1	One step general residence	21,000.00	70
2	Hill view residence	16,000.00	36
3	Nchebeko Skills Consultancy	19,000.00	150
4	Greenstone Residence (Double)	15,000.00	250
	Greenstone Residence (single)	16,000.00	105
5	Kundani Rokunda Property Trust	16,000.00	88
6	Yabama Placement Service	16,000.00	123
7	Zwahuli (Zwacoproval)	16,000.00	17

2015

NO	Landlord	Cost	No of students
3	Nchebeko Skills Consultancy	18,000.00	110
4	Greenstone Residence (Double)	14,000.00	150
	Greenstone Residence (single)	15,000.00	50
5	Kundani Rokunda Property Trust	15,000.00	88
6	Yabama Placement Service	15,000.00	123
7	Zwahuli (Zwacoproval)	15,000.00	17

Prior to 2015, we did not have students staying in the outside private accommodation. Accreditation process to be followed otherwise personal contract.

Q2: Tuition support from University

b) Whether students receive free or partially free tuition as a *quid pro quo* for school results or results at the institution in question, and if so, the number of such students and the relevant fields of study.

VC Merit Award Bursary

It depends on matric results

Year	2012	2013	2014	2015
No of Bursaries	165	173	178	215

Q3: A schedule of selected tuition fees for the institution. The schedule should include the relevant line items constituting the applicable tuition fee – See attachment.

a) The main considerations in setting tuition fees charged per field of study, course, degree, certificate or diploma. Indicate any cost drivers that give rise to Higher Education Price Index.

- *Tuition fees are decided upon once the Strategic Plan has been costed through the budget conference and take into consideration*

(1) Attainment of Strategic Objectives

(2) Salary adjustments

(3) Academic staff/support staff ratio

(4) Academic staff/student ratio

(5) Cost of Equipment and equipping academics to deliver CHETL

A schedule of selected tuition fees for the institution. The schedule should include the relevant line items constituting the applicable tuition fee – See *attachment*.

Fixed and variable tuition fee components which are non-negotiable (and explain) and which can be considered “non-essential” for purposes of delivering a quality academic qualification.

Variable components:

SRC levy R800

Residences

Tablets

Field trips – practicals

Uniforms

Books

Meals

Other: Utility costs; Broadband costs; E-learning – E-books; Library costs; Computers and tablets; Consumables - labs

Q2: Cross-subsidisation

c) How tuition fee cross-subsidization is decided

Univen does not determine programme financial viability studies and therefore the Strategic Plan determines the annual budget through a budget conference and thereafter the Finance Committee and Council ultimately approve the following year's budget.

Q4: Tuition Fee Increases

- Tuition fee increases for 2011, 2012, 2013, 2014 and 2015 and the reasons for this level of increase

Negotiated fees with SRC annually. We always agree to what Univen will do from its side as part of the fee agreement, such as building a swimming pool, new sports fields, upgrading of the Entertainment Centre, student tablets (2015), etc.

FEES	2011	2012	2013	2014	2015	2016
Tuition fees	10%	12,50%	13%	8%	12%	0%
Residence fees	10%	10%	12%	8%	8%	0%

Question 5: Efforts to Reduce Tuition Fees

1) Measures which have been taken to reduce tuition fees and the field of study where this has been achieved.

Was not possible to reduce fees and thus no attempt to reduce fees was made.

Question 6: Private Bursaries/Sponsorships

6) Data on privately funded sponsorships or bursaries (and as a percentage of second stream funding).

Source of Funding	2011	2012	2013	2014	2015	2016
Private	322	282	188	691	301	495
Government	234	234	233	262	202	360
NSFAS	5158	6627	6925	6451	7120	10185*
Eduloan	207	206	236	271	277	298
VC Merit		165	173	178	215	217
Total number of students funded by sponsors	5921	7514	7755	7853	8115	11555
Total Registered students	10 342	10 323	11 818	13 533	13 829	14 994
% of funded students	57%	73%	66%	58%	59%	77%

*Include 2500 students in respect of historic debt.

Question 7: Process followed and Criteria applied Financial Aid Office

Explain the process followed and criteria applied by the institution's financial aid office in identifying students who need financial assistance.

NSFAS

Univen is a pilot University for NSFAS where the student centered model is being tested.

All applications are done online directly to NSFAS and downloaded at NSFAS.

