



**TRANSCRIPT FOR
COMMISSION OF INQUIRY INTO HIGHER EDUCATION
AND TRAINING**

FRIDAY – 25 NOVEMBER 2016

QUORUM/SPEAKERS

Chairperson : Judge J Heher

Member(s):

- Advocate G Ally
- Ms. L. Khumalo

Presenter(s):

1. Professor Mvuyo Tom (Vice Chancellor - University of Fort Hare)
2. University of South Africa
 - Mr Phumlani Zwane
 - Mr Willem Du Plessis
 - Ms. Nonhlanhla Mabuza
3. Mangosuthu University of Technology
 - Mr. Andrew Khuboni
 - Mr. Zamuxolo Ngidi

Head Evidence Leader : Advocate K. Pillay

Evidence Leaders:

- Advocate. T. Mabuda
- Advocate. M. Lekoane
- Advocate M. Zulu

Expert(s):

- Prof. T. Mosia
 - Dr. G. Simpson
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TRANSCRIPT

Presentation – 1

JUDGE J. HEHER: Yes Miss Pillay

ADV. K. PILLAY: Good Morning Chair. The next witness which is the University of Fort Hare will be led by Mr. Zulu, Chair.

ADV. M. ZULU: Good morning Professor Tom, Good morning Judge and the Commissioners. Presentation is by Professor Mvuyo Tom from the University of Fort Hare.

JUDGE J. HEHER: Yes. Professor Tom do you have any objections to being sworn in? Do you have any objections to being sworn in?

PROF. M. TOM: No objections at all.

JUDGE J. HEHER: Do you swear that the evidence that you will give, will be the truth and the whole truth and nothing but the truth? Please say so help me God.

PROF.M. TOM: So help me God.

JUDGE J. HEHER: Thank you.

ADV. M. ZULU: Professor Tom you've previously given evidence for this commission and you are the Vice Chancellor of the University Of Fort Hare. Is it correct?

PROF. M. TOM: That is correct.

ADV. M.ZULU: You have prepared a presentation for us today; can you just proceed and share with us what you have conducted in your presentation?

PROF. M. TOM: Thank you and thank you Judge. May I state first that there's another person who is still on the way from the airport, who'll join me whilst presenting but I'll make the presentation myself, It's supposed to be done by me anyway. He would just join me for support - that is Mr. Percy Mafo. The presentation was forwarded two days ago and basically it contains some introductory remarks and then I focus on the issues that relate to private bursaries and loan schemes. In the main I've got figures and I've got numbers of students and the amounts and the names of the donors that will be appearing there. But I've also included a bit on NSFAS so that we can have some comparison, what amounts come from the public purse in terms of NSFAS and what amounts come from the private donors and contributors to the University.

I will not go over the vision and mission, it was just for contextual purposes, nor will I go in detail about the history of the University. But I do want to mention in the introductory part, that when you look at the funds that the University gets, most of the funds come from state subsidies and NSFAS. And the University, I'm sure the commission has done its background work to mix the Universities so that there

is diversity. So the University of Fort Hare comes from the historically disadvantaged institutions which are classified in terms of government processes and we've got eight of them. So there is very little that is coming from the private bursaries as you will see from the figures. These are.....

ADV. M. ZULU: Sorry, sorry. In your experience, what are the reasons.....why are these historically disadvantaged Universities getting very little from private funders?

PROF. M. TOM: The third stream income as we all know, there are three streams of funding for higher education. The first stream being the subsidies from government, the second stream being fees, the third one being what we get from outside those others due to contributions made by Alumni, made by the private sector. It depends how much the Alumni of a University are willing to plough back to the University. That's one the sources of funding that makes some of the previously advantaged and currently still advantaged institutions get more funding from the alumna. But also the background of the Universities, the contribution that they make to the economy etc. is part of the experience that the private sector has had with those institutions. They will have more confidence in giving to those Universities. So most of the HDI's will not get the same amount that the previously advantaged institutions get.

I was talking to the Acting Vice Chancellor of UJ yesterday in one of our meetings, they recently got 100 million purely for the missing middle and the bulk of that came from banks and part of that came from Alumni. We would battle and struggle for Fort Hare to get the same amount, even for a Centenary library which is 100 million, we currently only have about 30 million after a long battle to get that. So there are all those issues that come to bare on institutions, the track record of the institution and all that, does make marketing easier for an institution to get its funding.

So Fort Hare is not getting as much as it should be getting from the private sector and from Alumni, but we will see even from the.....what we call 'private bursaries' - there is also public money from local government, municipalities, from province, etc. but outside NSFAS. And this is money you cannot say you are sure of getting over a long period, it's episodic - you get it for a particular year or five years and then after that it dries up. So but some of it, it's still from the public purse and you will see as I list the sources of this private donation. This slide was shown when we were in East London and is just for background to see what is happening in terms of funding - thus if you take the fees 298 million from.... in 2014 and 325 million in 2015 - the bulk of which will be from NSFAS and other public sector donors. 2016 it increased to 425 and you will see later on that is just not that 425 because of the historic debt and the Ke Kgodiso amount that is coming separately.

So the 2016 figures you will see will show a distortion of that pattern. This is just to give you the numbers and the numbers of students qualifying for NSFAS just for background -it's not part of the private bursaries. Then here we see the disparities: the total amount that is coming.....if you combine NSFAS and external or private donors and sponsors is R9 413 277. But if you look at that and I have indicated that 2016 is a distortion, and you will see the figures later on as I break them down that H64 is not a normal contribution by NSFAS - it includes the historic debt and it also includes the Ke Kgodiso amount.

But if you compare that with the private donors or external donors, you will see that it just pays 77 million versus 864 million and the number of students, just 1 394 from the private donors and sponsors compared to the 9 000 from NSFAS. So certainly the numbers show that private bursaries and loan schemes are not doing much at the University of Fort Hare.

ADV. G. ALLY: Just before you go on, the numbers of students, has this been the range for Fort Hare since time in memorial?

PROF. M. TOM: In terms of the....

ADV. G. ALLY: Numbers.

PROF. M. TOM: The enrolments?

ADV.G. ALLY: Yes.

PROF. M. TOM: No, No, No the enrolments at the University Of Fort Hare changed in 2004 when the transformation of higher education in terms of institutions took place. Fort Hare inherited the campus in East London from Rhodes, otherwise at that stage Fort Hare had only been Alice campus as a contact campus with a small compliment coming from the Bisho campus. The numbers if you take the University of Fort Hare campus in Alice, have also increased significantly over the time. So there has been an increase in terms of access provided by the University of Fort Hare.

Looking way back in 1973, when I was a first year student there, we had just made a 1 000 and today's numbers are more than 7 000. And if you look back in the early 90s, the numbers were around 3 000 to 4000 and by now it's more than 7 000. So the number has been increasing not in the normal trend that you would see in Universities of allowing for a 3% growth or so, - it's increasing more than that, putting a lot of pressure of course, on infrastructure, on academics and the ratios that we need to have in terms of academics to students.

Here I'm going to show some of the examples I was talking about - public vs private type of donors. The Zimbabwe scholarship is basically a public sector of course it's international. It's been going on for a long time - the presidential scholarship. And it's funding about 167 students and amount of 23 million and they have been regularly funding, at some stage Zimbabwe had threatened to withdraw because of their own economic situation but during our centenary celebrations, the president committed to further funding of students who come from Zimbabwe. There are the.....

ADV. G .ALLY: [interjects] 167 are Zimbabwe students only?

PROF. M. TOM: Funded by the Presidential Scholarship.

ADV. G. ALLY: Correct?

PROF. M. TOM: Yes. They don't fund South Africans, it's just Zimbabweans scholars. Then you've got provinces like Mpumalanga who will say we've got confidence in your education programme and we will send our students who are doing a Bachelor of Education programme to the University of Fort Hare.

And we've about 350 students shown there with an amount of about R14 million. So that's public sector, the SETA is also public sector, the Office of the Premier - this has also been episodic from the office of the premier, at times they give us more, at times they give us less. But they target certain scarce skills for the province and say: we are going to fund those students in those particular programmes.

And then SETA again, the Department of Health - the bursary public sector. Then you come to parastatals - CSIR will say we want certain students in these categories of programmes and we will fund them. Department of Education in the Eastern Cape, BankSETA which is also a SETA focused on the Accounting programme and said: we want to fund students in that programme. The Eastern Cape Department of Education bursary - employees that is now, who want to study at Fort Hare who are also given bursaries. And then.....

ADV.G.ALLY: [interjects] Would that be separated from Funza Lushaka?

PROF.M. TOM: Yes separate from Funza. Funza is a national project, the province also has its own contribution. So as you see there, the bulk of those are private sector either government or entities that are linked to government. Then you see that one, the Student Trust Fund - that is run by the Fort Hare Foundation which is one of the entities that assists in terms of the question that was raised by Advocate Zulu. Assist in mobilising Alumni, mobilising the private sector and has got its own resource in terms of funding students. Small as it is, but it is making its own contribution. You will see.... well let me mention it now because it will not be in the slides. The foundation is also hosting an amount that relates to post graduates - all these are under graduates; we've got an amount that was bequeathed to the university by a private donor; an amount of about 46, 43 million. And the private donors condition were that use this for post graduates students only and don't use the capital just use the interest. So we keep the capital, generate the interest and use that to fund post graduate students.

And first partly is held by the Fort Hare foundation so that's why I'm making a reference to the Student Trust Fund. The Centre for Excellence in Human development - also private. Then there's certain universities that have their own staff or children of staff studying at Fort Hare - those are some of the bursaries that we mention there - they may be few but that's a contribution. SALGA is also an entity of government; the Youth Development Agency is also an entity of the government. I will skip the universities because....there are more private than public because it comes from the universities themselves.

