



COUNCIL ON HIGHER EDUCATION

**QUARTERLY REPORT TO THE DEPARTMENT OF HIGHER EDUCATION
AND TRAINING (DHET)**

1 APRIL – 30 JUNE 2015

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1. INTRODUCTION

The CHE operates as a national entity under Schedule 3A of the Public Finance Management Act (PFMA) 1 of 1999, as amended. It adheres to principles of good governance, financial and performance management and is held accountable for these to the Parliament of the Republic of South Africa. The CHE was established as a juristic person in terms of section 4 of the Higher Education Act (101 of 1997). In summary, the main areas of work of the CHE are:

- To provide advice to the Minister of Higher Education and Training on all higher education matters at his request and proactively.
- To monitor the state of the higher education system in relation to the goals of national policies and international trends.
- To contribute to the development of higher education through intellectual engagement with key issues through research, publications and conferences and in partnership with relevant stakeholders.
- To develop and implement a system of quality assurance for all higher education institutions, including private providers of higher education, which focuses on programme accreditation, institutional audits, national reviews, and capacity development and quality promotion.
- To develop and manage the Higher Education Qualifications Sub-Framework (HEQSF) and to develop and set standards, including naming conventions for all higher education qualifications.

2. CEO'S OFFICE AND ORGANISATIONAL MATTERS

2.1 Programme and Strategic Matters

2.1.1 Advising the Minister of Higher Education and Training

Formal advice on the draft Social Inclusion Policy Framework was prepared and submitted to the Minister of Higher Education and Training. This was in response to the request for the advice which was received from the Office of the Minister at the end of April 2015. In essence, the advice was that the draft policy framework was not yet ready for finalisation and gazetting; and that it required fundamental re-drafting preceded by extensive stakeholder consultations.

2.1.2 Updating the list of individuals suitable for ministerial appointment to university councils

A request was received from the Institutional Support and Sector Liaison Directorate at the Department of Higher Education and Training for assistance with updating the Department's list of individuals who are suitable for ministerial appointment to serve on university councils. The necessary background research was conducted and the list was updated by removing from it names of those individuals who are either retired or deceased; and adding some who were previously not on the list but who have the requisite public profile, skills and competencies.

2.1.3 CHE electronic newsletter

The inaugural issue of the CHE electronic newsletter was compiled and distributed to stakeholders in June 2015 as part of the implementation of the new CHE communication strategy. The newsletter is expected to serve as a platform for the CHE to communicate to stakeholders about its on-going activities and new developments. Higher education institutions and other stakeholders can also contribute articles on their quality-related initiatives; and the inaugural issue had three such articles from universities. Positive feedback on the newsletter has been received from the sector.

2.1.4 Roles of the HEQC and Statutory Professional Councils in Accreditation

Some progress was made in drafting the following documents as requested by the working group on the relationship between the HEQC and professional councils at its meeting in March 2015:

- A framework clarifying the roles of the HEQC and the professional councils in accreditation; and principles governing collaborative functioning of both sides;
- A suitable funding model for the accreditation work carried out by professional councils; and
- An analysis of the legislative frameworks that govern professional councils in relation to the Higher Education Act 101 of 1997, as amended.

Complete drafts of the above documents will be discussed at the next meeting of the working group in September 2015.

2.1.5 Quality management of short courses

As reported previously, a study commissioned by the CHE in 2014 recommended the development of guidelines on the quality management of short courses for the higher education sector. The first draft of the guideline document was released for internal discussion and comments within the CHE at the end of May 2015. The inputs received have been processed and incorporated in a second draft that is currently under internal review.

A reference group comprising five experts in the field, from different universities, was set up to provide external peer review of the draft. The inputs of the reference group members will be consolidated at a meeting scheduled to take place in August 2015.

2.1.6 Recognition of Prior Learning (RPL), Credit Accumulation and Transfer (CAT), and Assessment

The CHE's draft policy on RPL, CAT and Assessment was released to public and private higher education institutions for comment in June 2015 after obtaining approval from the Executive Committee of Council. The approval was ratified by full Council at its meeting on 26 June 2015. Institutions were given three months (until mid-August) to send in their comments. The comments will inform further necessary improvements to be effected to the draft policy before finalisation.

2.1.7 NQF-related Activities

Comments on the following draft documents gazetted by the South African Qualifications Authority (SAQA), were compiled and submitted:

- Guidelines for good practice for learning that does not lead to a qualification or part qualification (Government Gazette Vol. 589, No. 38672); and
- Policy and criteria for evaluating foreign qualifications within the South African NQF (Government Gazette Vol. 597, No. 38610).

The CHE nominated a representative to serve on two task teams: to develop a policy on dealing with misrepresentation of qualifications; and to revise the joint communiqué on interim guidelines for the registration and accreditation of private providers offering qualifications and part-qualifications in the trades and occupational sector. The CHE representatives continued to work as part of the collective in both task teams which are coordinated by SAQA.

2.2 Governance and Management Issues

2.2.1 Strategic Plan 2015-2020 - Annual Performance Plan 2015/16 - MTEF Budget 2015/16-2017/18

The Strategic Plan 2015-2020, Annual Performance Plan 2015/16 and the MTEF Budget 2015/16-2017/18 were presented to the parliamentary Portfolio Committee on Higher Education on 15 April 2015 and to the education portfolio committee of the National Council of Provinces (NCOP) on 3 June 2015.

2.2.2 Meetings

Seven governance meetings were held during this quarter
24 April and 24 June, Council
24 April and 15 June EXCO
26 May Audit and Risk Committee
10 June Higher Education Quality Committee and
25 June Council workshop.

The Chair of Council and Chief Executive Officer attended the parliamentary budget vote for higher education on 13 May 2015.

3. MONITORING AND EVALUATION

3.1 Research Projects

3.1.1 Higher Education Performance Indicators

VitalStats 2013 is currently with the publisher/ printer and is almost ready for printing.

3.1.2 Governance Challenges in Public Higher Education

The research on governance and management challenges in higher education, which focuses on the size, composition and role of university Councils, including comparative international experience on codes of conduct for Councils, was discussed with Council in November and Council members have since commented on the document. The document is being revised before it will be released as a discussion document.

3.1.3 Student Governance at Public Higher Education Institutions

The project is progressing and a background discussion paper is being developed.

3.1.4 Review of the State of Higher Education: 1994-2014

Draft chapters of seven of the eight chapters of the twenty-year review of higher education were circulated to Council members and their comments will feed into the next edit of these chapters. These drafts have also been returned to task teams for their final input into the edited chapters, before these are finalised. Work is progressing on the eighth chapter (academic staffing).

3.1.5 Reflections on Academic Leadership

The entire book is going through a final edit before it can be sent to the publisher.

3.1.6 Admissions and Placement Mechanisms in Higher Education Institutions

The CHE will review whether further research is required based on the Minister's response to its advice on the Task Team's proposal for undergraduate curriculum reform which the CHE received this quarter.

3.1.7 The role of information communication technology (ICT) in higher education

The Monitoring and Evaluation Directorate held a national Colloquium on ICTs in higher education in October 2014. The purpose was to explore the policy implications of the increasing use of ICTs. It was decided that further work in this area was needed and the Monitoring and Evaluation Directorate undertook to develop a project in this area in its next set of projects. This project is still in the conceptualisation phase.

3.2 HEQCIS: Data Collection

Full data loads to HEQCIS

Of the **151** institutions that had started using the system, **127** institutions¹ (i.e. **100%** of all unique PHEIs) had submitted at least one full data load each. The **127** institutions included **124** PHEIs that had successfully loaded onto the HEQCIS for the second time or more, by 25 June 2015. The total numbers loaded onto the HEQCIS, thus far, were **324 607** learners with **343 518** qualification uptake results (**84 543** achievements and **235 119** enrolments) between them (a further **23 856** were shown as de-enrolled), an increase of **39 880** learners loaded during the first cycle² of 2015 (the “last cycle”).

Most recent data-load cycle:

The pool for the current cycle (which came to an end on 15 June 2015) is made up of **114 unique PHEIs**. Of the **114** registered institutions using the system, **89** institutions (i.e. **78%** of all unique PHEIs, which is 1% higher than last year at the same time) have successfully submitted at least one full data load each within the current cycle. The total numbers³ loaded during the current cycle are **233 818** learners with **258 237** qualification uptake results (**71 548** achievements and **169 600** enrolments) between them (a further **17 089** were shown as de-enrolled).

The overall total number of learners increased by **39 459** since the previous quarter, and the total number of qualification uptake results increased by **36 062** (**8 969** achievements, **26 115** enrolments and **978** de-enrolments).

Data Loads to the NLRD

The HEQCIS dataset for the cycle that ended on 15 June 2015⁴ will be loaded onto the NLRD during the NLRD’s July/August 2015 data load.

3.2.2 Private Higher Education Management Information System

The database structure continues to work well.

The pilot of the loading of data into the additional sections of the database that were requested via the Private Higher Education Institutions (PHEIs) Working Group (chaired by the CEO of the CHE), namely staff member information and student FTEs, has continued. Once the pilot phase is completed, the loading of data into the new sections of the database will become compulsory for all PHEIs.

The “Health and Functioning” rating codes are now in use rather than “Disability” codes.

¹ These include four institutions that were de-registered after their first loads.

² The first cycle of 2015 (last cycle) was 16 December 2014 to 15 June 2015. The second cycle (current) is 16 June to 15 December 2015.

³ Every time an institution loads any data to the HEQCIS, it submits its entire dataset. At the same time, not all institutions submit data in every cycle (although the minimum standard says that they must).

⁴ The last date for loading was 15 June 2015.

The read-only connection to the database, set up by the service provider Praxis for HEQCIS staff plus some CHE staff and the NLRD Director, continues to work well.

4. QUALITY ASSURANCE AND QUALITY PROMOTION

4.1 Forums and Workshops

4.1.1 Quality Assurance Fora

As part of the preparations for the next QA fora scheduled for September 2015, a questionnaire was administered to the quality assurance and promotion personnel in public and private institutions to acquire information on the preferred format, themes and discussion topics of interest. The survey findings will inform the format and other features of the next fora because it is important that the fora address issues of interest to the target audience.

4.1.2 Accreditation Workshops

Four workshops were held:

- 01 April 2015 HPCSA Evaluator Training;
- 09 April 2015 Evaluator Training at the Durban University of Technology;
- 21 April 2015 SACLAP Workshop, and
- 23 June 2015 a Theology Panel Report Workshop – During the reporting timeframe various site visits were undertaken at private theological institutions. This workshop with the site visit chairs discussed the specific problems that emerged during the site visits and made recommendations that will be tabled at the next HEQC meeting in September.

4.2 CHE-HELTASA National Excellence in Teaching Awards

The deadline for the submission of applications for the CHE/HELTASA Excellence in Teaching Awards for 2015 was extended from 30 June to 12 July 2015 to allow more time for interested academics to prepare and submit their portfolios. The selection committee will meet on 12 August 2015 at the CHE.

4.3 Programme Accreditation

The HEQC met on 10 June 2015 and made decisions on 69 programmes following recommendations by the Accreditation Committee at its meeting of 15 and 16 April 2015. The decisions made were as follows:

Application for programme accreditation	40
Deferred applications	16
Representation	13

4.3.1. Applications Received

Of the 198 new submissions received via the HEQC-online system during this financial quarter, 117 were from public higher education institutions and 81 from private higher education institutions.⁵

The new applications received in terms of the NQF level and CESM category respectively are indicated in Tables 1 and 2 below.

⁵ 'New applications' with regard to Private Higher Education Institutions refers to all new applications for accreditation submitted during the indicated reporting period, and for which payment has been received.

