COUNCIL ON HIGHER EDUCATION

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

1 APRIL 2017 – 30 JUNE 2017

Submitted on 31 July 2017 to:
Department of Higher Education and Training

CONTENTS

1. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor General of South Africa
ASB	Accounting Standards Board
APP	Annual Performance Plan
ARC	Audit and Risk Committee
BEng	Bachelor of Engineering
BSW	Bachelor of Social Work
BBBEE	Broad Based Black Economic Empowerment
CAT	Credit Accumulation and Transfer
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CESM	Classification of Educational Subject Matter
CHE	Council on Higher Education
DHET	Department of Higher Education and Training
Dip Eng	Diploma in Engineering
DPSA	Department of Public Service and Administration
DST	Department of Science and Technology
DVC	Deputy Vice-Chancellor
ENE	Estimates of National Expenditure
EU	European Union
EXCO	Executive Committee of Council
GAAP	Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
HEI	Higher Education Institution
HELTASA	Higher Education Learning and Teaching Association of Southern Africa
HEMIS	Higher Education Management Information System
HEQC	Higher Education Quality Committee
HEQCIS	Higher Education Quality Committee Information System
HEQSF	Higher Education Qualifications Sub-Framework
HR	Human Resources
HRRC	Human Resources and Remuneration Committee
IAC	Independent Actuaries and Consultants (in Financial Section)
IAC	Institutional Audits Committee
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
IAC	Institutional Audits Committee
ICT	Information and Communication Technology
LLB	Bachelor of Laws

MBA	Master of Business Administration
MEC	Monitoring and Evaluation Committee
MEXCO	Member of EXCO
MTEF	Medium Term Expenditure Framework
NCOP	National Council of Provinces
NEHAWU	National Education, Health and Allied Workers Union
NGC	Nominations and Governance Committee
NLRD	National Learners' Records Database
NQF	National Qualifications Framework
NRF	National Research Foundation
PAA	Public Audit Act of South Africa, Act 25 of 2004
PFMA	Public Finance Management Act 1 of South Africa, Act 1 of 1999
PPPFA	Preferential Procurement Policy Framework Act
QCTO	Quality Council for Trades and Occupations
QEP	Quality Enhancement Project
ROE	Returns on earnings
RPL	Recognition of Prior Learning
SALDA	South African Law Deans Association
SANS	South African National Standards
SAQA	South African Qualifications Authority
SAQAN	South African Quality Assurance Network
SCM	Supply Chain Management
SER	Self-Evaluation Report
SHEEC	Scottish Higher Education Enhancement Committee
SMME	Small Medium and Micro Enterprises
SMU	Sefako Makgatho Health Sciences University
TAU	Teaching Advancement at University
QA	Quality Assurance
QAA	Quality Assurance Agency
UIF	Unemployment Insurance Fund
UMALUSi	Council for Quality Assurance in General and Further Education and Training
UNISA	University of South Africa
VAT	Value Added Tax

2. BASIC INFORMATION OF THE PUBLIC ENTITY

2.1 Mandate

The Council on Higher Education (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.

2.2 Vision, mission and values

2.2.1 Vision

To be a dynamic organisation contributing to a transformed, equitable, and quality higher education and training system in South Africa.

2.2.2 Mission

As the independent statutory quality council for South African higher education, the CHE:

- Leads and manages quality assurance,
- Researches and monitors trends and developments,
- Initiates critical discourse on contemporary higher education issues
- Provides advice to the Minister on strategy and policy.

2.2.3 Values

In pursuit of its vision and mission the CHE is committed to and guided by the following values:

- Social justice
- Quality
- Integrity
- Accountability

2.3 Strategic goals

Strategic Outcome Oriented Goal 1: CHE as quality assurer

Goal Statement:

The CHE is a credible, efficient quality assurer in higher education, with processes developed and implemented to inform, assure, enhance, and promote quality in HEIs.

Strategic Outcome Oriented Goal 2: Centre for information, policy analysis, and advice

Goal Statement:

The CHE is a recognized centre for information, policy analysis, and advice on higher education that informs and influences the public dialogue for the transformation of the higher education system.

Strategic Outcome Oriented Goal 3: Quality Council

Goal Statement:

The CHE is a well-established Quality Council promoting the goals of the NQF in the context of the PSET sector.

Strategic Outcome Oriented Goal 4: Effective, sustainable, and dynamic organization

Goal Statement:

The CHE strives to be an effective, sustainable, and dynamic organization, with systems, processes, and capacity/resources that enable it to discharge its mission and legal mandate optimally.