MS. L. KHUMALO: [interjects] Sorry Prof, how do the universities become donors and sponsors?

PROF. M. TOM: They sponsor children of employees or employees who want to study with the university. So it's just not that they target the University of Fort Hare they are targeting their employees or children and those employees or students choose to study at Fort Hare - just like we do. We may have employees who want study at UCT and we send them there and we pay the fees - so it's just not money we raise ourselves. There are municipalities that are mentioned there; the Motsepe Foundation is a private one - small as it is but at least there is an amount that we get from there. Sigwela and Associates - that's private, Land Bank - private although it's linked to government, the SETAs and then

the JB Marks Education trust - that's private, NUMSA investment is private, the Small Grain Institute – private.

These are small amounts but at least they do help market the institution that people start talking about the university in those entities. The Billion Group - is a company that's having properties in the Eastern Cape and building many shop complexes there. So that's basically that, with Nedbank being last in that slide. And then you see the next group, quite a number of private ones there: Anglo Ashanti, Lonmin, South African Rugby, Nordex Energy - so there are quite a few private sector ones, but if you look at the number of students funded, there are quite few [counting: one, two three] so it's not a lot of students. Same thing in this slide: Potatoes South Africa, Municipalities, Impala Platinum, Cushic Kaplan - so those are all private, Hexgon Bursary all private but very few in terms of numbers of students funded.

That would explain then the private donors then I compare a bit with NSFAS in this, and if you look at the figures that are coming up and I will not spend a lot of time in this one. I can't see the figures there so I've got to refer to the notes in front of me. I've already done the outline and I'm not going to talk about all the categories but just for you to understand - the historic debt covers students who qualified for NSFAS between 2013 and 2015 but were not funded, so their debt is now carried by government. We made our claim as you can see in that table, our claim was for 286 million which has been allocated but so far we have claimed 221 because you need the students to sign up the agreement forms before you can submit to NSFAS for that student to be accepted. And of the 221, we have already received 77 million.

Then the Ke Kgodiso loan fund which covers the same students from 2013 to 2015 who were not funded but still in the system. And therefore if they were not funded now, they would accumulate another historic debt, so government agreed or NSFAS agreed to fund those students to really get rid of the historic debt - that is the Kgodiso loan. We've made a claim of 155 out of that amount allocated, bigger amount has been.....in terms of proportion....

ADV. M. ZULU: [interjects] Sorry Prof, who funded those students from 2013, those who qualified for NSFAS but didn't get funding?

PROF. M. TOM: We carried them in the system with debt - they were not funded at all.

ADV. M. ZULU: So who was making the payments, so the University was carrying....making payments, how did it work practically?

PROF. M. TOM: No payments at all – it's just debt that accumulates

JUDGE J. HEHER: They just became booked at

PROF. M. TOM: Yes. It's in our books as debt, so the students were not covered, that's why we are making the claim now

ADV. M. ZULU: You were allowing them to continue to register despite the fact that they...

PROF.M. TOM: That's right. Because there was an agreement with the Department of Higher Education and Training, they said: register those students and carry them, we will see how to fund them. But at some point there was no funding at all, until the Presidential Task Team was established, which looked at all the universities and the Presidential Task Team said there was an agreement to fund these students, so the government must allocate funds to NSFAS to pay for that. I will not go to the other categories, then you can see the ballooning at the bottom of the allocation. 2016 - the 845 million which I referred to earlier on. Of that 845 in the third column.....of that 845 million, it's easy to see that close to 500 million comes from the historic debt and the Kgodiso loan. So if you remove that from the 845, you will see that it's just about 345 million, that is allocated for the ordinary NSFAS in terms of the year.

ADV. G. ALLY: Prof let's just go back to historic debt.

PROF. M. TOM: Okay

ADV.G.ALLY: And you said you have claimed 221 million of the 286?

PROF. M. TOM: Yes

ADV. G. ALLY: You indicated that the difference between the 286 and 221 relates to the students that haven't signed the loan?

PROF. M. TOM: Exactly

ADV. G. ALLY: So in respect of the rest in terms of the 221 that you have claimed.....why hasn't NSFAS paid? In answering, take into account Circular 6 that you received and maybe that you will be able to address it somewhat.

PROF. M. TOM: The NSFAS payments, we anticipated that we will be getting them earlier on in the year but there were these claims that we were forwarding to them. And as you correctly say, up to 221 now has been claimed and only 77 million has been paid. It's the processes within NSFAS in my understanding that have led to part of the delays. I do not necessarily think it's because there is no funding allocated, it's the processing that must go through NSFAS. And there was at some stage.....even from us a claim that if you don't have the.....if you take Fort Hare as one, 221 from 286 would give you 65 million. We were saying if we cannot get those students, then let's look at some students who qualify for NSFAS who are in the system and pay for those meanwhile so that we don't delay –so it's part of the negotiations we are having with NSFAS. And I think it's more of the processes rather than any unwillingness or inability to pay.

ADV. G. ALLY: I'm just alarmed that you've got a huge amount there that you expected to be paid early in the year and we are at the end of year and you still don't have. And if you look at your amounts at the bottom, then one wonders how you are surviving because the majority of your funds come from NSFAS and I'm wondering whether the delay relates to them saying: you are not entitled to a certain amount or that.....yes you are not entitled to certain amount and whether you have received such notification or not. Because that wasn't the impression we got from NSFAS in terms of paying out, because when we received our first presentation in set 1, we heard about the problems with NSFAS and so forth and then

NSFAS came on and explained circular 6. But now I see this amount that is quite huge for a university not to have. And my understanding was that NSFAS had said they have paid the majority of the amounts, so I'm not sure when last were you in contact with NSFAS relating to this outstanding amount and not the ones of the students that you can't find.

PROF. M. TOM: Not a personal contact, but through the Financial Aid Office. I think there is a regular contact with NSFAS however I must just mention also, at times NSFAS will say: we have not received some of the documentation that the university alleges it has sent. So our own offices then have to look back at the documentation that they have and make sure they are transmitted as quickly as possible- so it's a two way process just not on NSFAS door but also the administration in our offices. When I contact NSFAS myself after hearing from my own officers that the claims have been sent, NSFAS will say this is what we have, we don't have all the claims.

But if you compare Kgodiso and historic debt, significant progress has been made in Kgodiso, which has assisted.....to answer your question about survival, to make the university survive. If it were another year, where we were not entitled to that, then looking at the others where we have not claimed sufficiently or got all the money that we need to get. In fact if you look at those, it's only the post graduate fund that is at about 52% in terms of claims. But when it comes to amount available, that's the only one that has got 1.6 million. So in terms of processing internally and on NSFAS side, all the others has been processed very quickly and efficiently, it's the historic debt that is really a big bug for us.

ADV. G. ALLY: And my understanding Mr Lai Wing is your Chief Financial Officer and President of FAPSA...

PROF. M. TOM: That's right, of FAPSA yes. So he's well versed with the procedures and does assist us greatly. That's the NSFAS story that is on that slide and going forward....

ADV. M. ZULU: Just before you proceed, we heard some testimony Professor from various witnesses who told us about their challenges regarding their NSFAS applications and the money they received from NSFAS. Are you aware of some of these challenges from your institution which are faced by students, and if you are, what do you do to try and address them with NSFAS?

PROF. M. TOM: Students themselves?

ADV. M.ZULU: Yes.

PROF. M. TOM: Individual students?

ADV. M. ZULU: Individual students.

PROF. M. TOM: Well, our own processes is to make sure that what is submitted for claims is processed by our office. So the students' problems would be more local rather than as individual students. They would complain that your office.....that is my office - financial aid office is not helping us in this, rather than complain about NSFAS. The issues that have come to the fore about NSFAS are about systems for the future. There's an issue about the sBucks, there's an issue about the online application and all those

things - that is futuristic for Fort Hare because we have not use those in the past. And now that they are going to be implemented for 2017 onwards, students have come forward to complain that these would not help them. The other aspect that has faced students in terms of NSFAS that I'm aware of at Fort Hare, is about certain programmes that we think are scarce skills but NSFAS does not recognise them as scarce skills, for instance the issue of Archives - a Diploma in Archives, NSFAS has said we won't fund that....

JUDGE J. HEHER: Sorry a Diploma in what?

PROF. M. TOM: A Diploma in Archive Studies, Archives Management. It is sort of a scarce skill in the country, we realised this when we were dealing with liberation archives at Fort Hare putting those together, that there were not so many archives in terms of managing archives. So we thought this could be a scarce skill funded through NSFAS but it is not.. So.....

ADV.G. ALLY: [interjects] They probably think it's just a Librarianship Diploma.

PROF. M. TOM: No it's different.

ADV. G. ALLY: I know it's different, I'm saying the debate between you and NSFAS, NSFAS might think it's just a Librarian Diploma whereas there's a certain amount of.... there's a niche in terms of archiving and how you archive in terms of the act and various other legislation.

PROF. M. TOM: Yes that's true. So those are the global not individual student issues but the other one which is also sort of global students complain about, is the capping - I think this year is at about 72 if I remember the figure. Students will then say but there are some whose programmes are charging more when combined with accommodation; the fees will be higher and therefore reducing the amount that goes to the student for books and for meals. But these are not individual students, these are systematic issues, so I will not go to individual ones and say this is what has been posed to me except those ones.

ADV. M. ZULU: Those complaints that are brought to your attention by majority of students - do you take them up with NSFAS, do you assist them?

PROF. M. TOM: We.....It's a systematic issue, it's not a Fort Hare issue, so we explained to the students that unless we all work together and government subsidizes NSFAS more, we will not be able to address that matter. So it's not even just NSFAS, it's a systematic issue. And what we normally say to students, is that if we don't have a bigger cake to share, we are not going to be able to assist all the students to get even more money. If you look at the private ones that we have there, for instance, some of them are not covering all the cost of study for the students. So those students will be topped by NSFAS, so they will not reach the 72 mark of NSFAS. If the student is funded privately to a tune of 15 000, that 15 000 is added to what comes from NSFAS, not the 72. So there's a change that will come from the 72 for that particular student and be used to fund other students.