Table 1: New Applications received per NQF level

NQF Level	Number of Applications: Private Providers	Number of Applications: Public Providers
Level 5	20	11
Level 6	28	16
Level 7	17	34
Level 8	8	38
Level 9	6	16
Level 10	2	2
TOTAL	81	117

Table 2: New Applications Received per CESM category

CESM Category	Number of Applications: Private Providers	Number of Applications: Public Providers
Agriculture, Agricultural Operations and Related Sciences	1	5
Architecture and the Built Environment	0	5
Visual and Performing Arts	6	8
Business, Economics and Management Studies	15	19
Communication, Journalism and Related Studies	1	1
Computer Science and Information Sciences	1	3
Education	9	20
Engineering	3	14
Health Professions and Related Clinical Sciences	30	19
Family Ecology and Consumer Sciences	2	3
Languages, Linguistics and Literature	0	1
Law	1	2
Life Sciences	4	5
Physical Sciences	0	3
Mathematics and Statistics		
Military Sciences		
Philosophy, Religion and Theology	5	2
Psychology	1	0
Public Management and Services	1	4
Social Sciences	1	3
TOTAL	81	117

4.3.2 Re-accreditation

No programmes for reaccreditation were tabled in this quarter.

4.3.3 HEQSF alignment process

The Accreditation Directorate received information pertaining a total of 428 applications for alignment with the HEQSF of Category B programmes that had been deferred or for which institutions submitted representations. These applications were processed, and a total of 261 were tabled at the 10 June 2015 HEQC meeting. The outcomes of this meeting have been communicated to the institutions and relevant stakeholders.

4.3.4 Summary of HEQC decisions

The accreditation decisions by the HEQC are generally made on programmes submitted in a previous quarter as the entire accreditation process generally takes up to six months to complete. Therefore, performance targets per quarter indicate the percentage of programme accreditation applications that receive an HEQC outcome within a six-month period of processing by the Accreditation Directorate.

In addition to the 68 applications for accreditation of programmes that the Directorate completed processing in this quarter, the HEQC also considered 9 submissions for new / relocated sites of delivery and 2 site visit reports relating to existing sites of delivery. A summary of the decisions by the HEQC is contained in Table 3 below:

Table 3: Summary of HEQC decisions

Total number of programmes for accreditation⁶	69
<i>Programmes accredited</i>	20
<i>Programmes accredited (with conditions)</i>	22
<i>Programmes not accredited</i>	27
<i>Decisions deferred</i>	0
New / relocated site of delivery⁷	9
Total number of sites of delivery visited⁸	2
Total number of programmes for re-accreditation	0
<i>Programmes re-accredited</i>	0
<i>Programmes re-accredited with conditions</i>	0
<i>Programmes not re-accredited</i>	0
<i>Programmes accreditation extended</i>	0
Total number of programmes HEQSF- aligned	1 334
<i>Category C programmes for teach-out</i>	3 740

4.4 National Standards and Reviews

4.4.1 National Review: Bachelor of Social Work (BSW)

The HEQC requested the institutions whose BSW programmes were accredited with long-term conditions, and those on notice of withdrawal of accreditation, to submit Improvement Plans (IPs) by 31 March 2015.

Fourteen institutions submitted their IPs; these were evaluated by the National Reviews Committee (NRC) at its meeting of 27 May 2015. The HEQC approved all the NRC recommendations at its meeting of 10 June 2015. Three of the institutions whose programmes were put on notice of withdrawal of accreditation in 2014, have had their accreditation status changed to 'not accredited' as their IPs were found to be inadequate to address the critical conditions set out in the HEQC's review reports. These institutions have been requested to submit teach-out plans for their pipeline

⁶ Total number of programmes for accreditation refers to all applications for accreditation including new applications for accreditation, deferrals, and representations. Outcomes for these programmes include accredited, accredited with conditions, not accredited and deferred decision.

⁷ This figure refers to all individual applications for new or relocated sites of delivery. This figure is not included in the total number of programmes for accreditation.

⁸ This figure refers to the number of sites visited for reasons including new applications for accreditation, conditions met, representations, deferrals, re-accreditation and complaints. This figure is not included in the total number of programmes for accreditation.

students, and were also advised not to admit new students into their current BSW programmes in the 2016 academic year. Furthermore, they were advised to design new BSW programmes and to submit them to the CHE for accreditation if they wished to continue offering Social Work programmes. In addition, the Universities of Venda, Zululand, North-West and Free State have been asked to submit revised IPs by 10 August 2015 as their first IPs were to be found to be incomplete. In these cases, the IPs failed to specify timeframes, targets, the resources to be allocated for the proposed interventions, and evidence to support the assertions made in their submissions.

Since the release of the HEQC's decisions on the accreditation of the BSW in December 2014 following the national review, the higher education institutions whose programmes were granted conditional accreditation and those that were put on notice of withdrawal of accreditation have been providing improvement plans in order to meet the conditions stipulated in their respective review reports. Taking into account the improvement plans and the progress reports, the HEQC revised some of its initial accreditation decisions at its June 2015 meeting. This has increased the number of fully accredited BSW programmes from three to seven. The revised accreditation decisions of the HEQC were for the BSW programmes of the following institutions:

Institution	Initial Accreditation Decision (December 2014)	Revised Accreditation Decision (June 2015)
University of Pretoria	Accreditation with Conditions	Full Accreditation
University of Western Cape	Accreditation with Conditions	Full Accreditation
Stellenbosch University	Accreditation with Conditions	Full Accreditation
University of the Witwatersrand	Accreditation with Conditions	Full Accreditation
Nelson Mandela Metropolitan University	Notice of Withdrawal of Accreditation	Accreditation with Conditions
University of South Africa	Notice of Withdrawal of Accreditation	De-Accreditation
University of Limpopo	Notice of Withdrawal of Accreditation	De-Accreditation
Walter Sisulu University	Notice of Withdrawal of Accreditation	De-Accreditation

4.4.2 National Report:

The State of the Provision of the Bachelor of Social Work in South Africa

The second draft of the "The State of the Provision of the Bachelor of Social Work in South Africa" report has been submitted to the CHE for comment. The draft report was tabled at the NRC meeting of 27 May 2015 for discussion. The NRC identified major gaps and flaws in the report which required addressing before it can be published. The NRC felt that it was crucial for a report of this stature to address key issues and challenges related to national policy imperatives, as well as report on the accreditation outcomes. The Directorate was advised to identify a team of social work experts who understood the broader South African social work context to assist the report writer to crystallize the substantive issues and trends.

4.4.3 National Review of Bachelor of Laws (LLB) Degree

The LLB national review commenced in April 2015, and all the Vice-Chancellors and Law Deans of participating institutions have been formally informed in this regard. Preparatory work has also started; the Reference Group comprising academic experts from legal education has been constituted

A workshop for the Law Deans was held on 23 April 2015 and LLB Reference Group workshops were held on 21 May and 18 June 2015. The revised Framework for National Reviews was approved by the CHE Council on 25 June 2015. A draft manual, a proposal and accreditation criteria for the LLB review are being drafted for wider consultation with all participating institutions for approval by the HEQC in September.

Members of the Directorate attended a meeting of the South African Law Deans Association (SALDA) held on 18 May 2015. The purpose of the meeting was to brief the SALDA on the LLB national review and to outline the scope of the review and the proposed timelines.

4.4.4 Standards Development

The draft qualification standards for the BSW and LLB were circulated to higher education institutions in April 2015 for comment. The comments received have since been incorporated; the documents now await approval by the HEQC and the CHE Council.

The Accreditation Committee requested a qualification standard to be developed for a Bachelor of Commerce degree that has been the subject of much debate recently. This is indicative of a close relationship between standards and programme accreditation, and it is anticipated that further requests of this nature will come from Accreditation.

The African Sports Confederation and Olympic Committee (SASCOC) and South African Higher Education Platform in Sport Coaching (SAHEPSC) are exploring the possibility of developing higher education programmes in sports coaching, and are working with the CHE to develop qualification standards for these programmes. The Director attended meetings at SASCOC on 17 and 20 April and 23 June 2015 in this regard.

It was envisaged that on completion of the pilot qualification standards at the end of 2014/15, the *Framework for Qualification Standards in Higher Education* (FQSHE) would be revisited and revised if necessary. The pilot phase has shown the need for only minor amendments of the FQSHE. The pilot has also shown that the engagement between the CHE and the relevant academic community in developing a standard allows for intense collaboration between the parties, and 'ownership' of the standard by that community. It must be noted that the intellectual engagement is as important as the product. It is an intensive and lengthy process; after several iterations, the pilot standards are ready to be disseminated for broader public comment prior to approval.

The recent merger of the former directorates of standards development and national reviews into a composite Directorate of National Standards and Review is important to the future of standards development. The integration emphasises that, in advance of all future national reviews, a standard will be developed for the qualification under review as a crucial aspect of quality assurance.

4.5 Institutional Audits

4.5.1 Quality Enhancement Project

A document has been published entitled *A Content Analysis of the Baseline Institutional Submissions for Phase 1 of the Quality Enhancement Project*. The document contains an analysis of what institutions reported to be successful and unsuccessful activities in relation to the four focus areas of the QEP. Each focus area

section is preceded by a short introduction to global and local trends and issues related to the focus area. The document also contains an overview in which key issues arising from the analysis are highlighted. Individual institutional submissions have been uploaded to the CHE website, with permission from the DVCs involved.

A meeting of the QEP's DVC Forum was held on 21 April 2015. At that meeting the DVCs agreed to a submission date of 11 December 2015 for the final institutional reports for Phase 1 of the QEP. They also agreed on the format and content of this report. At the next meeting of the forum, to be held on 31 August, key issues arising from the QEP that should be actioned by the forum will be discussed. Four DVCs volunteered to work with the Director: Institutional Audits to create a document that will serve as a point of departure for the discussion.

On 28 May 2015, a workshop was held with members of the Institutional Audits Committee (IAC) and the facilitators of the QEP institutional workshops held in March. Given the inductive process followed in the QEP, this workshop provided a valuable opportunity to reflect on the QEP activities already undertaken and to consider possible future activities. In the course of the discussions, the need for greater student engagement with the QEP was identified. The IAC therefore requested the directorate to organise a student QEP workshop, as was done in 2014. This workshop has been scheduled for 21 August 2015.

In June 2015, two workshops were held on *Assessment and Recognition of University Teachers*, one from 1-2 June and the second from 4-5 June at the Protea Edward Hotel in Durban. These workshops comprised the first capacity-building activity of the QEP, one of the spin-offs of the QEP process. The workshops were facilitated by Dr Thomas Olsson, an experienced education development professional and engineering educator from Lund University in Sweden, who has worked at institutional and national levels on these issues. Invitations were sent to all deans of all faculties at all universities, as well as all directors of teaching and learning and members of the HELTASA Teaching Advancement at University steering committee. The workshops were attended by 65 deans or deputy deans, 37 directors or deputy directors of teaching and learning and 37 other participants. A forum on QEP focus area 1, Enhancing Academics as Teachers, was held on the day in between the two workshops, 3 June 2015. Participants from both workshops were invited to attend and a call for presentations was issued. The forum was attended by 112 people and comprised 10 presentations interspersed with time for discussion.

On 13 April, a meeting of the QEP Private Providers working group was held. It was agreed that two workshops of two days each will be held on QEP focus areas 2 and 3, one in Gauteng and one in Cape Town. The workshops will be hosted by private institutions on a cost recovery basis in August and September. Advance notice of the workshops has been sent to the 69 institutions that participated in the voluntary on-line QEP submissions. These workshops will mark the end of the QEP activities arranged specifically for private providers in phase 1, as the working group did not feel that focus area 4 is relevant for many private institutions.