Univen's role is to send academic results to NSFAS at the end of each year for NSFAS to consider when making funding decisions for the following year.

Univen provide computer access and assistance to students to apply to NSFAS online.

PRIVATE FUNDERS

Students apply direct with funders.

When requested to identify financially needy students, we are normally guided by the funders' requirements.

Q7: No of Students Benefitted

Of these; how many students benefited from the state allocation received under the NSFAS allocation in each year.

Year: 2011	Year: 2012	Year: 2013	Year: 2014	Year: 2015	Year: 2016
5158	6627	6925	6451	7120	7457

Q7: NSFAS allocation and actual costs

- a) What is the difference between the NSFAS allocation per funded student place and the actual cost of study (tuition fee and full cost of study)

Univen send NSFAS a request indicating what students owe for that particular year and they then normally pay what the student is owing. After agreeing on the tuition and residence allowances, the remainder is allocated for books and meals and Univen agrees with NSFAS on that allocation. For 2016 the meal allowance is R5 500 for 10 months and R1 500 book allowance (all students receive tablets).

Q7: University Monies used

c) How the institution made up for any shortfall and in respect of how many students.

Not applicable.

d) The amount of university money used to contribute to the tuition fees of poor/ 'missing-middle' students

Univen has not made any contribution to the "missing middle". Univen monies used

VC Merit Awards	2011	2012	2013	2014	2015
Amounts made available	R1,65m	R1,9m	R2,6m	R3,0m	R3,8m

Q7: Student Debt

e). The degree of the current student debt flowing from the NSFAS shortfall and the degree of recovery and right-off.

i). Student Debtors

The student debtors' balances as at 30 September 2016 amounted to R273,7 million including the previous year's balances that amounted to R35,1 million which was handed over to Debt Tracker. Debt Tracker has been able to recover an amount of R17.6 million as at 30 September 2016.

Debtors balance per funder as at 30 September 2016

Funder	Amount
	R'000
NSFAS	157,836
Other Bursaries	6,404
Self-Funded	109,505
Total	273,744

Q7: Student Debt (cont)

Univen was allocated R139.6 million by NSFAS in respect of historic debt for 2013/2014 and 2015. Of this amount, an amount of R72,7 million has already been claimed for 2 500 students. The Financial Aid office is working very hard to trace some of the students which have left the University. The NSFAS has also allocated R41,5 million for funding students who meet the NSFAS criteria and registered, qualifying but unfunded 2016 students.

ii). Amount written off 2012

During September 2012 wrote off old prescribed students' debt dating back from 1984 till 2008 to the total of R30 285 662,00. The reason for writing off the above debt is that no useful information was available to trace any of the students.

Q7: Student Debt (cont)

iii). Amount written off on November 2015

No	Year	Number of Files of untraceable students	Cost
1	Pre 2009	2359	R6 883 092.76
2	2009	284	R2 767 173.22
3	2010	71	R 796,981.26
4	2011	169	R1 821 716.04
TOTAL		2883	R12 268 963,28

Question 8: Zero % increase

- 8) Regarding the zero percent decision for 2016, please indicate:
- How much your institution received in state subsidies to cover the 0% increase and the extent, if any, of the shortfall?

Univen received R33,9 million in January 2016 to cover the shortfall for 2016 which covered the intended increase in total.