So that's the only way.....it's the distributive mechanism that we can use within the small cake that we have. Of course our argument is that there should be.....If we have to address the issues of success, there should be sufficient funding to make sure that students don't just have R4 000 for book

allowances or R900 per month for meals because that will make the students not perform properly to be able to succeed in their programmes. So we do argue as a system that the cap should be higher to cover the cost of study.

ADV. G. ALLY: Prof how does the under and over enrolment penalty affect Fort Hare if at all?

PROF. M. TOM: So far we were beneficiaries. We were not penalized because we don't have under enrolment but there is a serious threat in terms of the credit over-enrolment that we have. We were not penalized and we are constantly reminding our faculties that if we keep on over enrolling in terms of credits, it's not the headcount, it's just a credit - it will affect us negatively. We have said....in fact it affects students as well.....students tend to take more credits in terms of courses because they want to see which route they will take. So in way of bargaining, they will take about 7 instead of 4 and then see during the course of the year I'm doing well in this one and then drop that one - the one that they are not doing well in. So we've been saying to students that they are not helping us, once the department decides to punish us, we will have a very negative effect in terms of our over enrolments, in terms of credits not the headcount. May I introduce Mr. Percy Mafo who is the Deputy Director in Finance at the university who just joined us?

JUDGE J. HEHER: Thank you, welcome Mr Mafo.

PROF. M. TOM: Thank you very much. I also forgot the protocol that was introduced to that when I answer I should say my name, now that we are to I will say my name when I answer any questions.

PROF. M. TOM: The next slide again is not so clear from the.....that's the one that talks to NSFAS as well, comparison of funds allocated just NSFAS vs Private. If you look at the bottom line again, that's just comparison of funds allocated to Fort Hare from 2015 to 2016 in terms of NSFAS. 2015 right at the bottom 311, 2016 – 845 and of course I have explained the difference from 311 to what you can say is 355, there is an increase of about 45 million between 2015 and 2016 in the normal arrangements without historic debt and Kgodiso. That basically is the presentation that we have.....overall therefore you can see that the University of Fort Hare depends mainly on public sector funding rather than the private sector, even in what we call private bursary donors, there is a lot of public sector funding that comes in – we have not calculated the actual percentages in this presentation. Thank you very much.

ADV. M. ZULU: Thank you Professor, remember when NSFAS made the presentation, they complained about the very fact that most universities are very slow in submitting claims for historic debts. In fact I remember there was a figure that only 49% of the money that was allocated by the department has been paid to universities. In your case, what are the specific reasons for the slow pace in submitting these claims to NSFAS for historic debts?

PROF. M. TOM: Thank you Chair. Let me preface that first by saying Fort Hare according to NSFAS statistics, is the leading institution in terms of forwarding claims for historic debt. We have made more claims in terms of what is apportioned to us than other institutions. The major major challenge that we faced was tracking the students to make sure that the students.....especially from rural areas. Those

who are in the system responded but of course even those who are in the system, could not respond timeously when there were stay-aways and all the #Fees must Fall struggles.

So those who were in the system could not go and access the Financial Aid Office to sign up until we asked for an extension from NSFAS which they gladly gave us. So it's been more the students who are outside of the system. And what we did was to use our debt collectors in a different way to assist us to track the students and get some of the students and tell them we are not coming to collect debt now, we are coming to assist you to have your debt paid, so please fill in the forms etc. So that accelerated to some extent our processes - that is why we are at more than 70% of claims If I go back to that slide.....I think.....so that I'm accurate with the figures....Page 7.

[sound of flipping of pages]

Yeah so the main challenge just to answer your question in brief, is that the tracking of students has been the one hampering us. Of course to some extent even processing within the university because of staff shortages that we normally have, and this was an added responsibility on my staff - short as they are. But ultimately we managed to lead the sector in terms of the numbers that we claimed for.

ADV. M. ZULU: Sorry Prof are these students the students who've left the university having completed their degrees or are students who just fallen out of the system without completing their degrees?

PROF. M. TOM: Thank you for that question. It's a combination of the two, in the main, if you look at the success rate at Fort Hare, most of the students ultimately finish their degrees even if it takes longer to finish. So it's a combination of the two and I will not be able to give you the proportion at this stage. Just to go back to the percentages of the historic debt - the university has already sent claims to NSFAS at about 77%, which is a very high percentage compared to other institutions and the average that was mentioned of 49%, if you compare those two.

ADV. M. ZULU: Thank you, I don't know from my colleagues I don't have any further questions.

MS. L KHUMALO: Prof I just wanna.....on the numbers, on the other slide, how are the throughput rates after all this funding?

PROF. M. TOM: Pardon?

MS. L KHUMALO: The throughput rates, your graduation rates, your rates of graduates on the funded students on these figures?

PROF. M. TOM: On the funded ones?

MS. L KHUMALO: Yes.

PROF.M. TOM: We don't separate them, we just have a throughput rate for the institution as a whole, that's the statistic we have. I would not be able to say these are funded ones on private bursaries or the funded ones in terms of NSFAS or the self-funding students - unfortunately we don't do that break down. But our throughput rate is along the average for the country - if I remember well, it's about 35 in

terms of... if you take the real throughput rate - that is you take a cohort of students who started their degrees in 2011 and were doing a three year degree, so if you say by 2014, this percentage of students finished their degrees. It increases when you have N+1, N+2 - that is if they were doing a three year degree you've added one year or a two year degree – and then it goes around 65%.

The ones who do much better in terms of our disaggregation, are those who are doing a 4 year programme, their throughput rate is higher than the 3 year programme compared to the 35 or so for 3 year degree. You find that those who finish their degree in 4 years and are doing a 4 year programme, it will be about 46%. The figures are still low for the country that is a very serious problem that we are facing and I think for us to motivate further, your question is very valid. To motivate further for the funding of students, we should be able to do that research and say: these are students who are funded, they not doing so well. The retention rate at Fort Hare is also not bad, it is in the 80s, 80% or so but still even that 15%...

MS. L KHUMALO: If you saying 80% , the 20 are potential drop outs?

PROF.M. TOM: Yes. So I was just going to say that even that 15 - 20% should not be lost in the system especially because of our participation rate in South Africa. Very few students between the ages of 18 and 24 are in the system and therefore and those who are in the system should be made to succeed as quickly as possible.

MS. L KHUMALO: Yes I was going to say that seeing...with the figures, there is latitude for access to Fort Hare with funding, that we need to also assure the success as you are saying - is that something within your plans.

PROF. M. TOM: Yes. That's something we take very seriously that's why in my previous presentation in East London, I mentioned specifically if the funding not just fees now - the funding that goes to infrastructure, equipment and attraction and retention of academics of quality is very critical, so that we could be able to provide the students with the way of all to succeed.

JUDGE J. HEHER: Thank you very much Professor

PROF.M. TOM: Thank you Chair. Thank you very much.

[end of presentation]

Presentation – 2

JUDGE J. HEHER: Who is leading Mr Zwane?

ADV. K. PILLAY: Miss Lekoane is Chair

JUDGE J. HEHER: Is Mr Zwane here Miss Lekoane?

ADV. M LEKOANE: I'm not sure....he's not here yet

JUDGE J. HEHER: He's not?

ADV. M LEKOANE: If we may maybe take early tea Chair

JUDGE J. HEHER: And Mr Ngidi is not here either I take it

ADV. M LEKOANE: No

JUDGE J. HEHER: Alright, we'll take the tea adjournment. Thank you.

..... ADJOURNMENT.....

ADV. K. PILLAY: Thank you Chair. The next witness is the University of South Africa and Ms. Lekoane will be leading the witness.

MR. P. ZWANE: I think...

JUDGE J. HEHER: Do you have any objection to taking the oath?

MR. P. ZWANE: [chuckles] No, I don't, it's just that my... my acting VC is just on the way and I was wondering if we could indulge for 5 minutes. Because...

JUDGE J. HEHER: Do you have any objection Ms. Lekoane?

ADV. M. LEKOANE: None Judge.

ADV. K. PILLAY: Chairperson may I make a suggestion? Because we do have other witnesses on the programme - if Mr. Zwane could just begin the presentation in the meantime and obviously when the acting VC comes to join us, she can then take over.

JUDGE J. HEHER: Do you have any objection to that?

MR. P. ZWANE: I can begin under the circumstances and then I will explain to the VC and they can actually take over.

ADV. K. PILLAY: Thank you Mr. Zwane.

JUDGE J. HEHER: However, if it's not convenient to you or if the division of your responsibilities doesn't allow you to start, we can make a 5-minute adjournment, it's no problem.

MR. P. ZWANE: Yes, I would rather take the latter indulgence.

JUDGE J. HEHER: Thank you. We will have a 5-minute shorter lunch break, that's all. Thank you. We'll adjourn.

.....ADJOURNMENT.....

ADV. M LEKOANE: Thank you Chair. Chair we are still waiting for the acting VC but Mr Zwane has agreed that we can proceed and she will join us when she arrives.

JUDGE J HEHER: Right Mr Zwane, would you like to go ahead with your presentation?

MR. P. ZWANE: Thank you.

JUDGE J HEHER: I have....?

MR. P. ZWANE: Thank you Chair...

JUDGE J HEHER: I have sworn you in, haven't I?

MR. P. ZWANE: I think so....

ADV. M LEKOANE: No

JUDGE J HEHER: Yes I think so too

ADV. M LEKOANE: No you didn't.

JUDGE J HEHER: I didn't?