4.5.2 Ongoing activities from the first cycle of institutional audits

A meeting of the IAC was held on 28 May 2015. The interim progress report from North-West University was discussed. Feedback will be provided to the institution and a date for the next report will be negotiated with them. The interim progress report from the University of Zululand was also discussed and was found to be unsatisfactory. Given the instability of the institution in terms of leadership, the IAC did not feel that the university was capable of addressing the HEQC's audit recommendations and therefore referred the matter to the HEQC. At its meeting of 10 June 2015, the HEQC concurred with the IAC that UniZulu is not in a position to make progress with respect to the audit recommendations, and there is no indication of when it might be able to do

so given its many problems. The HEQC therefore decided to terminate the audit process for UniZulu and to inform the DHET of its decision.

The IAC approved the request of Mangosuthu University of Technology to submit its progress report in September 2015 and of Walter Sisulu University to submit its progress report in September 2016.

4.5.3 Other

On 4 May, the Director participated in the steering committee meeting of the Teaching Advancement at University fellowship programme, a pilot project of HELTASA funded by a DHET collaborative Teaching Development Grant. The Senior Manager: Research has been invited to be one of the advisors to the participants on the programme.

On 11 May, the Director was invited to present a talk at a day-long workshop at the University of KwaZulu-Natal entitled *Placing the student at the centre of student support* in which she outlined an approach to integrating the work of academics, administrators and support staff in helping students succeed at different stages of the student life cycle. The workshop organiser obtained a university grant to use this approach as the basis for a college-wide initiative in the humanities.

On 14 May, the Director presented a talk on the QEP at the launch conference of Siyaphumelela, an initiative funded by the Kresge Foundation to improve institutional capacity to collect and use institutional data to undertake evidence-based practices to promote student success.

On 19 and 20 May, the IAD researcher attended workshops organised by the Centre for Learning, Teaching and Development at the University of the Witwatersrand and led by Professor Denise Chalmers from the Centre for the Advancement of Teaching and Learning at the University of Western Australia.

On 20 and 21 May, the IAD Senior Manager: Research attended the launch conference of the newly-created *South African National Resource Centre for the First Year Experience and Students in Transition*, which is housed at the University of Johannesburg and supported by a collaborative Teaching Development Grant.

On 10 June, the Director presented a talk on the QEP at the University of Johannesburg Quality Conference.

5. CORPORATE SERVICES

5.1 HUMAN RESOURCES

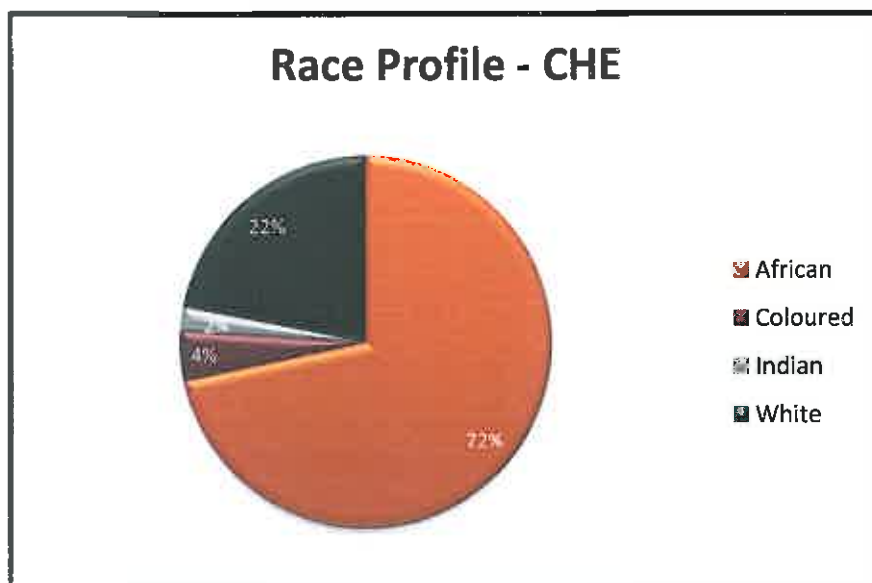
5.1.1 Employment Profile

The quarter under review has seen minimal employment movement and of the 51 posts on the organisational structure, 46 are filled and 5 are vacant, which has remained the same as at the end of the last quarter. However, there has been one (1) appointment and one (1) resignation. There have been quite a number of interviews held during the quarter and the CHE should be in a position to fill at least three of the five vacancies by end of the next quarter. The second phase of recruiting the Chief Executive Officer commenced at the end May 2015 and was a robust and rigorous process which was completed by the middle of June 2015, for submission to the CHE Council meeting held on 25 June 2015. The Council through the Chairman, Professor Mosia, should be in a position to provide feedback on the final decision shortly. In the interim, Dr Denyse Webbstock continues fulfilling the role of Acting Chief Executive Officer until the process has been finalised. The table below depicts the employment profile as at 30 June 2015:

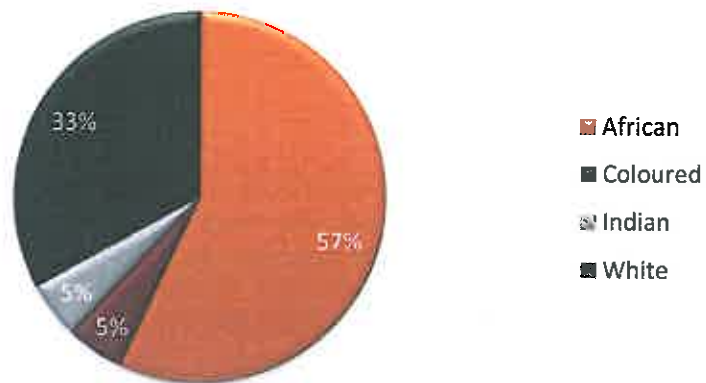
Salary Band	Number of employees employed at the beginning of the period - 1 April 2015	Number of appointments made during April, May and June 2015	Number of terminations made during April, May and June 2015	Number of employees employed at the end of the period - 30 June 2015
Top Management	0	0	0	0
Senior Management	7	0	0	7
Professional qualified	14	0	0	14
Skilled	23	1	1	23
Unskilled	2	0	0	2
TOTAL	46	1	1	46

5.1.2 Employment Equity Profile

The overall profile in terms of race and gender is 72% African, 4% Coloured, 2% Indian, 22% White and 72% female and 28 % male. The profile at management level is 57% African, 5% Coloured, 5% Indian, 33% White and 29 % male and 71% female. The profiles have remained constant since the end of the financial year 2014/15 with a minor increase in White employees, which is in line with the CHE's employment equity plan.

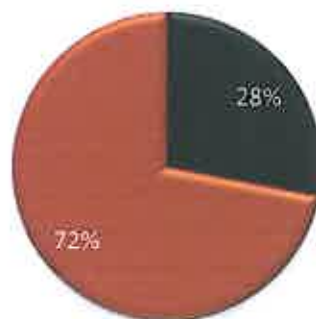


Race Profile - Management



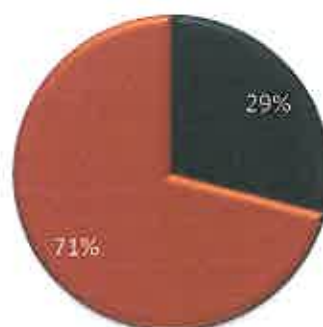
Gender Profile - CHE

■ MALE ■ FEMALE



Gender Profile - Management

■ MALE ■ FEMALE



5.1.3 CHE Employee Wellness Programme (Impilo Wellness)

The Wellness Committee approved the Wellness Plan for 2015 -16 at the beginning of June 2015. The comprehensive plan includes a number of interventions, and is aligned to the National Health calendar for 2015. A number of indicators will be used to monitor the impact of these interventions. The plan has been communicated to all staff.

5.1.4 Sick Leave Days and Costs

The annual quarterly average days taken as sick leave presented as an annual rate are 5.88. This is slightly higher than the previous quarter and can be attributed to the beginning of winter. The annual average sick leave days per employee are 5.88 at a cost of R104 964.60. This is still lower than the national normative rates that range from 6.15 and 8.5 for organisations employing less than 50 and more than 50 employees, respectively.

5.1.5 Staff Training and Development

There has been little training conducted for the quarter under review. Three (3) employees were trained in total. All employees' Individual Learning plans have been submitted to Human Resources and are currently being consolidated into the Annual Training Plan for 2015/16 for approval at the end of July 2015. Training and development activities conducted during the quarter are reflected in the graph below:

Directorate/ Business Unit	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of personnel Cost	Number of employees trained	Average training cost per employee
Administration	2497	37	1%	2	19
Monitoring and Evaluation	968	0	0%	0	0
Programme Accreditation	1410	0	0%	0	0
National Reviews and Standards Development.	745	0	0%	0	0
Institutional Audits	818	4	0%	1	4
TOTAL	6438	41	1%	3	23

5.1.6 Labour Relations

The labour relations environment is fairly stable with no disruptions to the CHE operations. As reported in the previous quarter, the CHE was awaiting the outcome of an Arbitration Hearing concluded on 31 March 2015 at the CCMA. The outcome of the Arbitration Hearing was received on 17 April 2015 and the CCMA found that the dismissal of the employee was **substantively fair** as the employee had indeed transgressed and therefore reinstatement was ruled out. It was, however, also found to be **procedurally unfair** – due to the employer's refusal to postpone the initial in- house disciplinary hearing. Given the employee's long service and the fact that this was the employee's first offence, relief in the form of five month's salary was sought. In an attempt to avoid the lengthy and costly process of appealing the arbitration award through the Labour Court, the CHE decided to settle and subsequently finalised the matter.

5.2 FINANCE AND SUPPLY CHAIN

5.2.1 Tenders

No tenders were awarded in the first quarter.

5.2.2 Internal and External Audit

Audit and Risk Committee (ARC) meetings were held on the 21st April and 26th May 2015. The following documents were presented and recommended by the ARC for approval by Council: A fourth quarterly report inclusive of expenditure report and performance indicators; a revised materiality and significance framework inclusive of acceptable levels of materiality and significance; a revised audit and risk committee charter; a revised strategic risk register; an internal audit progress report; an internal audit proposed three-year and one- year work plan; a progress report on the implementation of the consolidated audit action plan as at 31 March 2015; a compliance report for the fourth quarter; the unaudited financial statements for the year 2014/2015 and performance indicators; the revised delegation of authority; and the Auditor General's Audit strategy for the year 2014/2015.

The Auditor General is currently busy with the audit process which will be finalised at the end of July 2015.

5.3 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

The Department of Public Service and Administration in collaboration with the Government Information Technology Officer Council (GITOC) developed a Corporate Governance of ICT Policy Framework. An implementation guideline was also developed to support all departments/ public entities with the implementation of the framework over a three-year period. (2 Phases).

- (i) Phases 1 and 2 were planned to be implemented by entities by March 2014 and March 2015, respectively.
- (ii) A further requirement was that all entities would, beyond March 2015, include this in the Annual Performance Plan for 2015 to 2016 with a description and indication of how it will be monitored.

The CHE included '*Compliance with the Corporate Governance of ICT framework by the D.P.S.A*' as its Strategic Objective 12.