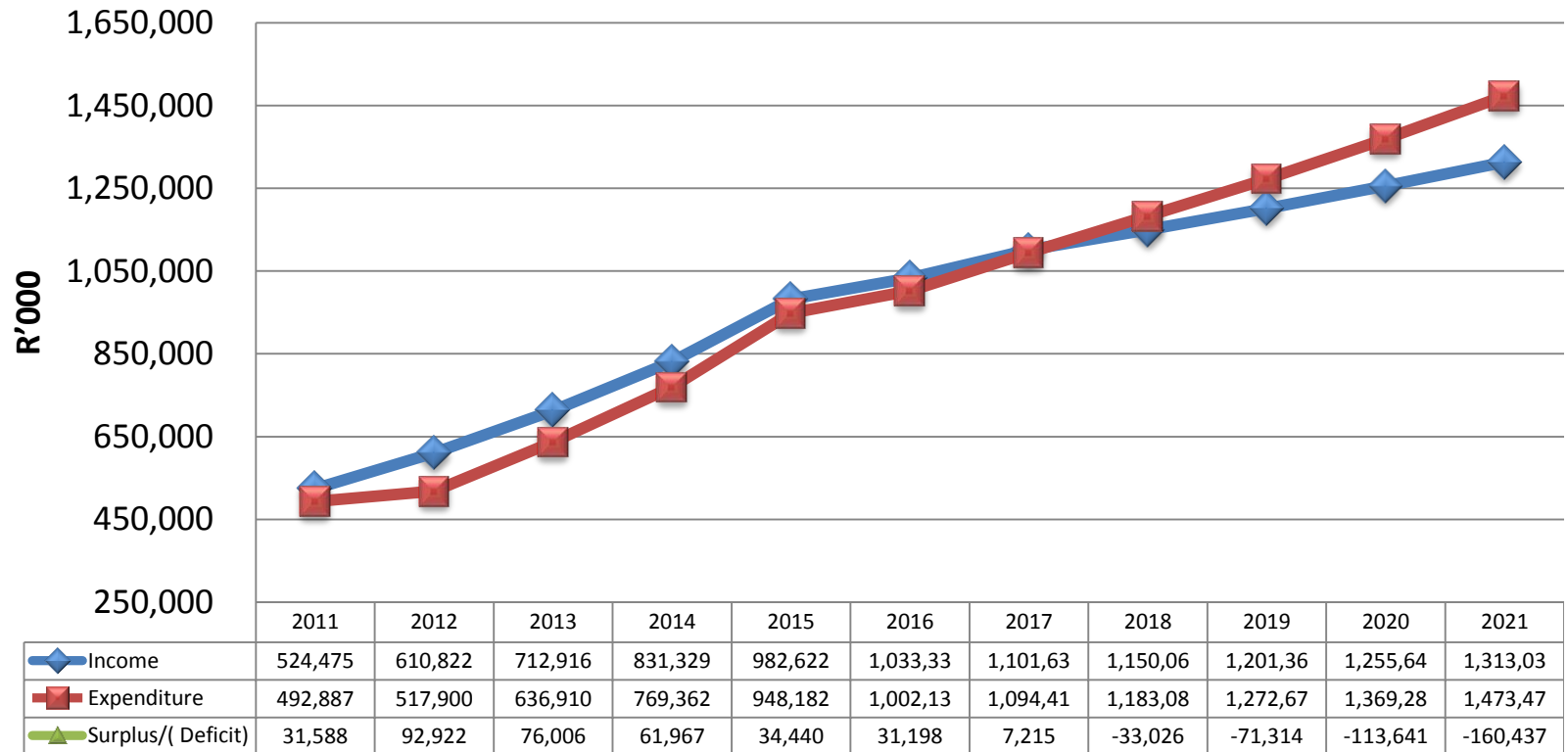
- The impact on any shortfall on operational costs or academic offering

Slowdown in filling of positions. Not certain what the future will hold.