ADV. M LEKOANE: No you didn't swear him in.

JUDGE J HEHER: So I didn't, well do you swear that the evidence you about to give will be truth; the whole truth nothing but the truth if you do say so help me God.

MR. P. ZWANE: So help me God.

JUDGE J HEHER: Thank you.

MR. P. ZWANE: Thank you Chair and members of the Commission and all protocol observed. We are from UNISA, my name is Phumlani Zwane, I'm the Chief Financial Officer. On my left is Willem Du Plessis, he's the Director from Finance. As mentioned earlier on, the Acting VC has been held up, she is on the way and then one of our colleagues, also who is handling NSFAS account, will also be joining us. We are starting off with the first slide, I suppose I must drag it here, yes with the first slide making the statement to say that we are a dedicated open distance learning institution - we are broad, we are large, we have a diverse community.

As UNISA, for 2016, our enrolment figures stand at 303 945 students. We also want to make an emphasis of the point that UNISA according to most recent statistics, have been found to be one of those few institutions that are highly, dependent on the fee income. And secondly, we want to emphasise the point that UNISA has very little income stream coming through what we call 'third stream income avenues'. We also have fewer students who are covered by NSFAS funding - so these are cornerstones of our presentation Chair and members today. The second slide is in fact attempting to accentuate those three points via a comparative analysis of the other Universities in our sphere.

We can show clearly that 49% of our income is coming from this vital source of.....being student funding. When you compare with the others who are faring quite better than we do, so this is to say that the interventions in the students' funding category, affect us directly and affect us immediately as well as most significantly, comparatively speaking. If we look at the subsidy income, clearly at 35%, we are also showing that we are among the lowest in these category, as well as the third stream income which although we are growing it aggressively recently, we are still too low to rely on it for sustainability purposes.

ADV. M LEKOANE: Sorry Mr Zwane, this 35% of the subsidy income - does it include NSFAS?

MR. P. ZWANE: No it doesn't.

ADV. M LEKOANE: So what does it comprise of, just a block grant and earmarked grant from government?

MR. P. ZWANE: Yes we agree...yes it's NSFAS - we are analysing it in a separate slide. So this is...to paraphrase the rest of presentation that in fact UNISA is hard hit with the recent pronouncement around students' fees. Chair we then do further analysis around the major local student funding sources. I will allow my colleague next to me to also speak to this slide very quickly. Willem...

JUDGE J HEHER: Mr Du Plessis you are under oath, do you swear that the evidence you will give will be truth; the whole truth and nothing but the truth.

MR. W. DU PLESSIS: So help me God.

JUDGE J HEHER: Thank you.

MR. W. DU PLESSIS: Thank you Chair. Maybe if I can, if I may just quickly go back to the previous slide. And I know it's not indicated there but the whole subsidy has declined as the percentage of income since 2006. Round about 2006, subsidy represented more or less 42% of our total revenue and tuition fees - 35%. So as you will see then from the 2014 or 2015 figures, the picture has actually turned around. So now which majority coming from tuition fees and subsidy has been dwindling as it indicates there I think 35%. So those are also the things that then lead to us having to implement and introduce other measures to supplement income but not at the expense of the students. So the slide then indicates other sources of financial and student aid to our students, now those amounts are in millions of Rands.

So you will see there from donors - R375 000 in 2015 and you will also see the trend over time. So that one has come down from a 1 million in 2011 to 375 000 in 2015. And there are similar trends across the other categories, especially if you look at the NSFAS, in 2011 the allocation to UNISA and what was eventually taken up by students who qualified, was 118 million and in 2015 it has gone down to 116 million. It increased significantly towards 2013 but then it started to decrease again from 2014 when UNISA became part of the NSFAS - one of the seven universities who joined the pilot where the applications were done via NSFAS and not via the individual institutions. On the next slide here ...

MS. L KHUMALO: [interjects] Sorry on this slide on 2015, I see there is a purple there on top - is it private companies?

MR. W. DU PLESSIS: Madam Chair my apologies, I'm colour blind. Yes it is private companies for our own students, if I interpret it correctly; so that is round about R27 million

ADV. M LEKOANE: So why is it in 2015 only?

MR. W. DU PLESSIS: Madam Chair I think it is so negligible because if you look at 2014, it was only a 1 million, so I suppose if one looks carefully, you may see a purple line there because if you go back to 2013, unless my colour blindness is misleading me, it looks as if there is a very light purple block on top there.

JUDGE J HEHER: Please carry on

MR. W. DU PLESSIS: The next one Chair I think it just actually reflects or supports what we said earlier from one of the previous slides and that actually comes from the report released by the Statistician General in September. So that indicates that round about 50% of our total revenue comes from tuition fees, 35% from the government block and then 15% from third stream income which also includes investment income. And we all know what happened to the markets over the last couple of years so that has also contributed to tuition fees showing a seemingly larger proportion of our total income. This year the markets have now recovered so at the end of this year it may look a little bit different. But the fact of the matter is we are leaning more and more on students to supplement our income.

The next one shows the tuition fees as a percentage of higher education total income in 2015 and again it just supports the notion that we expressed earlier. UNISA stands right on top depending on 49% of our total income and this also comes from the report that was released by the Statistician General. We can see some Universities are even as low as 20% but that is.....those are the new Universities. And then we can see maybe some of the historically disadvantaged Universities below the institutional average and then round about the middle, we can see there that average for all the institution is round about 34%. But the majority of institutions seem to fall above that but obviously it then also depends on student numbers.

So UNISA, Rhodes, Venda, UJ and then Durban and Central University of Technology fall in the above 30% category or above 34% category. We then turn to NSFAS Chair and our colleague Ms Mabuza from the student funding office has now joined us and I will do my utmost on this slide. We can see there and maybe Ms Mabuza can then also assist, I think I mentioned and I was right that in 2014 we joined the pilot project as one of 7 Universities who joined the pilot project at NSFAS whereby the applications are routed via NSFAS. So why we indicate figures for 2012 and 2013, is because it is at our disposal because the applications were routed via UNISA.

And then from 20 onwards those data resides with NSFAS and we do not have access to that. And then we can see Chair the same.....almost an alarming statistics on how many students were actually awarded NSFAS loans. It went down from 19 000 in 2012 to 12 000 in 2016. You will remember from one of the

previous slides there was a peak in the amount allocated in 2014 but that is not necessarily reflected in those who were awarded bursaries or loans rather. And in one of the later slides we will indicate on how some of these loans are converted into bursaries depending on certain criteria. And maybe Ms Mabuza can again assist here - I'm assuming that the bottom part of that slide then speaks to those loans that were converted into bursaries.

MS. N. MABUZA: The next slide is...

JUDGE J HEHER: [interjects] What are your full name please?

MS. N. MABUZA: Nonhlanhla Mabuza

JUDGE J HEHER: Do you object to taking the oath?

MS. N. MABUZA: Yes

JUDGE J HEHER: Do you object to taking the oath?

MS. N. MABUZA: No

JUDGE J HEHER: Do you swear that the evidence that you give will be the truth; the whole truth and nothing but the truth?

MS. N. MABUZA: Yes

JUDGE J HEHER: Say so help me God

MS MABUZA: So help me God

JUDGE J HEHER: Thank you

MS. N. MABUZA: Yes the slide....the very same slide on bursaries is those NSFAS bursaries that are administered by NSFAS.

ADM M LEKOANE: So does this mean is for example.... [I'm over here; over here], sorry, sorry, does this include from say other departments such as Funza Lushaka and such bursaries.?

MS. N. MABUZA: Yes and Social Development and.... Yes

MS. L KHUMALO: So are all bursaries managed in the Financial Aid Offices like as per the spread or are they the ones individually or are the ones that are maybe individually.

MS. N. MABUZA: No these once are the once that we get information from NSFAS; they are administered by NSFAS, we only get the list for those students for us to credit the students accounts.

ADM M LEKOANE: Before you proceed if I may maybe take you back to the previous slide that says: 'NSFAS Relative Contribution to UNISA', the first line item for UNISA which reflects the 49.1% of tuition

fees, as the percentage of total income. Does this 49.1% include NSFAS or it just purely tuition fees paid by students from their own pockets.

MR. W DU PLESSIS: Madam Chair, it includes all tuition fees - so irrespective of the source of funding whether it's bursaries or loans it includes all those categories. If we can maybe turn to the slide after the one that we are covering now; it is the EDU-Loan statistics and there it is somewhat similar because in the narrative.....in the report that was submitted, it indicates there that also its applications are done via EDU-Loan so we as UNISA do not necessarily have the statistics of the number of students who applied. But we do know the number of students who are awarded funding through EDU-Loan. You will also see the slide decrease in the number of students as well as the monetary value between 2015 and 2016. So similar to NSFAS, this seems to be in a declining phase.

The private bursaries and Ms Mabuza can also give more information there if required. There at least seems to have been an increase although there was a strong peak in 2015 and then again a decline towards 2016. If we look at the monetary value of those, it varied and again peaked in 2015 - 2016 monetary value to students in the form of private bursaries amounts to R93 million. If we can then turn to the donors, slide on the donors the relevant contribution to UNISA - again these comes from the report as released by the Statistician General in September. There we will see for example, right on top sits the University of Stellenbosch and these are also in millions of rands, so it's over a billion; Kwazulu Natal is 972 million and it kind of dwindles down. UNISA sits on 58 million.

So more or less towards the middle but towards the bottom sides of the top if we can call it 'earners' through private donations. Now some of these private donations not all of it is aimed at student support, because some of the donations have specific requirements and it is aimed at specific projects, - so it maybe for building projects anything in that regard. So these does not necessarily reflect Student Aid but I think it supports one of the earlier slide where the CFO was speaking to UNISA's fairly small contribution from third stream income. The majority as a matter of fact or not the majority but the fair amount of that 58 million that is indicated for UNISA, is in regard to bursaries for students.