7. PERFORMANCE INDICATORS

NON-FINANCIAL PERFORMANCE PLAN INDICATORS: 2015/16

Strategic Objective	Programme	Performance Indicator	2014 - 2015	2015 - 2016 - First Quarter: 1 April - 30 June 2015					Challenges	Evidence / Comment
			Audited output	Annual target 1 April 2015 – 31 March 2016	1st Quarter Target 1 April – 30 June 2015	Cumulative Total Full year	1st quarter Actual Output 1 April – 30 June 2015			
Number One: To provide advice to the Minister of Higher Education and Training on all higher education matters on request and on the CHE's own initiative.	Administration	100% response to requests for advice responded to within the timeframe requested.	100% 2	100%	100% of requests received	1	1			The number of responses cannot be predetermined as it is dependent on the number of requests received from the Minister. i) Comments on DHET's draft Policy on Social Inclusion
		Number of pieces of advice on own initiative on issues identified as relevant flowing from the activities of the CHE.	2	2	2					Advice in subsequent years will be determined annually based on an assessment of the key issues in higher education and on the outcomes of research initiated.
Number Two: To monitor the state of higher education, including publishing information and convening conferences, seminars and workshops on developments in higher education.	Monitoring and Evaluation	Production of performance indicators report (on-going projects).	1	1	0					Performance indicators to assess the state of the higher education system.
		Projects in progress.	4	4	4					These projects are long-term projects which will run throughout the year. The cumulative total will remain constant at 4: i) Review of the State of Higher Education: 1994-2014 ii) Reflections on Academic Leadership iii) Governance Challenges in Public Higher Education iv) The role of ICT in higher education.

Strategic Objective	Programme	Performance Indicator	2014 - 2015	2015 – 2016 - First Quarter 1 April – 30 June 2015					Evidence / Comment
			Audited output	Annual target 1 April 2015 – 31 March 2016	1st Quarter Target 1 April – 30 June 2015	Cumulative Total	1st quarter Actual Output 1 April – 30 June 2015	Challenges	
Number Five: To maintain a database of learner achievements in higher education and to submit the data to the National Learners' Records Database (NLRD), which is maintained by SAQA.	Monitoring and Evaluation	Percentage of private providers submitting learner records/ achievements for the HEQCS database.	99% 114 private providers uploaded information	80% of service providers	80% of service providers	Non-cumulative	78%	The changing number of private providers, in particular, small providers with limited capacity, makes it difficult to obtain full compliance.	
Number Six: To audit the quality assurance mechanisms of higher education institutions. In 2011/12 a decision was taken to change the focus from institutional audits and to focus on improving teaching and learning through the Quality Enhancement Project (QEP)	Institutional Audits	Monitoring of progress reports linked to institutional improvement plans	100% 2 audits were closed and 4 institutions continue to be monitored.	100% monitoring of all progress reports received	100% monitoring of all and progress reports received	100% monitoring of all and progress reports received	100% monitoring of all and progress reports received		Institutional Audit Committee minutes. It is anticipated that the implementation of the first cycle of institutional audits improvement plans will be completed by 2016.
		Submission of institutional Reports on the QEP focus area	n/a	23	23	0	0		Reports
		Synthesis of results from QEP Phase 1 focus areas based on the institutional baseline data submitted	n/a	1	0	1	1		Publication: Content Analysis of the Baseline Institutional Submissions for Phase 1 of the Quality Enhancement Project ISBN: 978-1-919856-97-1
		3 workshops for institutions to discuss synthesised report of baseline data linked to QEP focus areas	n/a	2	2	2	2		Workshop documentation
Number Seven: To accredit new programmes submitted by public and private higher education institutions and to re-accredit existing programmes offered by private higher education institutions.	Programme Accreditation	Percentage of new accredited programmes with an approved HEQC outcome tabled within 6 months of screening. Percentage of re-accredited programmes with an approved HEQC outcome tabled within 18 months of screening.	n/a n/a	65% 60%	10% of applications received for accreditation 2012/13	35% 0	35% 0	Most of the programmes were received just prior to the due date for the HEQC meeting in June 2015 and could not be processed in time for the	Applications received in one quarter may be still in process of evaluation and may only be submitted to the HEQC in the following quarter. The current 100% is unrealistic and unachievable as there is always a carryover of programmes from one quarter to the next.

Strategic Objective	Programme	Performance Indicator	2014 - 2015		2015 – 2016 - First Quarter: 1 April – 30 June 2015				Evidence / Comment
			Audited output	Annual target 1 April 2015 – 31 March 2016	1st Quarter Target 1 April – 30 June 2015	Cumulative Total Full year	1st quarter Actual Output 1 April – 30 June 2015	Challenges	
								meetings	carryover of programmes from one quarter to the next.
		Percentage of site visits completed with an HEQC outcome within one year of screening.	n/a	75% of applications received	75% of applications received	100%	100% 31 sites		
		Number of training workshops for evaluators discipline groups/report writing	7	4	1	4	4		Accreditation held the following workshops during the first quarter of the year. <ul style="list-style-type: none"> 01 April 2015 HPCSA Evaluator Training 09 April 2015 DUT Evaluator Training 21 April 2015 SACLAP Workshop 23 June 2015 Theology Panel Report Meeting
Number Eight: To undertake national reviews of existing programmes in specific subject fields and qualification levels offered by public and private higher education institutions.	National Reviews* Merged Directorate National Standards and Reviews.	Finalisation of National report on Bachelor of Social Work programme.	0	1	0	0	0		The 2nd draft Report was presented to the NRC for discussion on 27 May 2015 and progress noted by HEQC at the 10 June meeting. Ongoing
		Analyse and approve institutional improvement plans relating to the Bachelor of Social Work programme.	n/a	n/a	n/a		n/a		14 BSW improvement plans received; analysed and evaluated by NRC May 27. HEQC approved NRC recommendations 10 June. Completed. Monitoring of the plans (improvement and Teach-out plans ongoing)
		Development of agreed criteria to guide the national review of the LLB	0	1	0				Draft criteria/minimum standards for the LLB review has been developed by the reference group. National Review Framework approved by Council.
		Site visits by peer panels to evaluate the LLB offered by	n/a	100%	0	0	0		Draft Review manual and supporting documents complete and ready for consultation with key stakeholder groups. Site visits will only start in May

Strategic Objective	Programme	Performance indicator	2014 - 2015	2015 – 2016 - First Quarter: 1 April – 30 June 2015					Evidence / Comment
			Audited output	Annual target 1 April 2015 – 31 March 2016	1st Quarter Target 1 April – 30 June 2015	Cumulative Total Full year	1st quarter Actual Output 1 April – 30 June 2015	Challenges	
Number Nine: To promote quality and to develop capacity and understanding of the role of quality assurance in improving quality provision in higher education at both the systemic and institutional levels.	Administration	higher education institutions.							2016
		Number of training workshops for evaluators/ chairs of site visit panels.	n/a	4	1	0	0		Phase 1 workshops held Workshop for the Law deans 23 April. Reference Group workshops held: 21 May and 18 June 2015. 3 workshops completed.
		Number of quality assurance forums for public and private institutions and professional bodies.	2	3	0	0	0		
Number Ten: To ensure the development of human resources management environment that enables staff to develop their full potential.	Administration	Number of staff training programmes offered.	68%	70% of staff undergoing training and development.	10% of staff undergoing training and development	3 Training events. 3 employees trained	3 Training events. 3 employees trained	Due to capacity constraints in HR, the consolidation of organisation wide LLP's & sourcing of accredited courses have taken longer than planned	Will only be able to report in percentages next quarter. Training plan to be approved at the end of July 2015.
		Filling of critical vacant positions, including reduced turnaround time – maximum three months.	90%	80% of organisational structure filled.	80% of organisational structure filled	Non-cumulative	90% of organisational structure filled		Quarterly Employment Profile Report.
Number Eleven: To ensure that financial administration and supply chain management is compliant with the requirements of the PFMA, relevant Treasury regulations and laws.	Administration	Review, update and develop finance and supply chain policies		100%	25%	32% (9/28)	32% (9/28)		Signed policies

Strategic Objective	Programme	Performance indicator	2014 - 2015	2015 – 2016 - First Quarter: 1 April – 30 June 2015					
			Audited output	Annual target 1 April 2015 – 31 March 2016	1st Quarter Target 1 April – 30 June 2015	Cumulative Total Full year	1st quarter Actual Output 1 April – 30 June 2015	Challenges	Evidence / Comment
Number Twelve: To ensure effective governance and compliance of ICT with statutory requirements.	Administration	Development and implementation of ICT policies, processes and systems which relate to the Framework	n/a	100%	25%	Non-cumulative	70% of phase 2 of the DPSA ICT Framework completed.	Documents still to be completed. Procurement Strategy, Migration Plan and Infrastructure Plan.	Signed policies. Completed DPSA ICT Governance framework, (Phase 2)

1st QUARTER EXPENDITURE SUMMARY REPORT AS AT 30th JUNE 2015

SUMMARY				
	TOTAL BUDGET	1st QUARTER 01/04/2015 - 30/06/2015	% OF EXPENDITURE VS BUDGET	BALANCE
	R	R	%	R
INCOME	47 847 000	11 824 961	25%	36 022 039
DHET - Government grant	40 819 000	10 204 000	25%	30 615 000
Private Accreditation - Cost Recovery	4 000 000	910 526	23%	3 089 474
Interest Income	851 000	317 883	37%	533 117
Deffered Transfer-STDs	2 177 000	392 552	18%	1 784 448
EXPENDITURE	47 847 000	12 361 302	26%	35 485 698
GOODS AND SERVICES	16 584 552	5 371 189	32%	11 213 363
PERSONNEL	30 870 848	6 979 008	23%	23 891 840
CAPEX	391 600	11 105	3%	380 495
INCOME LESS EXPENDITURE	-	(536 341)	-1%	536 341

BANK BALANCES AS AT 30 JUNE 2015

INVESTEC BANK	17 298 271
STD BANK - TRANSACTION ACCOUNT	76 976
STD BANK - PRIVATE ACCREDITATION	157 526
RESERVE BANK	19 279
TOTAL AVAILABLE	<u>17 552 052</u>

1st QUARTER EXPENDITURE REPORT PER DIRECTORATES AS AT 30 JUNE 2015

DIRECTORATES	TOTAL BUDGET	1st QUARTER 01/04/15-30/06/15	% OF EXPENDITURE VS BUDGET	BALANCE
	R	R	%	R
CEO'S OFFICE	6 498 000	1 148 901	18%	5 349 099
Goods and Services	2 080 000	525 370	25%	1 554 630
Personnel	4 418 000	623 531	14%	3 794 469
SUPPORT SERVICES	14 328 849	3 774 169	26%	10 554 680
Goods and Services	6 244 312	1 348 665	22%	4 895 647
Personnel	8 084 537	2 425 504	30%	5 659 033
MONITORING AND EVALUATION	6 284 034	2 546 019	41%	3 738 015
Goods and Services	2 472 000	1 522 501	62%	949 499
Personnel	3 812 034	1 023 518	27%	2 788 516
INSTITUTIONAL AUDITS	5 707 678	1 415 258	25%	4 292 420
Goods and Services	1 863 000	614 504	33%	1 248 496
Personnel	3 844 678	800 754	21%	3 043 924
ACCREDITATION	8 908 586	2 386 533	27%	6 522 053
Goods and Services	3 063 000	964 015	31%	2 098 985
Personnel	5 845 586	1 422 518	24%	4 423 068
NATIONAL STANDARDS AND REVIEWS	6 119 853	1 090 422	18%	5 029 431
Goods and Services	1 965 311	360 435	18%	1 604 876
Personnel	4 154 542	729 987	18%	3 424 555
GRAND TOTAL	47 847 000	12 361 302	26%	35 485 698

REASONS FOR OVER AND UNDER SPENDING PER DIRECTORATES

Note: Reasons for over and under spending will cover Directorates that are 3% below or above the spending threshold of 25%.