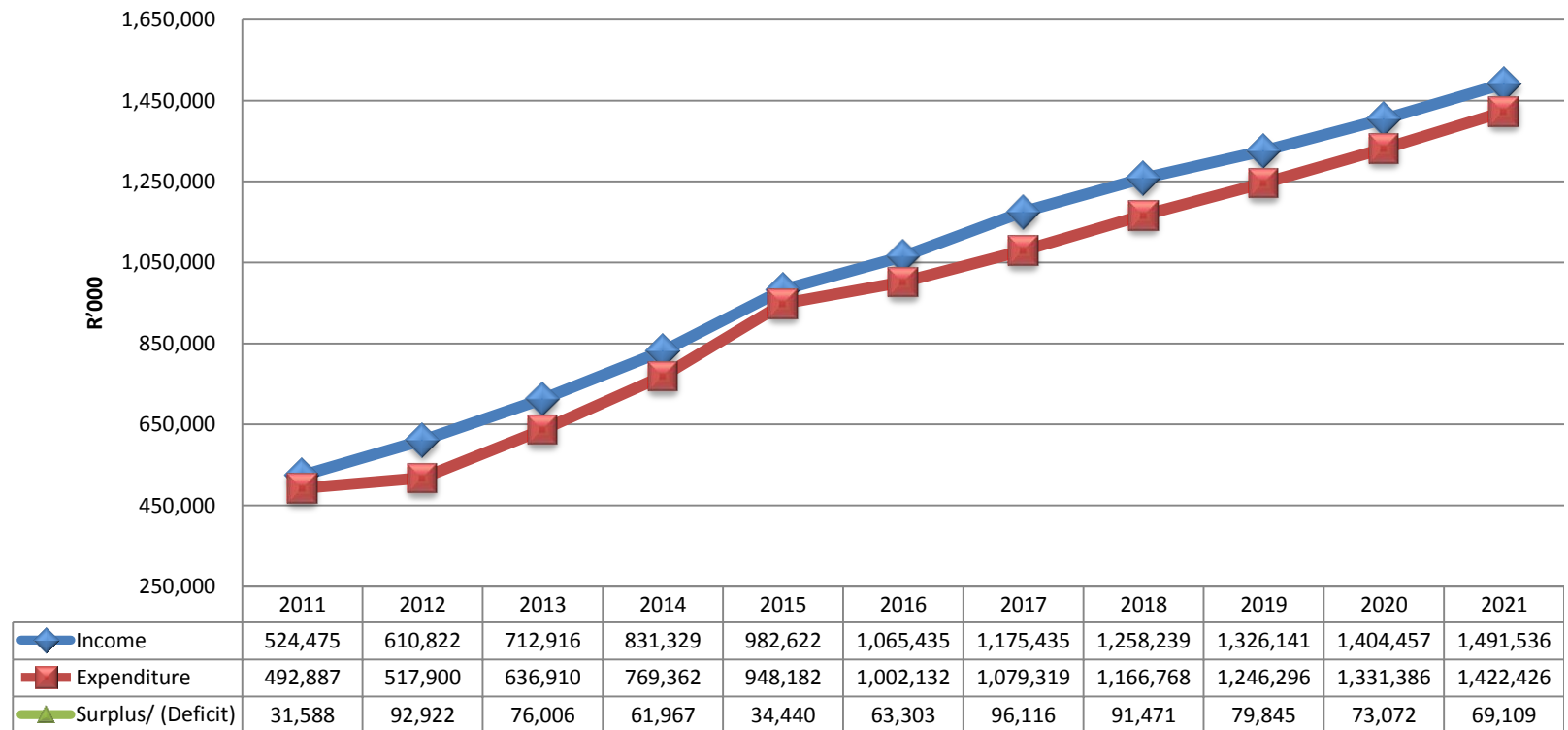
- Measures adopted by the institution to increase its budget in the last 5 years

Establishment of third stream income generating entity in 2010 and very conservative budgeting.