If we can then turn to Foreign Aid, UNISA had an agreement with the Ethiopian government, to the best of my knowledge it actually goes to before 2014 but the statistics that are shown here and also in the text of the report, it indicate that the majority of these students are in the employ of the Ethiopian government. So the aim of the agreement at the time was to improve the quality of service by public servants in the service of the Ethiopian government and the agreement was then reached with UNISA in order to support the Ethiopian government. So UNISA has a full regional office in Addis Ababa and you can see the statistics there. I think it's fairly successful if we look at the Doctorate Students and obviously when we look at the return on that, those are the students who also generate substantial amount of research output in the form of subsidy. So that has increased over time from 478 to 490.

We can see that the Masters has declined a little bit but it may have to do with a decline in undergraduates because obviously as you move from undergraduate to Honours to Masters there is a stronger relationship between those. But what is really positive is the increase in the Doctoral students and the total numbers have declined a little bit but it is mostly as a result of the decline in the Masters

students. I think in the text, and I stand to be corrected here; it indicates that the success rate of these students or the pass rate is in the excess 80%. So there is a very good return on the academic as well as the financial investment that is being made in regard to Ethiopian operation.

JUDGE J HEHER: These are all distance students are they?

MR. W.DU PLESSIS: Yes.....although and I think it goes without saying that especially at Masters and Honours, obviously there has to be a Promoter but the kind of personal contact, especially when it comes to distributing study material is obviously less for the Honours and the Masters students; but still yes...it is all distance education.

JUDGE J HEHER: And supervisors, the sponsors would they be in South Africa or would they be overseas or in Ethiopia.

MR. W.DU PLESSIS: Chair I'm not quite sure. We can establish that and avail the information

JUDGE J HEHER: It's probably not important I was just interested to know.

MR. W.DU PLESSIS: Yes, but although... I would think that the supervisor and promoters would rather be from South Africa... but I may be wrong.

MR. W.DU PLESSIS: If you can turn to the NRF Funding Schemes - again you can see there the various categories: Honours, Masters and Doctoral. Now obviously NRF by its own nature will only speak about awards to students beyond undergraduate. So we can see there the free standing scholarships and fellowships; the number of students and the block-arounds as received from the Department of Higher Education and Training for these specific purposes. And then the grant holders and the amounts as it was allocated - we can see there towards the middle especially if we look at the Masters - there it varied between for the free standing scholarships and fellowships - 44 and then the block rounds - 10 and then the grant holders for linked scholarship – 26. There is much more detail around these categories in the narrative if it is required. And then on the Doctoral side, we also show the monetary amount there - so for the Masters, for the 3 categories between 3,6 million and a 1 million; and the same for the free standing scholarship on the Doctorate side 6 3110 000 [six point three million hundred and ten thousand] and then 1,4 million respectively.

MR P. ZWANE: Chair and members we're closing with a recommendation to say that indeed it is clear that additional government support is critical for the sector especially for institutions like UNISA who rely so heavily on these income stream, who are most affected by the movements around Fees Must Fall. And secondly we're recommending that there be continued....the stakeholder input and collaboration in finding lasting solutions to these issues. And thirdly that open discussion...part implementation of final recommendation would be really ideal to ensure that there is an opportunity for Universities as well to consult direct stakeholders in their sphere. And fourthly that University as such, we need to respond to the call for Decoloniality as well as Africanization Agenda. And lastly that CHE should continue to support the consultation process that is underway. We close there Chair...

ADV.G. ALLY: Are you...can the 3 of you are you able to engage with bullets 4&5 seeing that your presentation deals with mostly the funding because I would like to know from UNISA what they mean by the Decoloniality and Africanisation. I know about the Decolonisation and whether it's different and is Africanisation and Decolonisation one and the same. And then perhaps you can expand on what you mean by CHE support and consultation in what respect.

MR. P. ZWANE: Thank you Deputy Chair. In fact when we did this presentation we worked in collaborative team. And these were inputs from the academia and we would like to request that expansion on these agendas although we understand the context, we would like to have speciality speaking on them on record.

ADV. G ALLY: Are they here?

MR P. ZWANE: Chair we are not yet seen Prof Moche who is Acting VC and we were hoping that she should have been here already but I think that she was held on the road. So we may request to revert back with these inputs.

ADV. M LEKOANE: Advocate Ally if I may, this is an issue which we might deal with in Set 5.

ADV.G.ALLY: No problem.

[Mixed voices]

ADV.G.ALLY: Okay, to return to other issues, you will recall that UNISA gave us a presentation I think it was in set 1 also. The majority of your student population is more.....consist more of people that are employed and doing catch up course and so forth. Do I understand that to be correct?

MR. P. ZWANE: Chair yes, the majority of the students - the 70% thereabout have been in the past working students, however we are seeing a different trend changing towards more younger full time students. We do not have the statistics as it is now, I'm not sure whether you have stats there Ms Mabuza, as it stands now whether how far has that shifted but definitely it has changed quite substantially.

ADV.G. ALLY: I think when you gave the presentation you indicated this shift; that you are getting younger students at UNISA. Now we've also had presentations dealing with your throughput rate which seems to be a problem at UNISA and would that not be the cause of your decline in funding streams with regards to private funders and donors?

MR. P. ZWANE: Willem....

MR. W. DU PLESSIS: Chair I just.....If I may Deputy Chair just come back to the age group. We did further analysis subsequent to that presentation and as a matter of fact the age group between.....I'm just trying to find that slide before you can bear with me - between 18 and 24 age to 18 and 24 is actually decreasing. For 2015, the age group between 18 and 2014 showed a slide decrease from the prior year, and there seems to have been an increase in the age group: 30 to 34. So what we.....through analysis

Chair and obviously as one goes through these things you always learn. It seems to indicate that recently and I'm sorry to interrupt myself again the Statistician General presented a report last week. And there was some confusion in the media.....if I remember correctly; he said only 7% of all the people unemployed in the country are graduates. Unfortunately the media then reported it as only 7% of those who are graduated are unemployed - now obviously there is a big difference but I take it from the Statistician General. So if we say that only 7% of unemployed are graduates, it seems to indicate that if you are qualified through Higher Education, you stand a better chance to be employed. So although it indicated previously that we seem to have a growing number of younger students; it's not necessarily a growing number of younger students, it is as if there is now again a shift back to those between the ages 30 to 34 where there is a growth.

Deputy Chair your question around the shift in our age group considering what was now said and our pass rate, I'm not going to express myself on our pass rate although it has been increasing over the last couple of years. But now also with new admission requirements and also with enrolment planning, there is going to be more pressure on students because they have to spend more notional hours because they have to pass and progress over a shorter period of time. So it is going to put more pressure on students and now and maybe if I can also confirm to the best of my knowledge round about 37% of our students are employed. So it is still a smaller proportion than those who are not employed or who are students. So it is going to put more pressure on students hopefully with enrolment planning and we take in better cohort of students, the study time it's going to decrease depending on whether the students can handle the additional work load. I hope I was making sense deputy Chair?

MS. N. MABUZA: I just want to add something. In terms of through put rate, I think our students are doing fairly well. What we have picked up in students funding, is that some of the donors have reduced the number of students that they are offering bursaries to because of the economy. And that is mostly the reason that they will share with us that is because of the economy they cannot support most of our students.

JUDGE J HEHER: One of the things I noticed is that is there is a bundle a presentation which is not the slide presentation, also on the same subject. Now I see that it covers much of the same material but I do see certain statements in the second presentation or second bundle which have not been addressed. For example I see a statement on page 4, paragraph 2.4 that it says: 'it is of concern that many NSFAS loan repayments are outstanding as this is an important component of the funds viability'. Now can somebody explain that to me please?

MS. N. MABUZA: In terms of recoveries because we also finding some of the students using UNISA fund but for the past two years, we were told that there were no funds recovered for UNISA students. So that is why we had that statement; that we are worried about the recovered part of the loans that are offered to the students and that's a national crisis.

JUDGE J HEHER: Does NSFAS undertake to recover those?

MS. N MABUZA: Yes

JUDGE J HEHER: Monies that are made available by the UNISA fund?

MS. N.MABUZA: And administered by NSFAS, because we provide some funding to NSFAS for the University to top up the NSFAS funding that is not sufficient to cover for our students.

JUDGE J HEHER: Well be it upon your own head if you employ NSFAS to collect you funds?

MS. N. MABUZA: Mmmmm

JUDGE J HEHER: No, but seriously, what are you doing about it...?

MS MABUZA: It's because...

JUDGE J HEHER: Or is there nothing you can do about it?

MR P. ZWANE: I think it had to do with the capacity issues Chair and the fact that we were actually one of the pilot sites for NSFAS. So there was a partnership agreement directly affecting us and we then had to rely on their capacity and reach because one of the challenges in collection is the affordability and means. And we simply do not have the capability to track and trace - so that was the point. But we are reviewing this agreement as we speak and it includes also our top-up because we currently doing just over 100 million. And the projections are that we simply can't afford that going forward and we are meeting with NSFAS to try and translate that list into their funded list. Otherwise it's becoming a big burden for the university.

JUDGE J HEHER: Let me ask you about the students funding that doesn't come from NSFAS....tuition fees that don't come from NSFAS. Do you have outstanding debts there and what do you do about recovering them?

MR. P. ZWANE: Well our students' debt in general has been growing, including NSFAS debt. We are sitting at about R469 million, we have a dedicated department that uses accredited collectors to chase and collect. We have a decent collection rate of around 35% thereabout. We see that the lever for collection it generally....people having to get their results that they are actually forced to pay or to register for the next year. So when those controls are lifted and students are not required to pay registration fees or upfront payment portion, or even required to pay their outstanding debt before they register as it's mooted currently. We are worried specifically from the collection strategy point of view; but we do have a wide collection network.