CEO'S OFFICE

The 7% underspending is mainly from the personnel costs as a result of funded vacant post of the CEO.

MONITORING AND EVALUATION

The 16% overspending is attributed to the once off payment of the annual SAQA database fee in the first Quarter. Other Annual license subscription fees were also expensed in full. These costs are expected to be in line with the annual budget at the end of the year.

NATIONAL REVIEWS AND STANDARDS

The 7% underspending is attributed to the projects in Standards not yet implemented.

COUNCIL ON HIGHER EDUCATION

1st QUARTER EXPENDITURE DETAIL REPORT AS AT 30 JUNE 2015

Note: Note numbers are allocated for expenditure items that are 3% below or above the spending threshold of 25%.

	TOTAL BUDGET	1st QUARTER 01/04/15- 30/06/15	% OF EXP VS BUDGET	BALANCE	NOTES
	R	R	%	R	
INCOME SOURCES	47 847 000	11 824 961	25%	36 022 039	
DHET - GOVERNMENT GRANT	40 819 000	10 204 000	25%	30 615 000	
REALISATION OF DEFERRED TRANSFER - STDs	2 177 000	392 552	18%	1 784 448	1
PRIVATE ACCREDITATION	4 000 000	910 526	23%	3 089 474	
INTEREST AND OTHER INCOME	851 000	317 883	37%	533 117	2
TOTAL EXPENDITURE	47 847 000	12 361 302	26%	33 656 897	
ACCOMMODATION	918 064	187 880	20%	730 184	3
AIR TRAVEL	1 695 484	533 216	31%	1 162 268	4
CAR HIRE	217 582	18 160	8%	199 402	5
ROAD TRAVEL	444 252	127 315	29%	316 937	6
SERVICE FEES	93 614	19 520	21%	74 094	7
SUBSISTENCE	74 715	27 394	37%	47 321	8
PEER ACADEMICS	2 916 000	772 335	26%	2 143 665	
OUTSOURCED SERVICES	1 595 000	1 496 101	94%	98 899	9
ADMINISTRATION	1 261 189	322 311	26%	938 878	
REGISTRATION FEES	46 339		0%	46 339	10
VENUE AND CATERING	739 860	280 555	38%	459 305	11
OFFICE SUPPLIES	51 500	49 936	97%	1 564	12
HONORARIUMS	912 000	2 000.00	0%	910 000	13
LEGAL FEES	259 700	169 593	65%	90 102	14
INSURANCE	280 000	48 458	17%	231 542	15
REMUNERATION OF COUNCIL MEMBERS	828 000	156 909	19%	671 091	16
EXTERNAL AUDIT	580 000	166 004	29%	413 996	17
INTERNAL AUDIT	413 273	-	0%	413 273	18
LICENCE FEES	90 000	722 734	136%	- 32 734	19
MEDIA & RESOURCES	121 000	17 011	14%	103 989	20
INFORMATION SYSTEMS	1 672 000	114 342	7%	1 557 658	21
BUILDING & UTILITIES	1 375 000	739 410	54%	635 590	22
PERSONNEL	30 870 848	6 979 008	23%	23 891 840	
CAPEX	391 600	11 105	3%	380 495	23
TOTAL (OVER) OR UNDER SPENDING	-	(536 341)		2 385 142	

REASONS FOR OVER AND UNDER SPENDING

Note: An explanation for over and under spending will cover expenditure items that are 3% below or above the spending threshold of 25%.

1	The 18% is attributed by the lower spending on Standards conditional grants.
2	12% more income received is attributed by the fluctuation of the cash available in the bank.
3-6	The under and over spending on these items is because some of the projects were not completed at the end of last financial year and have been paid in the current year and some projects have not been started.
7	The 4% under spending is as a result of other projects that have not been implemented yet.
8	The 12% over spending is attributed by more travelling that incurred in the 1st quarter.
9	The 69% over spending relates to the once off payment on the SAQA Database maintenance.
10	The 25% under spending is due to no payment made to professional bodies in the 1st quarter.
11	The 13% over spending is attributed by many workshops held in the first Quarter.
12	The 72% over spending is as a result of the orders made from last years budget but the delivery and usage thereof was only made in the current year.
13	The 25% under spending relates to no payment made on Honorarium in the 1st quarter.
14	The 40% over spending is attributed by more legal advise requested by CHE on various matters.
15	The 8% under spending is due less amounts paid in the 1st quarter against the allocated budget.
16	The 6% under spending is as a result of receiving claims late from the affected parties.
17	The 4% over spending is due to the previous audit work paid in the current year.
18	The 25% under spending is attributed by no work done in the 1st quarter.
19	The 111% over spending relates to once off payment on annual licence fees and also under budgeting for this item.
20	The 11% under spending is due to less purchase on this item in the 1st quarter.
21	The 18% under spending relates to required purchases not needed in the 1st quarter.
22	The 29% over spending is attributed by the restructuring of office space in the 1st quarter.
23	The 22% under spending is due to required purchases not needed in the 1st quarter.

COMPLIANCE CHECKLIST FOR THE PUBLIC FINANCE MANAGEMENT ACT, 1999, AS AMENDED (PFMA)

CHAPTER SIX: PUBLIC ENTITIES

Section	Question	Yes	No	Remarks
49(1)	Every public entity must have an authority which must be accountable for the purposes of this Act. Does the public entity have an accounting authority?	✓		
49(2)	If the public entity— (a) has a board or other controlling body, that board or controlling body is the accounting authority for that entity; or (b) does not have a controlling body, the chief executive officer or the other person in charge of the public entity is the accounting authority for that public entity unless specific legislation applicable to that public entity designates 10 another person as the accounting authority. Does the status of the person or body appointed as accounting authority for the public entity comply with the stipulations of section 49(2)?	✓		
49(5)	A public entity must inform the Auditor-General promptly and in writing of any approval or instruction in terms of subsection (3) and any withdrawal of an approval or instruction in terms of subsection (4). Did the public entity inform the Auditor-General promptly and in writing of any approval or instruction in terms of section 49(3) and any withdrawal of an approval or instruction in terms of section 49(4)?	✓		
49(3)	The Treasury, in exceptional circumstances, may approve or instruct that another functionary of a public entity must be the accounting authority for that public entity. Did the public entity comply with an approval or instruction, by the relevant treasury, in terms of section 49(3)?	✓		
49 (4)	The Treasury may at any time withdraw an approval or instruction in terms of subsection (3). Did the public entity comply with the withdrawal of an approval or instruction in terms of section 49(3)?		✓	Not applicable.
50(1)	(1) The accounting authority for a public entity must— (a) exercise the duty of utmost care to ensure reasonable protection of the assets and records of the public entity; (b) act with fidelity, honesty, integrity and in the best interests of the public entity in managing the financial affairs of the public entity; (c) on request, disclose to the executive authority responsible for that public entity or the legislature to which the public entity is accountable, all material facts, including those reasonably discoverable, which in any way may influence the decisions or actions of the executive authority or that legislature; and (d) seek, within the sphere of influence of that accounting authority, to prevent any prejudice to the financial interests of the state. Did the accounting authority comply with the fiduciary duties stipulated in section 50 (1)?	✓		

PFMA AND TR COMPLIANCE CHECKLIST

Section	Question	Yes	No	Remarks
50(2)	<p>(2) A member of an accounting authority or, if the accounting authority is not a board or other body, the individual who is the accounting authority, may not—</p> <p>(a) act in a way that is inconsistent with the responsibilities assigned to an accounting authority in terms of this Act; or</p> <p>(b) use the position or privileges of, or confidential information obtained as, accounting authority or a member of an accounting authority, for personal gain or to improperly benefit another person.</p> <p>Did the accounting authority comply with the restraints stipulated in section 50(2)?</p>	✓		
50(3)(a) 50(3)(b)	<p>(3) A member of an accounting authority must—</p> <p>(a) disclose to the accounting authority any director indirect personal or private business interest that that member or any spouse, partner or close family member may have in any matter before the accounting authority; and</p> <p>(b) withdraw from the proceedings of the accounting authority when that matter is considered, unless the accounting authority decides that the member's direct or indirect interest in the matter is trivial or irrelevant.</p> <p>Did (a) member(s) of an accounting authority disclose to the accounting authority any direct or indirect personal or private business interest that that member or stipulated relations may have in any matter before the accounting authority?</p> <p>And (b) withdrew from the proceedings of the accounting authority when that matter was considered, unless the exclusion as stipulated was applicable?</p>	✓		
51(1)(a)	<p>(1) An accounting authority for a public entity—</p> <p>(a) must ensure that that public entity has and maintains—</p> <p>(i) effective, efficient and transparent systems of financial and risk management and internal control;</p> <p>(ii) a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77; and</p> <p>(iii) an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective;</p> <p>(iv) a system for properly evaluating all major capital projects prior to a final decision on the project;</p> <p>Did the accounting authority for a public entity comply with the stipulations contained in section 51(1)(a)?</p>	✓		
51(1)(b)	<p>(1) An accounting authority for a public entity—</p> <p>(b) must take effective and appropriate steps to—</p> <p>(i) collect all revenue due to the public entity concerned; and</p> <p>(ii) prevent irregular expenditure, fruitless and wasteful expenditure, losses resulting from criminal conduct, and expenditure not complying with the operational policies of the public entity; and</p> <p>(iii) manage available working capital efficiently and economically;</p> <p>Did the accounting authority comply with the stipulations contained in section 51(1)(b)?</p>	✓		
51(1)(c)	<p>(1) An accounting authority for a public entity—</p> <p>(c) is responsible for the management, including the safeguarding, of the assets and for the management of the revenue, expenditure and liabilities of the public entity;</p> <p>Did the accounting authority act in accordance with its responsibility in respect of the management, including the safeguarding, of the assets and for the management of the revenue, expenditure and liabilities of the public entity?</p>	✓		

PFMA AND TR COMPLIANCE CHECKLIST

Section	Question	Yes	No	Remarks
51(1)(d)	<p>(1) An accounting authority for a public entity— (d) must comply with any tax, levy, duty, pension and audit commitments as required by legislation;</p> <p>Did the accounting authority comply with any tax, levy, duty, pension and audit commitments as required by legislation.</p>	✓		
51(1)(e)	<p>(1) An accounting authority for a public entity— (e) must take effective and appropriate disciplinary steps against any employee of the public entity who (i) contravenes or fails to comply with a provision of this Act; (ii) commits an act which undermines the financial management and internal control system of the public entity; or (iii) makes or permits an irregular expenditure or a fruitless and wasteful expenditure;</p> <p>Did the accounting authority take effective and appropriate disciplinary steps against any employee of a public entity in circumstances as stipulated in section 51(1)(e)?</p>		✓	No financial misconduct took place in the public entity during this period.
51(1)(f)	<p>(1) An accounting authority for a public entity— (f) is responsible for the submission by the public entity of all reports, returns, notices and other information to Parliament, and to the relevant executive authority or treasury, as may be required by this Act;</p> <p>Did the accounting authority submit all stipulated information to stipulated users as prescribed by section 51(1)(f)?</p>	✓		
51(1)(g)	<p>(1) An accounting authority for a public entity— (g) must promptly inform the National Treasury on any new entity which that public entity intends to establish or in the establishment of which it takes the initiative, and allow the National Treasury a reasonable time to submit its decision prior to formal establishment; and</p> <p>Did the accounting authority promptly inform the National Treasury on any new entity, which that public entity intends to establish, or in the establishment of which it takes the initiative, and did it allow the National Treasury a reasonable time to submit its decision prior to formal establishment?</p>		✓	Not applicable.
51(1)(h)	<p>(1) An accounting authority for a public entity— (h) must comply, and ensure compliance by the public entity, with the provisions of this Act and any other legislation applicable to the public entity.</p> <p>Did the accounting authority comply, and ensure compliance by the public entity, with the provisions of the PFMA and any other legislation applicable to the public entity?</p>	✓		
51 (2)	<p>(2) If an accounting authority is unable to comply with any of the responsibilities determined for an accounting authority in this Part, the accounting authority must promptly report the inability, together with reasons, to the relevant executive authority and treasury.</p> <p>If the accounting authority was unable to comply with any of the responsibilities determined for an accounting authority in section 51, did the accounting authority promptly report this inability, together with reasons, to the relevant executive authority and treasury?</p>	✓		