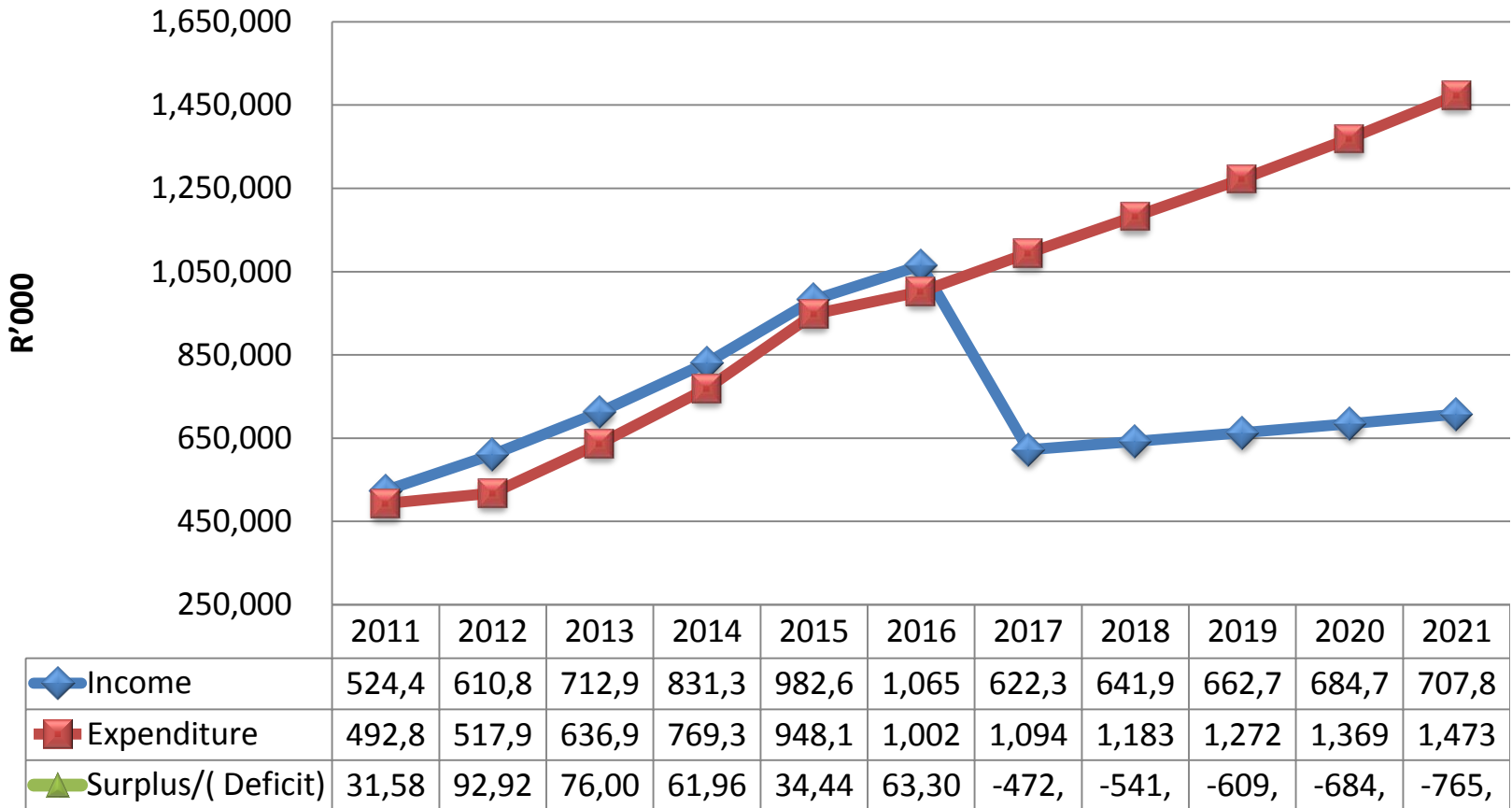
Q8: Impact on Univen if 0% Increase



Q8: Impact of 8% Increase in Tuition Fees



Q8: INCOME (ONLY STATE SUBSIDY AND GRANT) FREE EDUCATION (NO TUITION FEES)



Q8: UNIVEN Survival Kit

Council adopted a Survival Kit as follows:

Need R35m per annum (excluding inflation) to survive beyond 2018. Two opportunities exist:

RAISE FUNDS

- *UIGC to contribute R14m annually to Univen and grow by 20% per annum*
- *Univen Foundation to contribute R15m annually to Univen and grow by 20% per annum*
- *Contract Research and Research Output to increase by R5m per annum*
- *Univen Radio to contribute R1m per annum through advertisements*
- *Alumni to contribute R1m per annum and grow by 10% per annum*
- *Leveraging suppliers/contractors/service providers/staff to contribute R2m and grow by 10% per annum*

Total Potential Income from above R38m increasing into the future.

MANAGE COSTS (Financial Model to provide Sensitivity Analyses)

- *Staff reconfiguration to give R20m per annum*
- *Utility savings to give R5m per annum*
- *Improve quality to minimize maintenance costs R2m*
- *Furniture specifications to apply R2m saving on existing furniture replacement*
- *S&T savings R2m per annum*
- *Training and conferences R2m saving*

Total potential savings from the above R33m. Realise ongoing savings into the future.

Q8: Impact on Employment

d) Whether, and to what extent, the 2016 zero percent fee increase impacted on staff employment and retention (including management, academic, administrative and other support staff)

The 2016 zero % increase did not impact on staff employment and retention. Univen used the 2015 budget for 2016 as well and all additional requirements had to be motivated separately.

Q8: Impact on Staff/Student Ratio

e) Whether, and to what extent, the zero percent fee increase impacted on:
Staff/student ratio not optimal and need to be corrected over next period.