3. CHIEF EXECUTIVE OFFICER'S OVERVIEW

CHE's financial constraints versus the set performance targets for 2017/18

As a statutory body with legislative and policy mandates, the CHE makes an immense contribution to the proper functioning of the higher education system in the country. It is important that the CHE remains a fully functional body to continue contributing towards steering the higher education system for the benefit of the nation.

The fact that the MTEF baseline grant that the CHE receives annually from Government, through the DHET is inadequate, has far-reaching implications for the organisation's ability to function effectively because financial resources are a vital enabler for any organisation.

Over the last decade, there has been a steady trend of expanding the mandate of the CHE and rendering it more complex, against a backdrop of a rapidly growing higher education system. The current challenge is that the expansion in the scope of the mandate of the CHE has not been accompanied by proportionate increases in the level of baseline funding. Consequently, a significant proportion of the current broad mandate of the CHE has been and remains unfunded, which effectively means that the CHE has been under-funded over the last decade. The effects of being under-funded have been exacerbated by cuts in the baseline funding to the value of 2%, 7% and 10% which were effected during 2014/15, 2015/16 and 2016/17 financial years, respectively. To make matters worse, the budget cuts happened at a time that the CHE has been witnessing a phenomenal increase in the number of applications for programme accreditation, and similar increases in the general demand of other services that the organisation provides to its stakeholders.

Furthermore, the CHE has been increasingly playing the role of 'Ombudsman' for higher education. In this role, the CHE contributes immensely towards protecting students from poor quality provision of higher education. This is a necessary role that dovetails with, and complements the CHE's legislative mandate of quality assurance and promotion; but the fact remains that it is an unfunded role. In addition, a new cycle of institutional audits or quality reviews is planned for implementation in 2018. However, there is no budget to cover the audit or review operations, and to secure the required additional human capacity.

A further development is that, as a consequence of the quality assurance decisions of the HEQC which lead to withdrawal of accreditation and threaten lucrative enterprises that have proliferated in mostly private provision, increasingly the CHE has to defend the HEQC decisions in court, at tremendous cost.

The above have precipitated a state of financial crisis in the organisation which threatens its ability to continue functioning effectively and delivering on its core mandate of quality assurance and promotion in higher education. There is a shortfall of R12.5 million for the 2017/18 financial year and the forecast for the future is bleak. Whereas previously such shortfalls used to be easily made up for by surplus funds rolled-over from one year to the next, as approved by National Treasury, the harsh reality now is that after 2017/18 financial year there will be no more surplus funds to roll-over.

Given the massive shortfalls projected for the next three years, the organisation will simply not be able to achieve some of the performance targets reflected in the Annual Performance Plan. Alternatively, the CHE will have to levy fees on public institutions or universities.

Corrections noted regarding the approved 2017/18 Annual Performance Plan

After submitting the final 2017/18 Annual Performance Plan to the Department of Higher Education and Training for approval, the Senior Management Committee noted that there were inconsistencies in the way some of the performance targets were presented.

The affected performance targets are as follows:

1. Rectified to correspond with Points 4.1.1 and 4.1.2 of the approved Annual Performance Plan.

Performance Indicators		Audited/Actual Performance			Estimated Performance (2016/17)	Medium-Term Targets		
		2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
4.2.1	Development of an integrated online CHE management information system by the end of the financial year	n/a	n/a	n/a	Functional specification and contracting completed and approved	~~Design and pilot completed and approved~~ • **Due diligence** • **Design and Specifications development** • **Project Plan** • **Contract**	Implementation	Ongoing support and maintenance

Performance Indicator		Reporting Period	Annual Target 2017/18	Quarterly Targets			
				1st	2nd	3rd	4th
4.3.1	Development of an integrated online CHE management information system by the end of the financial year	Annual	~~Design and pilot completed~~ • **Due diligence** • **Design and Specifications development** • **Project Plan** • **Contract**	0	0	0	~~100% Developed integrated online CHE management information system~~ • **Due diligence** • **Design and Specifications development** • **Project Plan** • **Contract**
4.3.2	Number of reviewed and developed ICT policies, frameworks, guidelines, procedures and processes each quarter	Quarterly	7	2 Policies developed and approved	~~11 Framework reviewed and approved~~ **1 Framework reviewed and approved**	2 Policies reviewed and approved	2 Policies reviewed and approved