PFMA AND TR COMPLIANCE CHECKLIST

Section	Question	Yes	No	Remarks
53(1)	<p>(1) The accounting authority for a public entity listed in Schedule 3 which is not a government business enterprise must submit to the executive authority responsible for that public entity, at least six months before the start of the financial year of the department designated in terms of subsection (2) or another period agreed to between the executive authority and the public entity, a budget of estimated revenue and expenditure for that financial year, for approval by the executive authority</p> <p>Did the accounting authority for a public entity listed in schedule 3 which is not a government business enterprise submit to the executive authority responsible for that public entity within the stipulated period, a budget of estimated revenue and expenditure for that financial year, for approval by the executive authority?</p>		✓	Not applicable.
53(2)	<p>(2) The budget must be submitted to the executive authority through the accounting officer for a department designated by the executive authority, who may make recommendations to the executive authority with regard to the approval or amendment of the budget.</p> <p>Was the budget submitted to the executive authority through the accounting officer for a department designated by the executive authority?</p>	✓		
53(3)	<p>(3) A public entity which must submit a budget in terms of subsection (1), may not budget for a deficit and may not accumulate surpluses unless the prior written approval of the National Treasury has been obtained.</p> <p>Did a public entity which must submit a budget in terms of section 53(1), budget for a deficit or accumulate surpluses without the prior written approval of the National Treasury?</p>		✓	No budget for a deficit or accumulate surpluses without the prior written approval of the National Treasury were budgeted for
53(4)	<p>(4) The accounting authority for such a public entity is responsible for ensuring that expenditure of that public entity is in accordance with the approved budget.</p> <p>Did the accounting authority for a public entity referred to in section 53(1) ensure that expenditure of that public entity is in accordance with the approved budget?</p>	✓		
54(1)	<p>54. (1) The accounting authority for a public entity must submit to the treasury or the Auditor-General such information, returns, documents, explanations and motivations as may be prescribed or as the treasury or the Auditor-General may require.</p> <p>Did the accounting authority for a public entity submit to the relevant treasury or the Auditor-General such information, returns, documents, explanations and motivations as may be prescribed or as the relevant treasury or the Auditor-General may require?</p>	✓		
54(2)	<p>(2) Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the treasury of the transaction and submit relevant particulars of the transaction to executive authority for approval of the transaction:</p> <p>(a) establishment or participation in the establishment of a company;</p> <p>(b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;</p> <p>(c) acquisition or disposal of a significant shareholding in a company;</p> <p>(d) acquisition or disposal of a significant asset;</p> <p>(e) commencement or cessation of a significant business</p>	✓		

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Section	Question	Yes	No	Remarks
	<p>activity; and</p> <p>(f) a significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.</p> <p>Did the accounting authority for a public entity, before a public entity concluded any of the transactions stipulated in this section, promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction?</p>			
54(3)	<p>(3) A public entity may assume that approval has been given if it receives no response from the executive authority on a submission in terms of subsection (2) within 30 days or within a longer period as maybe agreed to between itself and the executive authority.</p> <p>Did the public entity maintain adequate records to ensure that any assumption of approval can be justified in cases where no response is received, within the stipulated period, from the executive authority on a submission in terms of section 54(2)?</p>	✓		
55(1)(a) 55(1)(b) 55(1)(c) 55(1)(d)	<p>(1) The accounting authority for a public entity—</p> <p>(a) must keep full and proper records of the financial affairs of the public entity;</p> <p>(b) prepare financial statements for each financial year in accordance with generally accepted accounting practice, unless the Accounting Standards Board approves the application of generally recognised accounting practice for that public entity;</p> <p>(c) must submit those financial statements within two months after the end of the financial year—</p> <p>(i) to the auditors of the public entity for auditing; and</p> <p>(ii) if it is a business enterprise or other public entity under the ownership control of the national government, to the treasury; and</p> <p>(d) must submit within five months of the end of a financial year to the treasury, to the executive authority responsible for that public entity and, if the Auditor-General did not perform the audit of the financial statements, to the Auditor-General—</p> <p>(i) an annual report on the activities of that public entity during that financial year;</p> <p>(ii) the financial statements for that financial year after the statements have been audited; and</p> <p>(iii) the report of the auditors on those statements.</p> <p>Does the accounting authority for a public entity:</p> <p>a) Keep full and proper records of the financial affairs of the public entity?;</p> <p>b) Prepare financial statements for each financial year in accordance with generally accepted accounting practice (gaap), unless the stipulated deviation from gaap applies?;</p> <p>c) Submit those financial statements within two months after the end of the financial year to the stipulated institutions?;</p> <p>and</p> <p>d) Submit within five months of the end of a financial year to the stipulated institutions:</p> <p>i) An annual report on the activities of that public entity during that financial year</p> <p>ii) The financial statements for that financial year after the statements have been audited and</p> <p>iii) The report of the auditors on those statements?</p>	✓		
55(2)(a) 55(2)(b)	<p>(2) The annual report and financial statements referred to in subsection (1) (d) must—</p> <p>(a) fairly present the state of affairs of the public entity, its business, its financial results and its performance against predetermined objectives and its financial position as at the end of the financial year concerned;</p> <p>(b) include particulars of—</p> <p>(i) any material losses through criminal conduct and any</p>	✓		

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Section	Question	Yes	No	Remarks
55(2)(c)	<p><i>irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;</i></p> <p><i>(ii) any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;</i></p> <p><i>(iii) any losses recovered or written off,</i></p> <p><i>(iv) any financial assistance received from the state and commitments made 10 by the state on its behalf and</i></p> <p><i>(v) any other matters that may be prescribed; and</i></p> <p><i>(c) include the financial statements of any subsidiaries.</i></p> <p>Does the annual report and financial statements referred to in section 55(1)(d):</p> <p>a) Fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned?;</p> <p>b) Include particulars of the matters referred to in section 55(2)(b)?; and</p> <p>c) Include the financial statements of any subsidiaries?</p>			
55(3)	<p><i>(3) An accounting authority must submit the report and statements referred to in subsection (1) (d), for tabling in Parliament, to the relevant executive authority through the accounting officer of a department designated by the executive authority.</i></p> <p>Did the accounting authority submit the report and statements referred to in section 55(1)(d), for tabling in Parliament or the provincial legislature, to the relevant executive authority through the accounting officer of a department designated by the executive authority?</p>	✓		
55(4)	<p><i>(4) The treasury may direct that, instead of a separate report, the audited financial statements of a Schedule 3 public entity which is not a government business enterprise must be incorporated in those of a department designated by the treasury.</i></p> <p>Did the relevant treasury directs that, instead of a separate report, the audited financial statements of a schedule 3 public entity which is not a government business enterprise, must be incorporated in those of a department designated by that treasury, and was such direction adhered to?</p>		✓	Not relevant to the Entity. Applicable to Treasury.
56(1)	<p><i>(1) The accounting authority for a public entity may—</i></p> <p><i>(a) in writing delegate any of the powers entrusted or delegated to the accounting authority in terms of this Act, to an official in that public entity; or</i></p> <p><i>(b) instruct an official in that public entity to perform any of the duties assigned to the accounting authority in terms of this Act.</i></p> <p>Did the delegation, by an accounting authority for a public entity, of any of the powers entrusted or delegated to the accounting authority in terms of the PFMA, to an official in that public entity occur in writing?</p>	✓		
56(2)	<p><i>A delegation or instruction to an official in terms of subsection (1)—</i></p> <p><i>(a) is subject to any limitations and conditions the accounting authority may impose;</i></p> <p><i>(b) may either be to a specific individual or to the holder of a specific post in the relevant public entity; and</i></p> <p><i>(c) does not divest the accounting authority of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty.</i></p> <p>Were the stipulations of any delegation or instruction to an official in terms of section 56(1), as proposed in section 56(2)(a) and section 56(2)(b) adhered to?</p>	✓		
56(3)	<p><i>(3) The accounting authority may confirm, vary or revoke any decision taken by an official as a result of a delegation or instruction in terms of subsection (1), subject to any rights that may have become vested as a consequence of the decision.</i></p> <p>In case where an accounting authority confirmed, varied or</p>		✓	Not applicable.

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Section	Question	Yes	No	Remarks
	revoked any decision taken by an official as a result of a delegation or instruction in terms of section 56(1), did it occur subject to any rights that may have become vested as a consequence of the decision?			
57(a) to c) & (e) 57(d)	<p><i>An official in a public entity—</i> <i>(a) must ensure that the system of financial management and internal control established for that public entity is carried out within the area of responsibility of that official;</i> <i>(b) is responsible for the effective, efficient, economical and transparent use of financial and other resources within that official's area of responsibility;</i> <i>(c) must take effective and appropriate steps to prevent, within that official's area of responsibility, any irregular expenditure and fruitless and wasteful expenditure and any under collection of revenue due;</i> <i>(d) must comply with the provisions of this Act to the extent applicable to that official, including any delegations and instructions in terms of section 56; and</i> <i>(e) is responsible for the management, including the safeguarding, of the assets and the management of the liabilities within that official's area of responsibility.</i></p> <p>Did all officials in the public entity: a) Comply with the stipulations of section 57 within that official's area of responsibility b) Comply with the provisions of the PFMA to the extent applicable to that official, including any delegations and instructions in terms of section 56?</p>	✓		
58(1)	<p><i>(l) The annual financial statements of a public entity must be audited annually by—</i> <i>(a) the Auditor-General; or</i> <i>(b) a person registered in terms of section 15 of the Public Accountants' and Auditors' Act, 1991 (Act No. 80 of 1991), as an accountant and auditor, and engaged in public practice as such.</i></p> <p>Are the annual financial statements of the public entity audited on an annual basis by one of the two stipulated parties?</p>	✓		
58(3)	<p><i>(3) A public entity must consult the Auditor-General on the appointment of an auditor in terms of subsection (2).</i></p> <p>Did the public entity consult the Auditor-General on the appointment of an auditor in terms of section 58(2)?</p>	✓		
58(2)	<p><i>(2) A public entity may appoint, as its auditor, a person referred to in subsection (1)(b) only if the audit is not performed by the Auditor-General</i></p> <p>Did the appointment of an auditor other than the Auditor-General: A) Comply with the stipulations contained in section 58(1)(b) and B) Occurred only as a result of the fact that the Auditor-General do not perform the audit?</p>		✓	Not applicable.
59	<p><i>59. (1) An auditor appointed by a public entity in terms of section 58 (1) (b) may not be discharged before the expiry of that auditor's term of appointment except by the executive authority responsible for that public entity acting—</i> <i>(a) after consultation with the accounting authority for that public entity; and</i> <i>(b) with the concurrence of the Auditor-General.</i></p> <p>Were the auditors discharged after consultation with the executive authority and with the concurrence of the Auditor-General and in terms of section 59?</p>	✓		
66 (1) to 66(6)	<p><i>(1) An institution to which this Act applies may not borrow money or issue a guarantee, indemnity or security, or enter into any other transaction that binds or may bind that institution or the Revenue Fund to any future financial commitment, unless such borrowing, guarantee, indemnity, security or other transaction—</i> <i>(a) is authorised by this Act; and</i> <i>(b) in the case of public entities, is also authorised by other legislation not in conflict with this Act; and</i></p>		✓	Not applicable.