The student/staff ratio

School	Staff/student ratio (FTE's)
Agriculture	1:10
Education	1:64
Environmental Sciences	1:29
Health Sciences	1:21
Human and Social Sciences	1:36
Law	1:44
Management Sciences	1:27
Mathematical and Natural Sciences	1:28
Institutional	1:29

Q8: Desired Staffing Needs

Faculty ► Department						
				InstrRes Staff FTE Need	nstrRes Staff FTE Actual	% Actual from Need
AGRICULTURE				38	37	97,9%
EDUCATION				91	28	30,9%
ENVIRONMENTAL SCIENCES				100	40	40,0%
HEALTH SCIENCES				100	55	55,1%
HUMAN AND SOCIAL SCIENCES				135	75	55,9%
LAW				52	24	45,9%
MANAGEMENT SCIENCES				77	57	73,9%
MATHEMATICAL& NATURAL SCIENCES				142	72	50,5%
TOTAL				741	410	55,4%

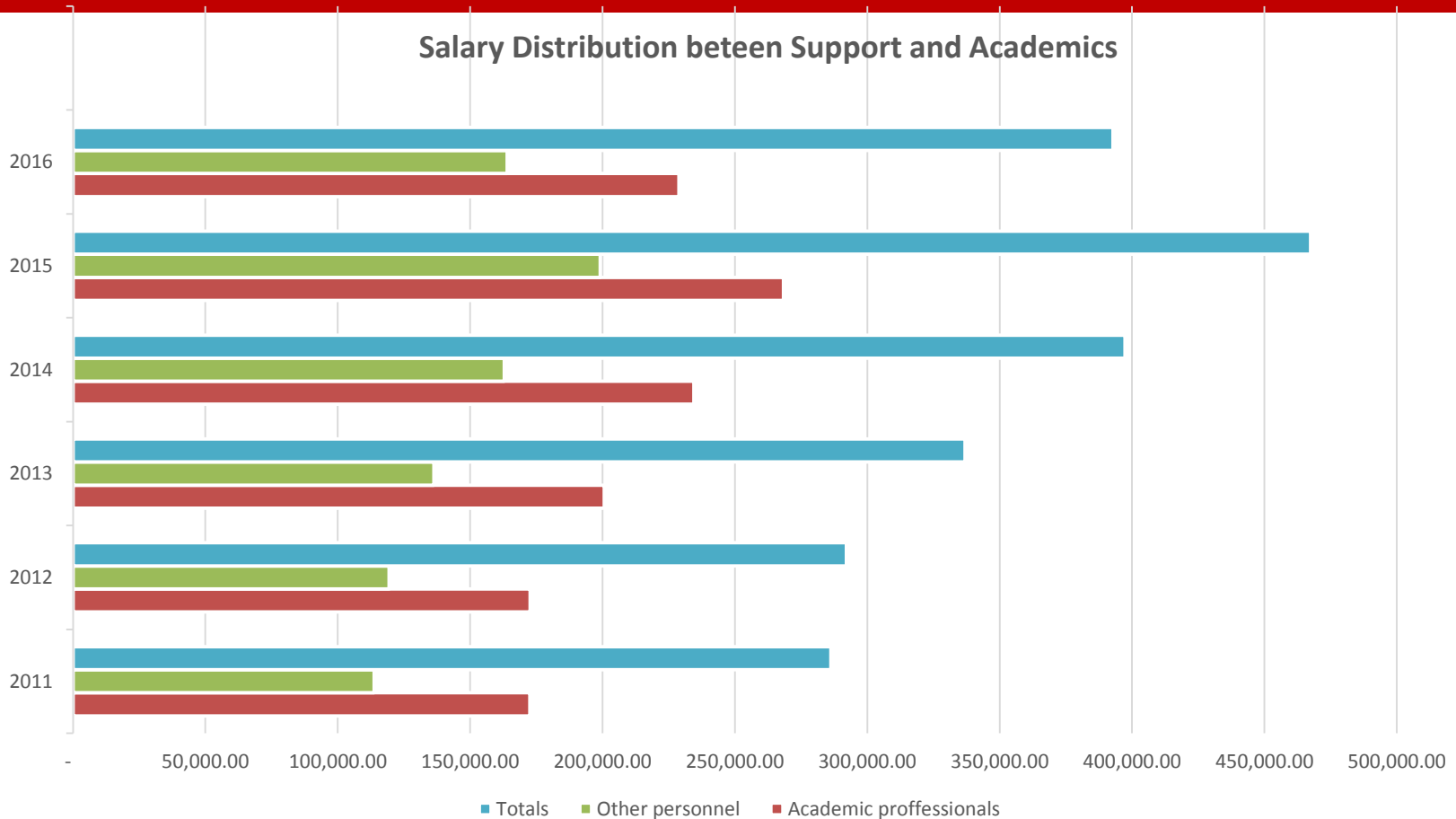
Q8: Impact of Staff Remuneration

Univen will be very cautious in the 2017 salary negotiations as well as the insourcing debate:

- *Univen has taken a decision to pay its staff at the 50th percentile of the RemChannel Scales.*
- *Due to the #FeesMustFall process, Univen has in mind to move to a CPI plus a % in the salary negotiations with its representative bodies.*
- *DHET has set guidelines of between 58% and 62% of turnover minus 3rd Stream Income and Research Income.*

	31-Dec-14	31-Dec-15
Total Income	806 810,00	955 908,00
Total Income net of research and 3rd stream income	721 588,00	822 728,00
Staff Cost	397 325,00	467 483,00
Staff cost as % of Turnover	55%	57%

Q8: Salary Distribution between Support and Academics



- Insourcing will only be done under the Univen Innovative Growth Company and at Sectoral Rates plus medical and Provident Fund contributions.*

Question 9: Considering the 2013 White Paper for Post School Education and Training target of 1.6 million students by 2030:

a) Does the institution have capacity to accommodate more enrolments than currently within their current infrastructure and related resources?

No, the current infrastructure is not sufficient despite a multimillion expansion at the University of Venda over the past nine years. Univen was initially build for 5000 students.

- In a number of classes especially first year students have to stand. Service courses such as English Communication Skills/Physics/Biology/Mathematics and Chemistry are offered by one school across a number of schools for all science schools Environmental/Agricultural. Health and Mathematical and Natural Sciences.*
- The immediate need is need is for six large lecture halls and for 500 and 600 capacity. This*
- The second larger need is for 50 staff offices to relieve pressure on academic staff and support staff. The Human Resources Staff and ICT staff in particular are staying in unacceptable conditions and HR staff cannot provide any privacy when staff come to speak to them on personal matters.*
- For dedicated teaching and instruction 35 posts have been approved by Council with a commitment of 10% growth in Academic Staff annually.*

Q9 (Cont): Considering the 2013 White Paper for Post School Education and Training target of 1.6 million students by 2030:

b) If not, is it capable of expanding its infrastructure and resources for such purpose and to what extent? *See response below.*

c) What is the estimated cost and other implications of such expansion?
See response below.

Questions 9 {b} and {c} is answered in a combined way below:

The current infrastructure projects indicated below are funded from DET funds, Council Controlled Funds as well as a R300million loan from DBSA. Over and above these projects Univen is in dire need of 6 Lecture halls with a capacity of 400 to 600 seats each (R130m), a Building for Engineering Sciences (R94m), an ICT Building (R85m), a Management Sciences Building (R65m) and a building for the School of Law (R55m) at a combined cost of R429m .

Current infrastructure Projects R 891 075 343.00

PROPOSED 2017 BUDGET



University of Venda

2017 INCOME & EXPENDITURE PROPOSED BUDGET

- Budget for 2017 extremely conservative:
- Income uncertain
 - 2400 more residence beds available
 - 9 more buildings in operation
 - Repayments on DBSA loan
- Require utilities and support services.
Increased maintenance.
Growth in academic staff complement.

Income/Expense Category	Council Controlled Unrestricted	Average increase	Total Adjusted 2016
	<i>Budget R ' 000</i>		<i>Budget R ' 000</i>
INCOME	883,603	5%	839,488
Total State appropriations - Subsidies	396,884		381,287
Block Grant	396,884		381,287
Tuition and other fee income	450,343		423,526
Tuition fees	360,267		355,563
Registration fees	33,360		29,541
Application fees	1,541		466
SRC Levies	12,548		12,151
Other Fees	1,667		2,478
Facilities	220		28
Staff accommodation	1,201		1,300
Student residence	39,539		22,000
Income from contracts	17,274		16,900
Sale of goods and services	4,446		4,275
Investment income	14,656		13,500
Interest and dividends	14,656		13,500
EXPENDITURE	877,662	5%	834,316
Personnel Costs	493,610		484,413
Academic professional	275,670		270,612
Other personnel	215,159		211,212
Other expenditure	2,781		2,589
Operating & Depreciation	366,886		344,287
Operating expenses	324,102		309,267
Depreciation	42,784		35,020
Finance costs	17,166		5,616
NET SURPLUS FROM OPERATIONS	5,941		5,172
2017 Capital projects	45,000		117,714
2017 Student projects	15,000		12,300
Movable Capital items	20,000		19,690
Capital Cash flow	80,000		149,704



**Thank you
Ndo Livhuwa**



University of Venda