JUDGE J HEHER: So your collection network is more effective than NSFAS?

MR P. ZWANE: I wouldn't be able to say so Chair, because I'm not quite privy to their current collection rate, but we have been fairly collecting well in the past. It's just that in the past two years, what we're seeing is that our debt book has been growing substantially and that there is more pressure in the beginning of the year to give concessions on upfront payment as well as requirement to pay previous debt which is compromising the debtor's book. So in that sense we actually have been doing quite well.

But Mabuza you want to speak to the issue of NSFAS particularly? In terms of NSFAS debt, do you have any statistics?

JUDGE J HEHER: Alright thank you.

MS. L KHUMALO: Sorry. Administratively where is this managed for long distance students, if they are getting funding, do they come to your offices or how does it work?

MS. N. MABUZA: We have the footprint at all the regions; we have UNISA offices where students can access us via online or walk-ins.

MS. L KHUMALO: And they apply for funding there if it needs be?

MS. N. MABUZA: Most of our funding's because the bulk is for NSFAS they apply online, as we are on pilot so it's only online.

ADV. M LEKOANE: Mr Zwane perhaps you can inform us about your racial profile of UNISA - what does it look like at present?

MR. P. ZWANE: The student racial profile. I'm trying to go to the Set 1, we actually had a slide there that speak directly to this.....just check guys if you find it quicker.

[mixed voices]

ADV. M LEKOANE: You perhaps do not have to give us the exact amount number now, but I'm just trying to establish to the extent that race is a proxy for NSFAS fund.....for financial need, and that those students who would then be able to apply for NSFAS. And you indicated to us that fewer of your students actually receive NSFAS as compared to other institutions. I just wanted to know what the reason for would that be.

MR. P. ZWANE: I'm not in a position to.... I do have a preliminary thought but I'm not comfortable answering it on record without a firm record on it. Chair I could request to revert with this information.

JUDGE J HEHER: I would imagine that a higher percentage or higher proportion of your students are actually working people than you would find in student population. Is that not so?

MR. P. ZWANE: Yes generally it is so, in Set 1 we presented that 37% of our student are unemployed but yes we do have a higher proportion of employed students. But I'm not too sure of the general demographics around race of those but the ballpark number that we normally work with is 70% employed to unemployed. However we know that that's very rough because we rely largely on the authenticity of information provided by a student during registration. And we know that some do hold back that information with hope that withholding employment information would facilitate funding prospects. So that is a difficulty in relying on that statistics; in fact that is why we are in a difficult position in even getting to determine our so called missing middle because the information we're given, we really haven't got any capacity at the moment to validate it properly.

JUDGE J HEHER: Yes, as I remember the evidence was that you also have a higher proportion of maturer students than most universities.

MR. P ZWANE: Yes

JUDGE J HEHER: Which would also tie up with their ability or perhaps their acceptance of the need to pay.

MR P. ZWANE: Yeah... yes I agree

ADV. M LEKOANE: Now if we can just deal with unfunded students. You indicated that for 2013, you had about 17 000 students who qualified but were not funded by NSFAS. How did UNISA deal with those unfunded students?

MS. N. MABUZA: Unfortunately those students had to find alternative ways of funding or some of them had to deregister.

ADV. M LEKOANE: UNISA doesn't have discretionary funds that they allocate to bursaries or loans for such unfunded students?

MS. N. MABUZA: No we have that top up funding that is administered by NSFAS; and that it is over and above that NSFAS provision to UNISA. So we had that 17 000 students who could not be funded beyond the two streams - the NSFAS and UNISA stream that was offered to them.

ADV. M LEKOANE: So does that top up presume that you fund full cost of studying at UNISA - you don't top-slice?

MS. N. MABUZA: It's full funding, yeah.

MR. P. ZWANE: Just to add Chair, this is a cohort that we also consider for internally raised student funding like the VC Fund that we are raising from internal resources. We generally gravitate towards those students who have been validated to be needy in this cohort and prioritise them. And that amount is obviously not sufficient to meet all the need but we do raise quite a lot of internal funds to alleviate the stress on this cohort.

ADV. M LEKOANE: And the last issue on my part is the NRF Funding Scheme. Now the slide does not have the number but is just before the recommendations. It indicates here that for the free standing scholarships, there was no amount allocate for Honours. Is that correct from NRF?

[Mixed voices]

Now the four year degrees which include Honours that will be funded just purely by the students. And when we get to the Doctoral studies, we had the 62 enrolments for over R6 million from the NRF - now is that directed to specific areas of study?

MS. N. MABUZA: It covers the different disciplines within the various colleges...

MR. P. ZWANE: We Chair.....we had relied on the VP academic to unpack this more because there are prioritised disciplines there in the NRF agreement that would take the lion's share of these funding, but she would have been the better person to provide fuller context on which disciplines. But we do know that the Sciences are getting a lion's share more than the Humanities.

ADV. M LEKOANE: And has UNISA itself from its own funds been able to put money towards post-graduate students - and what proportion would that be on post-graduate students.

MR. W. DU PLESSIS: We don't have a proportion but it was for 2015, it was in the region of R78 million in addition to these other categories. And that is also obviously over and above the NSFAS top up.

ADV. M LEKOANE: There are no more questions on our part Chair

JUDGE J HEHER: Thank you. Thank you very much all three of you for coming to give your presentation.

MR. P. ZWANE: Thank you Chair. We again apologise for the Acting VC, we will give feedback on the areas that we couldn't cover efficiently in the following set. Thank you

JUDGE J HEHER: Thank you.

[end of presentation]

Presentation -3

ADV K PILLAY: Thank you Chair. Mr. Mabuda will be leading the witnesses.

JUDGE J. HEHER: Good!

ADV T MABUDA: Thank you Chair. The next presenter is Mr. Zama Ngidi from the Mangosuthu University of Technology. After they've been sworn in, Mr. Ngidi you can proceed with your presentation and we will ask you questions if and when they arise.

JUDGE J. HEHER: Mr. Ngidi are you happy to take the oath?

MR. Z NGIDI: Yes, I can do that. Can I just request Mr. Khuboni to take the oath as well

ADV. T MABUDA: Mr. Khuboni?

MR. Z NGIDI: Yes, he is going to join me for the presentation

JUDGE J. HEHER: Thank you. Mr. Khuboni, what are your full names please?

MR. A KHUBONI: it's Andrew Khuboni.

JUDGE J. HEHER: Andrew Khuboni, thank you. Do you swear that the evidence that you will give will be the truth, the whole truth and nothing but the truth? Say so help me God.

MR. A KHUBONI: So help me God.

JUDGE J. HEHER: Thank you.

ADV. G ALLY: Can you just put your mic on?

JUDGE J HEHER: Thank you. Mr. Khuboni is sworn in. Mr. Khuboni, where is the Mangosuthu University of Technology?

MR. A KHUBONI: It's situated at Umlazi, south of Durban.

JUDGE J HEHER: Oh it's Umlazi, I see. Thank you. So, it's nothing to do with the DUT?

MR. A KHUBONI: No.

JUDGE J HEHER: Thank you. Thank you Mr. Mabuda

ADV. T MABUDA: Mr. Ngidi, sorry Mr. Khuboni. Chair I'm not sure if you do have a copy but I believe that this is an amended presentation.

MR. A KHUBONI: Yes, we will prefer Sir to use the initial one.

ADV. T MABUDA: The initial one?

MR. A KHUBONI: Yes, we will prefer to use the initial one.

ADV. T MABUDA: When you're ready you can proceed with the presentation.

MR. A KHUBONI: Can you please open the MS Word?

JUDGE J. HEHER: Mr. Khuboni we have a document headed: "Mangosuthu University of Technology Private Sponsorship And Loan Schemes Offered To Students", is this the one?

MR. A KHUBONI: Yes, that one. That is why we are requesting the Scribe to open that one not the PowerPoint one.

JUDGE J. HEHER: Well, let's see how we get on. This is not...?

MR. A KHUBONI: Yes, yes...

JUDGE J. HEHER: That's the one that I have, yes?

MR. A KHUBONI: Yes, that one.

JUDGE J. HEHER: Thank you.

ADV. G. ALLY: You may proceed.

ADV. T. MABUDA: Thank you, thank you. You can proceed.

MR. A KHUBONI: Thank you. Chair the bursaries; we'll start with private sponsorship, how the university manages that. We're trying to make it short, not to start at the beginning with the whole process but going to the gist of the matter that will somehow answers the questions that were on the letter of invitation.

JUDGE J. HEHER: Thank you.

MR. A KHUBONI: So we'll start by saying that the university, all its stakeholders including the finance office will normally solicit funding from private sponsors. And those bursaries that they received from sponsors or prospective sponsors are advertised to universities by being posted on the university website and also notice board, notices spaces and strategic places on campus and also at relevant places. For a good example if we are looking for Civil Engineering students, we will normally use the Engineering notice board and also using other forms of media that are used by students currently like the Facebooks and other platforms. We also stated here that the most effective way of disseminating information again is to work through the academic departments because they know their good students that they can give to us in order to assist.

The selection process is always done jointly by the university and the sponsors. If the sponsors didn't select their own students, they normally work through our office. As we stated that it's common cause that all the sponsors will set their criteria, that the student.....what kind of a student they will like to sponsor. And then the selected candidates are shortlisted and the panel most of the time includes our

senior officers in the department if they want to select those good students. Most of our sponsors will cover full funding.

MS. L. KHUMALO: Mr. Khuboni, are your Bursary Officers part of the Financial Aid Practitioners?

MR. A KHUBONI: Yes.

MS. L. KHUMALO: Are you a member of them?

MR. A KHUBONI: Yes.