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Section	Question	Yes	No	Remarks
	<p>(c) in case of loans by a province or a provincial government business enterprise under the ownership control of a provincial executive, is within the limits as set in terms of Borrowing Powers of Provincial Governments Act, 1996 (Act No. 48 of 1996)</p> <p>(2) Only the following persons may borrow money, or issue a guarantee, indemnity or security, or enter into any other transaction that binds or may bind the Revenue Fund to any future financial commitment:</p> <p>(a) Transactions that bind or may bind the National Revenue Fund: the Minister or, in the case of the issue of a guarantee, indemnity or security, the responsible Cabinet member acting with the concurrence of the Minister in terms of section 70.</p> <p>(3) Public entities may only through the following persons borrow money, or issue a guarantee, indemnity or security, or enter into any other transaction that binds or may bind that public entity to any future financial commitment:</p> <p>(a) A public entity listed in Schedule 2: The accounting authority for that Schedule 2 public entity.</p> <p>(b) A national government business enterprise listed in Schedule 3 and authorized by notice in the national Government Gazette by the Minister: The accounting authority for that government business enterprise, subject to any conditions the Minister may impose.</p> <p>(c) Any other national public entity: The Minister or, in the case of the issue of a guarantee, indemnity or security, the Cabinet member who is the executive authority responsible for that public entity, acting with the concurrence of the Minister in terms of section 70.</p> <p>(d) A provincial government business enterprise listed in Schedule 3 and authorized by notice in the national Government Gazette by the Minister: The MEC for finance in province, acting with concurrence of the Minister, subject to any conditions that the minister may impose.</p> <p>(4) Constitutional institutions may not borrow money, nor issue a guarantee, indemnity or security, nor enter into any other transaction that binds or may bind the entity to any future financial commitment.</p> <p>(5) Despite subsection (4), the Minister may in writing permit a public entity mentioned in subsection (3)(c) or a constitutional institution to borrow money for bridging purposes up to a prescribed limit, including a temporary bank overdraft, subject to such conditions as the Minister may impose.</p> <p>(6) A person mentioned in subsection (2) or (3) may not delegate a power conferred in terms of that subsection, except with the prior written approval of the Minister.</p> <p>(7) A public entity authorised to borrow money—</p> <p>(a) must annually submit to the Minister a borrowing programme for the year; and</p> <p>(b) may not borrow money in a foreign currency above a prescribed limit, except when that public entity is a company in which the state is not the only shareholder.</p> <p>Did the public entity borrow money or issue a guarantee or enter into any such transaction as referred to in this section?</p> <p>If so, have the requirements of sections 66 (1) a-c and 66 (2) to 66 (6), as applicable, been met?</p>			
77 (a) (b)	<p>An audit committee—</p> <p>(a) must consist of at least three persons of whom, in the case of a department—</p> <p>(i) one must be from outside the public service;</p> <p>(ii) the majority may not be persons in the employ of the department, except with the approved of the treasury; and</p> <p>(iii) the chairperson may not be in the employ of the department;</p> <p>(b) must meet at least twice a year; and</p> <p>Does the composition of the audit committee meet the requirements of this section and have they met as prescribed?</p>	✓		

TREASURY REGULATIONS COMPLIANCE REPORT

Section	Question	Yes	No	Remarks
1. BUDGET AND RELATED MATTERS (CHAPTER 6)				
1.1 Tr(6.1.2)	Does the entity receive transfer payments appropriated from a vote?	✓		
1.1.1 Tr(6.1.2)	If so, did the entity submit all the information as required by the accounting officer responsible for the vote for the purposes of complying with the budget circular?	✓		
1.1.2 Tr(6.1.2)	Was the budget submission made through the accounting officer in charge of the department responsible for the entity?	✓		
1.1.3	Was the budget formally approved by the controlling department?	✓		
1.1.4	If the budget was reduced by the controlling department, was a new budget compiled and submitted by the entity and was it approved	✓		
2.1.1 Tr(25.1.1)	Is the public entity listed as required in terms of the PFMA?	✓		
2.1.1.1 Tr(25.1.2)	If not: were all moneys received deposited into the National Revenue Fund?		✓	Not applicable.
2.1.2 Tr(25.1.3)	Did the public entity submit all information required by the National Treasury in terms of the PFMA and these regulations to the Registrar of Public Entities in the National Treasury?	✓		
2.2 Listing (Chapter 25.2)				
2.2 Tr(25.2.1)	<p>If the public entity is not listed, did the Accounting Authority submit the following information to the executive authority and the Registrar of Public Entities in support of its application for listing:</p> <ul style="list-style-type: none"> (a) name of the public entity; (b) its main function; (c) executive authority responsible for the public entity; (d) legislation in terms of which the entity was established; (e) dates of its incorporation and financial year end; (f) names of members of the board or body controlling the public entity; (g) its registered address and telephone numbers; (h) name of the chief executive officer; (i) name of the chief financial officer; (j) name of the company secretary; (k) authority responsible for appointing the chief executive officer; (l) authority responsible for appointing the board of directors or controlling body; (m) subsidiaries under the ownership control of the entity; (n) latest audit financial statements; (o) Amount of budgetary transfers received over the past three financial years; and (p) Most recent corporate/strategic plan of the public entity. 		✓	Not applicable. The entity is already listed as Schedule 3A.

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Section	Question	Yes	No	Remarks
2. RESPONSIBILITIES OF DESIGNATED ACCOUNTING OFFICERS (CHAPTER 26)				
3.1 Tr(26.1.1)	Did the entity submit information on its actual revenue and expenditure up to the end of the quarter, as well as a projection of expected expenditure and revenue for the remainder of the current financial year to the designated accounting officer within 30 days of the end of each quarter? - Was information on actual revenue and expenditure determined after taking accruals into account?	✓		
3.2 Tr(26.1.2)	Did the accounting authority, through the designated accounting officer, report on the extent of compliance with the PFMA and the regulations? Was non-compliance reported together with reasons?	✓		
3.3 Tr(26.1.3)	Did the accounting officer approve the sharing of the services of the Audit Committee and internal audit after consultation with the relevant authority in the entity?	✓		
3. INTERNAL CONTROL AND CORPORATE MANAGEMENT (CHAPTER 27)				
4.1 Audit Committee (Chapter 27.1)				
4.1.1 Tr(27.1.1)	Did the accounting authority of the entity establish an Audit Committee as a sub-committee of the accounting authority?	✓		
4.1.2 Tr(27.1.3)	Does the chairperson of the committee comply with the following requirements: - Must be independent; - Must be knowledgeable of the status of the position; - Must have the requisite business, financial and leadership skills - May not be the chairperson of the accounting authority or a person who fulfils an executive function in the entity	✓		
4.1.3 Tr(27.1.4)	Are the majority of members non-exec members appointed by the accounting authority - are the majority of the members financially literate?	✓		
4.1.4 Tr(27.1.5)	Did the executive authority concur with the premature termination of the services of a member?	✓		
4.1.5 Tr(27.1.6)	Has the committee established written terms of reference which deals adequately with its membership, authority and responsibilities? - Is it being reviewed at least annually to ensure its relevance?	✓		
4.1.6 Tr(27.1.7)	Was it disclosed in the entity's annual report whether or not the Audit Committee has adopted a formal terms of reference? - if so, was it also disclosed whether the committee satisfied its responsibilities for the year, in compliance with its terms of reference?	✓		
4.1.7 Tr(27.1.8)	Did the Audit Committee review the following information: - Effectiveness of internal control systems; - Effectiveness of internal audit; - Risk areas of the entity's operations to be covered in the scope of internal and external audits; - The adequacy, reliability and accuracy of financial information provided the management and other users;	✓		

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Section	Question	Yes	No	Remarks
	<ul style="list-style-type: none"> - Any accounting and auditing concerns identified as a result of internal and external audit. - The entity's compliance with legal and regulatory provisions; - The activities of the IA function, including its annual work program, co-ordination with the external auditors, the reports of significant investigations, and the response of management to specific recommendations. - Where relevant, the independence and objectivity of the external auditors (where the Auditor-General is not the auditor). 			
4.1.8 Tr(27.1.9)	<ul style="list-style-type: none"> - Does the Audit Committee have explicit authority to investigate matters within its powers, as identified in the written terms of reference? - Was the Audit Committee provided with resources to investigate such matters and did the Audit Committee have full access to information? - Did the Audit Committee safeguard all information supplied to it within the ambit of the law? 	✓		
4.1.9 Tr(27.1.10)	Did the Audit Committee: <ul style="list-style-type: none"> - report and make recommendations to the accounting authority - report on the effectiveness of the internal controls in the annual report - comment on its evaluation of the financial statements in the annual report 	✓		
4.1.10 Tr(27.1.11)	Did the chairperson promptly report any report received from internal audit implicating any members of the accounting authority for financial misconduct to the executive authority or the Auditor-General.	✓		
4.1.11 Tr(27.1.12)	Did the Audit Committee report any concerns it deemed necessary to the executive authority, Auditor-General or external auditors.	✓		
4.1.12 Tr(27.1.13)	Does the Audit Committee meet at least annually with the External Auditor to ensure there are no unresolved issues of concern?	✓		
4.2 Internal controls and internal audit (Chapter 27.2)				
4.2.1 Tr(27.2.1)	<ul style="list-style-type: none"> - Was a risk assessment conducted at least annually? - Does the entity have a risk management strategy and does it include a fraud prevention plan? - Was the strategy clearly communicated to all employees? 	✓		
4.2.2 Tr(27.2.2)	Was an internal audit function functioning during the year under review?	✓		
4.2.3 Tr(27.2.3 & 4)	Where the internal audit was contracted out <ul style="list-style-type: none"> - were the tendering procedures properly followed? - were they independent (i.e. not external auditors)? 	✓		
4.2.4 Tr(27.2.5)	<ul style="list-style-type: none"> - Is the purpose, authority and responsibility of the Internal Auditors function formally defined in the audit charter? - Is the above consistent with the Institute of Internal Auditor's definition of internal auditing? 	✓		
4.2.5 Tr(27.2.6)	Was the internal audit conducted in accordance with standards set by the Institute of Internal Auditors	✓		
4.2.6 Tr(27.2.7)	Did the internal auditors in consultation with the Audit Committee prepare <ul style="list-style-type: none"> (a) a rolling three-year strategic internal audit plan based on its assessment of key areas of risk for the public entity, having regard to its current operations, the operations proposed in its corporate or strategic plan and its risk management strategy; (b) an internal audit plan for the first year of the rolling 	✓		

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Section	Question	Yes	No	Remarks
	plan; (c) plans indicating the scope of each audit in the annual internal audit plan; (d) reports to the Audit Committee detailing its performance against the plan, to allow effective monitoring and intervention when necessary.			
4.2.7 Tr(27.2.8)	Does the internal audit function report directly to the Accounting Authority and report at all Audit Committee meetings? - Is the internal audit unit independent and is there no limitation of access to information?	✓		
4.2.8 Tr(27.2.9)	Did the internal audit function co-ordinate with other internal and external providers of assurance to ensure proper effort and minimise duplication of effort?	✓		
4.2.9 Tr(27.2.10)	- Did the internal audit function assist the accounting authority in maintaining effective controls by evaluating those controls to determine their effectiveness and efficiency and by developing recommendations for enhancement or improvement? - Did the controls encompass the following: (a) the Information systems environment? (b) The reliability and integrity of financial and operational info (c) The effectiveness of operations. (d) Safeguarding of assets, and (e) Compliance with laws, regulations and controls.	✓		
4.2.10 Tr(27.2.11)	Did the internal audit function assist the accounting authority in achieving the objectives of the institution by evaluating and developing recommendations for the enhancement or improvement of the processes through which: (a) objectives and values are established and communicated. (b) The accomplishment of objectives is mentioned. (c) Accountability is ensured; and (d) Corporate values are preserved. (e)	✓		
4.3 Chief Financial Officer (Chapter 27.3)				
4.3.1 Tr(27.3.1)	Does the entity have a CFO. If not, was the appropriate approval received from treasury?	✓		
4. ANNUAL FINANCIAL STATEMENTS AND ANNUAL REPORTS (CHAPTER 28)				
5.1.1 Tr(28.1.1)	Does the AFS include a report by the accounting authority and contain disclosures of (a) emoluments of all directors and executive members (b) Emoluments paid/receivable by directors and executive members in aggregate and per director and executive member for (c) Separate disclosure for executive directors, non-executive directors and executive members.	✓		
5.1.2 Tr(28.1.4)	Does the disclosure include: (a) fees for services as a director or executive member. (b) Basic salary. (c) Bonuses and performance related payment. (d) Sums paid by way of expense allowances. (e) Contributions made to any pension fund, medical aid, insurance scheme, etc. (f) Any commission, gain or profit sharing arrangements. (g) Any share options including their strike price and period; and (h) Any other material benefits received.	✓		
5.1.4 Tr(28.3.1)	Did the accounting authority develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors?	✓		
5.1.5 Tr(28.1.6)	Did the public entity prepare financial statements in accordance the GAAP?		✓	Prepared in terms of GRAP as

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Section	Question	Yes	No	Remarks
	- If not, was there disclosure of the departure, reasons and effect on financial statements?			per National Treasury Instruction.
5.1.6 Tr(28.3.1)	Does the annual report of the public entity's detail the materiality/significant framework applied during the financial year?	✓		
5. STRATEGIC PLANNING (CHAPTER 30)				
6.1 Strategic plan (Chapter 30.1)				
6.1.1 Tr(30.1.1)	Did the accounting authority of a public entity listed in terms of Schedule 3A annually submit a proposed strategic plan for approval by the executive authority Was the plan submitted at least 6 months before the start of the financial year of the designated department or any other time period as agreed between the executive authority and the public entity?	✓		
6.1.2 Tr(30.1.2)	Was the plan finalised and submitted to the executive authority by 1 April each year?	✓		
6.1.3 Tr(30.1.3)	Does the strategic plan (a) cover a period of three years; (b) include objectives and outcomes as identified by the executive authority; (c) include multi-year projections of revenue and expenditure; (d) include key performance measures and indicators for assessing the public entity's performance in delivering the desired outcomes and objectives; (e) include the materiality/significant framework, referred to in TR 28.1.5? (f) be updated annually on a rolling basis; and (g) form the basis for the annual reports of accounting authorities in terms of section 55 of the Act.	✓		
6.1.4 Tr(30.1.4)	Was the additional information as required by the executive authority included in the plan?	✓		
6.2 Evaluation of Performance (Chapter 30.2)				
6.2.1 Tr(30.2.1)	Were procedures established by the accounting authority for quarterly reporting to the executive authority in order to facilitate effective performance monitoring, evaluation and corrective action?	✓		
6. CASH, BANKING AND INVESTMENT MANAGEMENT (CHAPTER 31)				
7.1 Cash management (Chapter 31.1)				
7.1.1 Tr(31.1.1)	Did the accounting authority for entities listed in Schedule 3 establish systems, procedures and training and awareness programmes to ensure efficient and effective banking and cash management?	✓		
7.1.2 Tr(31.1.2)	Does the cash management include (a) collecting revenue when it is due and banking it promptly; (b) making payments no earlier than necessary, with due regard for efficient, effective and economical programme delivery and the public entity's normal terms of account payments; (c) avoiding pre-payments for goods or services (i.e. payment in advance of the receipt of goods or services, unless required by the contractual arrangements with the supplier); (d) accepting discounts to effect early settlement when the payment has been included in the monthly cash flow estimates provided to the chief financial officer; (e) pursuing debtors with appropriate sensitivity and rigour to ensure that amounts receivable by the public entity are collected and banked promptly;	✓		

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Section	Question	Yes	No	Remarks
	(f) accurately forecasting the public entity's cash flow in order to optimise its central cash management responsibilities; (g) timing the in and outflow of cash; (h) recognising the time value of money, i.e. economically, efficiently and effectively managing cash; (i) taking any other action that avoids locking up money unnecessarily and inefficiently, such as managing inventories to the optimum level necessary for efficient and effective programme delivery, and selling surplus or under utilised assets; (j) conducting bank reconciliation's at least weekly; (k) making regular cash forecasts; (l) alignment of the approved budget with monthly cash flows; variance analyses of actual cash flow with the approved budget; and (n) sweeping bank accounts to effectively utilise surplus cash.			
7.1.3 Tr(31.1.3)	is the cash management performance reported at least on a monthly basis?	✓		
7.2 Banking Framework (Chapter 31.2)				
7.2.1 Tr(31.2.1)	Did National Treasury approve the bank where entities listed in schedule 3 intended to open a bank account? Is a list of existing banking accounts submitted to National Treasury by 31 May each year?	✓		
7.2.2 Tr(31.2.2)	Has National Treasury proposed a bank? If so, did the public entity open an account in that relevant bank? If not, did the entity take into account (a) that the bank is registered with the South African Registrar of Banks; (b) that the bank is a member or sponsored by a member of the Payments Association of South Africa; (c) the bank's contracting with persons, or categories of persons historically disadvantaged by unfair discrimination on the basis of race, gender or disability; (d) the cost effectiveness; and (e) the ability of the bank to provide the required services which through adequate systems, infrastructure and branch networks.	✓		
7.2.3 Tr(31.2.3)	Was the adjudication and awarding of the tender done in accordance with the public entity's internal tendering procedures.	✓		
7.2.4 Tr(31.2.4)	Did the accounting authority or the person to whom such authorisation was delegated open a bank account?		✓	Not applicable.
7.3 Investment Policy (Chapter 31.3)				
7.3.1 Tr(31.3.1)	Does the entity have funds under management? If so, has an investment policy been approved by the accounting authority?	✓		
7.3.2 Tr(31.3.2)	Does the policy include (a) selection of counter-parties through credit risk analyses; (b) establishment of investment limits per institution; (c) establishment of investment limits per investment instrument; (d) monitoring of investments against limits; (e) reassessment of investment policies on a regular basis; (f) reassessment of counter-party credit risk based on credit ratings; (g) assessment of investment instruments based on liquidity requirements.	✓		
7.3.3 Tr(31.3.3)	Did the public entity listed in terms of Schedule 3A or 3C invest surplus funds with the Corporation for Public Deposits?		✓	Not applicable.

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Section	Question	Yes	No	Remarks
7.3.4 Tr(31.3.4)	Note: Surplus funds refer to all money in excess of a given day's projected cash flow requirements plus a liquidity buffer needed to cover unforeseen expenses on that day.			
7.3.5 Tr(31.3.5)	Did entities exempted from TR 31.3.3 invest surplus funds in an institution with an investment grade rating and was it in line with an investment policy?	✓		
7.3.6 Tr(31.4.1)	Did the entity promptly disclose information regarding cash, banking and investment management when so requested by National Treasury?	✓		
7. BORROWING AND LEASES (CHAPTER 32)				
8.1 Borrowing (Chapter 32.1)				
8.1.1 Tr(32.1.1)	Did the public entity listed in Schedule 3A borrow money for bridging purposes? If so, did the Minister of Finance approve the borrowing? Were the following conditions applied? (a) the debt must be repaid within 30 days of the end of the financial year; (b) borrowing may not exceed a limit determined in advance by the Minister of Finance, in consultation with the national executive authority or provincial MEC for finance, whichever appropriate; (c) foreign borrowing may not be undertaken; (d) a request for borrowing for bridging purposes must be submitted to the Minister of Finance at least 30 days before the borrowing. The following must be submitted together with the request – (i) detailed cash flow and income and expenditure statements indicating how the debt will be repaid during the prescribed period; and (ii) the terms and conditions on which the money is borrowed.		✓	Not applicable.
8.1.2 Tr(32.1.2)	The above paragraph does not apply to the use of credit cards, fleet management cards or other credit facility repayable.		✓	Not applicable.
8.2.1 Tr(32.2.3)	- Did an entity listed in schedules 2,3,4, 3B and 3D enter into a finance lease transaction? - If so, did the entity enter into it through the following functionaries: (a) public entity listed in schedule 2: the accounting authority for that entity; (b) a national public entity listed in schedule 3A: the Minister of Finance; (c) a national government business enterprise listed in schedule 3B and authorised by the Minister by notice in the national Government Gazette: the accounting authority of that business enterprise, subject to conditions that the Minister may impose; (d) a provincial business enterprise listed in schedule 3D and authorised by the Minister by notice in the National Government Gazette: the MEC for finance in the province, acting with the concurrence of the Minister. Subject to any conditions that the Minister may impose.		✓	Not applicable. All leases transactions are treated as operating lease.
8. FINANCIAL MISCONDUCT (CHAPTER 33)				
9.1 Investigation of alleged financial misconduct (Chapter 33.1)				
9.1.1 Tr(33.1.1)	Was an employee alleged to have committed financial misconduct? If so, did the accounting authority ensure that an investigation was conducted into the matter and if confirmed a disciplinary hearing was carried out in accordance with the relevant prescripts?		✓	No financial misconduct occurred.
9.1.2 Tr(33.1.2)	Was the investigation instituted within 30 days from the date of discovery of the alleged financial misconduct?		✓	No financial misconduct occurred.
9.1.3	If the accounting authority or its members is alleged to have committed		✓	No financial

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Section	Question	Yes	No	Remarks
Tr(33.1.3)	the misconduct, did the executive authority initiate an investigation into the matter and if the allegations were confirmed, did he/she ensure that the appropriate disciplinary proceedings were initiated immediately?			misconduct occurred.
9.1.4 Tr(33.1.4)	Did the National Treasury, after consultation with the executive authority (a) direct that a person other than an employee of the public entity conducts the investigation; (b) issue any reasonable requirement regarding the way in which the investigation should be performed.		✓	No financial misconduct occurred.
9.2 Criminal Proceedings (Chapter 33.2)				
9.2.1 Tr(33.2.1)	If any criminal charges were laid in terms of section 86 of the PFMA, did the accounting authority advise the Auditor-General, the executive authority and National Treasury of the above occurring?		✓	No criminal offence occurred.
9.3 Reporting (Chapter 33.3)				
9.3.1 Tr(33.3.1) Sec 85 (1)	Did the accounting authority on an annual basis submit a report to the executive authority, National Treasury and the Auditor-General a schedule of (a) the outcome of any disciplinary hearings and/or criminal charges; (b) the names and ranks of employees involved; and the sanctions and any further actions taken against these employees.		✓	No disciplinary hearing required