MS. L. KHUMALO: Oh, okay.

MR. A KHUBONI: As we stated that normally the private sponsors pay full cost of study. There are those who maybe will pay 80% of the cost of study, then we use NSFAS to patch up. But most of them pay full cost of study.

ADV. T. MABUDA: Sorry can you just repeat that. You said if 80% is paid, what happens? Sorry.

MR. A KHUBONI: We normally use NSFAS funding to pay the 20% or other funds where a sponsor is not giving a full award. But if a sponsor gives a full award, it's only the sponsor that caters for the student.

ADV. T. MABUDA: Thank you.

MR. A KHUBONI: Yes. Then we said the second paragraph: 'management' - how is it managed? When a student do receive funding, to manage the process, jointly with the sponsors, they normally visit us the university twice a year where they monitor the progress of the students. Whereas the university we host them by setting up the venue calling in the students so that they can interview the students in the presence of the officer if they need

JUDGE J. HEHER: Can you give us an example of a sponsor.

MR. A KHUBONI: A good example of the sponsor that we recently acquired is not a big company it's Umpeme Consortium that is sponsoring some of our students. And another good example of a sponsor that is related to government is the Construction SETA that is giving our Civil Engineering many.....more than hundred of our Civil Engineering students in one department. That will also be one example of our sponsor. And another one based in Cape Town is Hostinks Consolidated Investments - they are also sponsoring... those are the good examples where they pay 80% of the cost and relative to that.

ADV. T. MABUDA: Sorry Mr. Khuboni, what is the student population at Mangosuthu University?

MR. A KHUBONI: It's 10 000 - plus minus 10 000, roughly 10 000 to 11 000 - we are not that big.

1.3 is just a summary of the present sponsors that we have over the 3-year period. In 94 we had 95 - there can be more, those we mentioned that is where we jointly assist one another with the sponsorship. But where an individual will just sponsor a student whatever, sometimes it comes as cash payment. But these ones are on our database. Recipients roughly 556 in 2014 with 16 million. 2015 was

our good year with private sponsors because we were around 23 million, with 135 companies and organisations that were giving about 743 of our students. That's just a summary that it comes on 1.3.

ADV. T. MABUDA: Sorry before you proceed Mr. Khuboni, the number of recipients in 2015 is 743?

MR. A KHUBONI: Yes.

ADV. T. MABUDA: And the in 2016 it's 734...

MR. A KHUBONI: Yes.

ADV. T. MABUDA: But there is a very big difference between the amount being allocated to these students?

MR. A KHUBONI: Yes.

ADV. T. MABUDA: So why is it that you are able to fund the same number of students with a significantly less amount of money in 2016?

MR. A KHUBONI: It can happen that we lose the big sponsors that pay 100% of the cost. Then we get more and more that pays...they are doing it partial funding. That is why we will have that number of students, but the amount is smaller. A good example is..... that I can make is one foundation in Durban that has sponsored us for about now 15 years is Vitades Foundation. Many years they were giving full cost to our students but later on they changed to saying, they would like to give at least 15 thousand then we use the NSFAS with other funding so that students can get what NSFAS doesn't give. Remember NSFAS sometimes universities top-slice. Then this year we are only giving 50 000 on Vitades Foundation. In the previous years we were giving full cost of study - that is good example of what makes these figures to vary.

ADV. T. MABUDA: So NSFAS is able to top up all these students?

MR. A KHUBONI: Yes, yes.

ADV. T. MABUDA: So you don't have an issue where other students are not fully funded?

MR. A KHUBONI: Other students are?

ADV. T. MABUDA: Are not fully funded... Because you said that, the sponsor will obviously not pay the full cost of study.

MR. A KHUBONI: Yes.

ADV. T. MABUDA: Then you ask NSFAS to top up?

MR. A KHUBONI: Yes, they top up.

ADV. T. MABUDA: Do you have situations where NSFAS is unable to make up for all the participants, in a sense that they are unable to top up certain students?

MR. A KHUBONI: No, no, because we normally doing the allocations at once. Then we don't have that problem.

ADV. T. MABUDA: Alright, thank you. Thank you.

MS. L. KHUMALO: Sorry, if the criteria is different? Maybe they don't qualify for NSFAS but they have got private funding that is not fully funded, how do you deal with it?

MR. A KHUBONI: No, I will say ma'am normally they will qualify for NSFAS because remember with private funders, normally good students are chosen. Then with NSFAS, it's just a minimum requirement where NSFAS says 50% of the pass, the university says 50% of subjects enrolled. Mostly they are high performers. The only maybe.....where they cannot qualify for again NSFAS will only be income whereas with our student population most of them, you will see when we give numbers with NSFAS we will say almost 90% of students fit into NSFAS criteria.

ADV. T. MABUDA: You can proceed.

MR. A KHUBONI: Thank you. Now we are coming to the big one, which is NSFAS. I hope here Chair it might be a repetition because the process will be the same. But here, we said that currently the university doesn't have its own loan scheme like other universities who have their own loan scheme that is administered by NSFAS. Our loan scheme that we currently administer is the NSFAS one. We just stated there that the process usually that the student follow, is to download the generic application form on our website, that they complete and then they bring their application forms to us for us to process and do the means- tests.

And then on 2.1.2 we said most of our students do qualify for funding under the.....after undergoing the means-test, because as we stated that the majority of our students come from the previously disadvantaged communities.

The allocation of funds is spread amongst all of students who qualify. The process we do, we say if the student pass 57% of subjects enrolled, the students do qualify. A good example is that if a student passes three subjects in a semester or year out of five, the student do qualify. That is made possible by the N+2 rule of NSFAS - meaning that a student that is registered for a three-year diploma should finish it in five years. So a student that passes three out of five normally progress to the next level, although, he or she will carry some other courses.

ADV. T. MABUDA: Mr. Khuboni, with regards to 2.1.1, you indicated that the general means of applying for a NSFAS is the generic application. So, Mangosuthu was not one of the institutions where a pilot program was implemented where you apply online?

MR. A KHUBONI: No, we are not on the pilot.

ADV. T. MABUDA: My understanding is that this is going to be applied across the board from next year.

MR. A KHUBONI: That means from next year this is not going to apply. It will only apply for our internal bursaries. So for a small number that we mentioned of 1 043, we will still ask students that we are giving private bursaries to complete our form because the one for NSFAS, the roll out for next year is for NSFAS. So for students that are not NSFAS funded, university has to cater for them in a certain way.

ADV. T. MABUDA: Have you received any complaints or any concerns about the new system? The pilot system where applications are made online?

MR. A KHUBONI: There are. I will say informal concerns from students, not formally because we haven't gone through.....so it can be a concern that if you are going to go to an unknown terrain, really naturally you might be concerned. More especially where students... it's user-friendly for students whenever the problem they just knock on our office because we are there. Most of the concerns come if they are stuck somewhere, then they have to call whatever. Of which it might not be a problem as such, it's only that is something they haven't yet experienced, so I will say it's the apprehension. Perhaps maybe when you can find that when it rolls out, you are having teething problems but it can be useful at the end so I may say.

ADV. T. MABUDA: Thank you, thank you.

MR. A KHUBONI: Oh, we also highlighted on 1.1 that NSFAS funded students or students sponsored by any other funder normally doesn't pay a registration deposit, they are never asked a deposit to pay, just register with the list of NSFAS. If it is privately sponsored, it's a confirmation from the sponsor that is normally emailed to the Senior Bursaries Officer. Because of chances of fraud we normally used the email directly from sponsors for students to register. We are trying to discourage those who come with their letters that they bring it themselves. I think we can now move to 2.1.3, where we also...

ADV. G. ALLY: [interjects] But you do have a registration fee Mr. Khuboni?

MR. A KHUBONI: Yes, there is a registration fee which has been low for centuries. It's still a R1 000 per semester or R2 000 per annum... annual program.

ADV. G. ALLY: Just to ask you, NSFAS testified here and were giving us a full cost of study of universities, and you sitting at 77 480 which is below the cap of 71 000. I will tell you how they make that up and you can comment on it whether it is correct or not.

Your tuition fee is 21 612, your registration - probably annual is the 2 000 which you mentioned, your residence accommodation - 25 360, your meals is 19 000 and your books - 9 500. Do those amounts make sense to you or...?

MR. A KHUBONI: I will say maybe the average amounts, remember not all programs are 21 000 - most of the programs are 16 to 14 000 programs. When we are doing the estimate at the beginning of the year to NSFAS, we normally use the maximum of the program. Usually the programs that are mostly expensive are the ones that have fewer students like Environmental Health. That is I think where that figure comes from. And the 9 500 is the costing that we give to NSFAS to do the projection cost for the full year. But the university normally recommends about 4 750 per annum for books, although that is

not enough. But those figures do make sense because they are the figures that are done for budgeting purposes.

ADV. G. ALLY: Okay. Now, in respect of the top-slicing, I would expect that in this year as Mr. Mabuda put to you, they are implementing the online system. So the top-slicing will no longer continue because NSFAS has never approved top-slicing but universities do it anyway because there is more students than the amount of money that there is. So what's gonna happen to those students now that come knock on your doors because they will apply through NSFAS online and the system will stop at a certain point because this is the amount of money and the criteria as mentioned to you before is applied. So what happens to them because you used top-slice to help majority of the students?

MR. A KHUBONI: Thank you Chair. I think in your question you touch up something that I also thought is going to happen, that there will be no top-slicing because now NSFAS now is going to.....it's correct that NSFAS never approved it. We thought with the new system, now NSFAS is going to handle it, that [indistinct]. But of late, subject to correction but we have discovered that we are still going to do the allocation.....university is still going to get an allocation. We thought universities are not going to get the allocation meaning that of the students that NSFAS approves, NSFAS will just give the full costs to whoever. But the information we have just got recently when we were doing the interaction with them is that we are still going to get an allocation.

A good example is that, in 2015, in one of the biggest fund which is D General [indistinct], when we received 112 million. I mean a good example would say, maybe 2017 because we received about 114 for.....it might be a 120. We are still going to receive a figure for Mangosuthu, of which it brings back the issue of top-slicing. Because if they say they are giving us 120, surely the students that they approved that shifted to us to allocate the full costs. We might not manage to do the full costs, going back to cutting somewhere, but if NSFAS can allocate themselves wherever, probably NSFAS won't top-slice. But I'm seeing the top-slicing coming back next year because surely I don't think we are going to get an allocation that will have maybe a 40% increase in order to cover the top-slice.

ADV. G. ALLY: My understanding is this: the amount allocated to a student, will then be given to the student account. There won't be a global amount given to you for NSFAS. Now, you will recall the old formula, they would take into account the raise, in terms of providing to the university and there was in that formula a raise denomination also. They have taken that out, and as they have explained to us, they would now give the amounts to the student, the student account and you would have sBucks for the accommodation and the.....well the accommodation would go to the university, if they staying at the university. And the meals and transport would form part of the sBucks as I understand it.

Now, when was your last communication with NSFAS in terms of this new system?

MR. A KHUBONI: I will say it was on the 10th of this month, on a Friday, where we had the regular meeting. That is where it also was confirmed that we're still have to do allocations of students. The way we interpreted it, it's correct when you say that the university will now receive their tuition costs and accommodation costs. The allowances for books, meals, it goes to the student. But that is.....I think there is a catch somewhere of saying that; it looks as if we're still have to do the costing of a student. It means

once, a student has to be registered using the allocation that you have been given. You must state how much for tuition, how much for books. It looks as if again we still have to mention how much NSFAS should give for books and for meals. So that will mean if we say NSFAS, give full for meals - 19 000, full for books - 9 500. It might.....maybe an example of 140 million, that must be exhausted on quite a lower number of students than spreading it across.

I think that that is the matter that I think we have to explore deeper with NSFAS S again on that subject because it has to go deeper on the side of the allowances. Unless if they say, the instruction says: please when you cost for books and meals, give the cost that the university recommends. As I say this year is 4 750 per semester or per annum for books. Probably next year it will be 5.5. If they say give us what..... but if they say allocate but consider your allocation for the year of 125 million that is where it comes in where we have to punch the numbers and do the costs estimate.

ADV. G. ALLY: It would appear to me from what you telling me that you would really need to engage with NSFAS again before the opening next year, because remember the cap of 71 ... I don't know what it would be next.....

MR. A KHUBONI: [interjects] 71 800

ADV. G. ALLY: Next year, but that is the cap that is applied.

MR. A KHUBONI: Yes.

ADV. G. ALLY: They may not be able to fund the whole of your student population because of that particular cap.

MR. A KHUBONI: Yes.

ADV. G. ALLY: So, for your sanity and the students' sanity, I do believe from what you have been giving us now, that you need to engage with them, so that you are able to give a clear communication to the students.

MR. A KHUBONI: Yes Sir. And also, if a cap is going to be used, it will favour us. All our programs, full cost of study, all of them are below 71, they are in a range of 59 to 61. The full cost of study giving 19 000 and 4 750 for allowances and tuition, all of them, there have never been an instance really top that up. If NSFAS will says: give the student up to the max of 7 800 at this year's rate, that can suit us because that means that we will be able to give.....to accommodate all of our students, say for other universities, like our sister universities where that 7.1 it's not enough.

JUDGE J. HEHER: Yes?

ADV. T. MABUDA: You can proceed.

MR. A KHUBONI: Thank you. 2.1.3, with regards to NSFAS, that is also our estimates, looking at....a good example will be the current year - 2016. This relates to NSFAS and other NSFAS administered programs all together. 2015 was not a good year if you look at the number of students - 2014 was better which

was 6 000 students. This year has become better because of the recent funding in October for first time entering students, where we did get additional 18 million. So, it looks as if this year we have covered almost.....the biggest number of students that do qualify for funding in 2016 and 6 764 students in NSFAS and other NSFAS administered funding with 300 000 which is the total allocation. It can be 280 because there will be 20 million that will not cover other students but this year 2016 looks as if.....for us, it has been better with regard to the student funding and also NSFAS giving us additional funding.

MS. L. KHUMALO: And how are the student debts – the historical debts, for students?

MR. A KHUBONI: Mr. Ngidi, can you maybe respond?

MR. Z NGIDI: Sorry, our students' debt is very high.

ADV. T. MABUDA: Sorry Mr. Ngidi, before you proceed, I think the Judge has to swear the witness in.

JUDGE J. HEHER: I thought I had sworn both witnesses in.

ADV. T. MABUDA: I don't believe so.

JUDGE J. HEHER: Have I not? Oh, this witness said he won't be speaking. Put your name on record please.

MR. Z NGIDI: My name is Zamuxolo Ngidi

ADV. T. MABUDA: Please switch on the mic.

JUDGE J. HEHER: Your name is?

MR. Z NGIDI: Zamuxolo Ngidi.

JUDGE J. HEHER: Would you do swear that the evidence you are about to give will be the truth, the whole truth and nothing but the truth? Say so help me God.

MR. Z NGIDI: So help me God

JUDGE J. HEHER: Thank you.

MR. Z NGIDI: The.....currently our students' debt is very high because if you can see from Mr. Khuboni's submission, we can only fund about 60 to 70% of our students, then the 30% is cash paying students. And we've got a culture of non-payment from students, which we're battling with in debt collection. So, we are not worse off than other universities, just the situation in the universities, we just cannot collect debt. We are sitting at 20 million as we speak. Most of it relates to 2012 and beyond which is 40, 29% of the debt, which we are actually trying to chase every student. But it's just a normal university illness that people are not paying.

ADV. G. ALLY: I think the Commissioner was also referring rather to your historic debt. Now NSFAS has been told to pay your historic debt - 2010 to 2015. And you would have claimed an amount from them.

Now, how far.....have you been paid for all the amounts that you have claimed in terms of that historic debt?

MR. Z NGIDI: Thank you, thank you Advocate. NSFAS offered to pay for us 2012, 2013, 14 and 15 for historical debt. Now the only historical debt they pay is for students who are currently registered in 2016. So it means we are not covered for anything before 2013, so that's where our highest debt remains. Currently, I think we're still waiting for about 18 to 20 million coming from them to settle our historical debt which we haven't received. We have done all our claims for students who qualified on their criteria, so we are just waiting for the final payment of 20 million.

ADV. G. ALLY: So you've received some payment and you are waiting for other payments? And that has to do mostly with them verifying whether the people qualify or not or what's the delay in getting the 18 million?

MR. Z NGIDI: Can I request Mr. Khuboni to...

MR. A KHUBONI: Yes, thank you Advocate. With regard to historic debt, it is correct that it is for 2013 to 2015. That process was.....we started with it beginning of the year because we also thought that it will come quickly so that it will offset the student but the process is very slow on the side of NSFAS. They have also acknowledged that it's not easy to process it. It wasn't easy even for us because the criteria said... it has so many things that must be checked whatever the processing.

But the universities, most of them, started with it before other funding and sent it as early as February, March. The payment of it is very slow, we are one of the first universities who sent the claims. We have received currently up to 15 million of the close to 30 million that we are supposed to be funded on. I will say that they also acknowledged that they have to check so many things..... and also it's even more challenging for them because something that they are checking, it's better for universities to check whether a student did qualify because we have been doing the means - test, counting the people who meet the minimum requirement, number of subjects. With them they have people.....some of them might not be well convinced with an academic record on its own. There are instances where they reject people that are supposed to be accepted because a student will have a supplementary.

When we calculate the number of subject passed, you do not calculate the supplementary because it is a repetition of the subject that was written. But with them, some other people because they understand the new recruit that were recruited in May, that are processing the....this thing, they might reject it, of which we might send it back again with an explanation of some sort that again delays the process. I will say Advocate, that process on that is really very slow whereas with other students, it must..... pay off their debt before the end of the year. With others, they were expecting to get the allowances of other things once that money has been paid in order to release it. So it's been a concern for all universities.

ADV. G. ALLY: Thank you.

ADV. T. MABUDA: You can proceed Sir. You have the third challenge.

MR. A KHUBONI: The challenges are many but top of the list as we stated, is that most of our students qualify for funding but funds are most of the time not sufficient to accommodate all students. More specifically, if it accommodates a bigger number of students but it's not giving them full allocation of which sometimes is not good to say: Okay I'm funding 80% of the students. We have to go deep. How much do we fund each student, that is also equally important.

And again, the universities working on having..... stimulating the third stream income. Mostly the third stream income should be led by certain people, dedicated for that which is the fundraising unit. We'll say from the #Fees Must Fall, most universities are now resuscitating whatever problem they have with regard to concentrating of third stream income to source funding from somewhere else other than now relying on NSFAS. More especially that we have stated on average, we fund 80% of qualifying students in a year. This year we will say it's more than 20% because part of the 20% that are normally not funded will be first year students. Remember that we prioritise continuing and senior students. But this year, first year students as late as October, they have been accommodated. As we say Advocate, the challenges are many; it's only that we just have to pick those top of the list. That is where we end.

ADV. G. ALLY: No further questions from us Chair.

JUDGE J. HEHER: Thank you very much Gentlemen for your presentation.

MIXED VOICES: Thank you.

ADV. K. PILLAY: Thank you Chairperson, we have no further witnesses for the day and we will be adjourning until Tuesday. We resume on Tuesday.

JUDGE J. HEHER: 10 o' clock?

ADV. K. PILLAY: At 10 o' clock.

JUDGE J. HEHER: Thank you.

[end of presentation]