2. Rectified to correspond with Point 4.3.11 of the approved Annual Performance Plan.

Strategic Objectives		Audited/Actual Performance			Estimated Performance (2016/17)	Medium-Term Targets		
		2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
4.1.11	Number of media releases, communiqués, newsletters and other corporate information resources released by the end of each financial year	**N/A (New objective)**	~~5~~ **N/A (New objective)**	~~0~~ **N/A (New objective)**	4 media releases, communiqués, newsletters and other corporate information resources released	~~12~~ **5** media releases, communiqués, newsletters and other corporate information resources released	~~12~~ **5** media releases, communiqués, newsletters and other corporate information resources released	~~12~~ **5** media releases, communiqués, newsletters and other corporate information resources released
4.2.11	Number of media releases, communiqués, newsletters and other corporate information resources released by the end of each financial year	N/A (New objective)	N/A (New objective)	N/A (New objective)	4 media releases, communiqués, newsletters and other corporate information resources released	~~12~~ **5** media releases, communiqués, newsletters and other corporate information resources released	~~12~~ **5** media releases, communiqués, newsletters and other corporate information resources released	~~12~~ **5** media releases, communiqués, newsletters and other corporate information resources released

3. Rectified to correspond with Point 2.1.3 of the approved Annual Performance Plan.

Performance Indicator		Reporting Period	Annual Target 2017/18	Quarterly Targets			
				1st	2nd	3rd	4th
2.3.3	Number of qualification standards developed in planned phases by end of March 2018	Quarterly	4 Standards developed	4 Standards at different stages of completion	4 Standards at different stages of completion	4 Standards at different stages of completion	4 Standards at different stages of completion
			Doctoral Studies	40%	60%	80%	
			Bachelor of Commerce	60%	80%	100%	
			Sports Coaching		80%	100%	
			Bachelor of Nursing			20%	40%
			Library Sciences			40%	60%
			Engineering – Diploma	100%			
			Engineering – Bachelor	100%			
			Procurement qualifications				**20%**
			Higher Certificate in Emergency Care	**20%**			**20%**

4. Rectified to delete the Annual Target as it is reflected under Point 2.3.3 of the approved Annual Performance Plan.

Performance Indicator		Reporting Period	Annual Target 2017/18	Quarterly Targets			
				1st	2nd	3rd	4th
2.3.4	Percentage of planned major milestones in each national review achieved by the end of March 2018.	Quarterly	~~Approved activities report on Engineering: Diploma and Degree – Phase 1~~		~~20%~~	~~40%~~	~~60%~~

4. PROGRESS TOWARDS PREDETERMINED OBJECTIVES AND TARGETS

4.1 Programme 1: Institutional Quality Assurance

4.1.1 Introduction

This programme is one of the ways in which the CHE fulfils its Strategic Goal 1 through developing and implementing processes to inform, assure, enhance, and promote quality in higher education institutions (HEIs). The three areas of work or sub-programmes are:

- Assessment of HEIs quality assurance systems;
- Accreditation; and
- Quality enhancement.

4.1.2 Progress under Assessment of HEIs QA Systems Sub-Programme

4.1.2.1 Develop methodology to assess HEIs QA systems

A draft discussion document was prepared and subsequently discussed at length at meetings of the Senior Management Committee and at a meeting of the Institutional Audits Review Working Group held on 6 April 2017, comprising representatives of key stakeholders in the sector. Revisions to the document are in progress.

4.1.2.2 Other activities under the sub-programme

Regarding the Special Institutional Audit of the University of Zululand (Unizulu), a planning meeting was held on 12 and 13 April 2017, and the Audit Panel conducted a site visit to the institution from 5 to 9 June 2017.

4.1.3 Progress under Accreditation Sub-Programme

4.1.3.1 Programmes submitted for accreditation

Of the 109 applications for the accreditation of new programmes received for processing via the HEQC-online system during this quarter, 71 were from public higher education institutions and 38 from private higher education institutions. The number of applications received for accreditation from the public higher education institutions has increased steadily over the past year, particularly in the areas of Education, Business, Economics and Management Studies, and Health Professions and Related Clinical Sciences.

Table 1 below indicates that the largest increase in new applications received from universities for undergraduate degrees were at NQF level 7.

Most of the programmes received from both public and private providers are in the field of Business, Economics and Management Sciences, as reflected in Table 2 below.

Table 1: New Applications received per NQF level

NQF Level	Number of Applications: Private Providers	Number of Applications: Public Providers
Level 5	9	2
Level 6	14	15
Level 7	9	28
Level 8	6	10
Level 9	0	12
Level 10	0	4
TOTAL	**38**	**71**

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		6
Architecture and the Built Environment		
Visual and Performing Arts	2	5
Business, Economics and Management Studies	16	20
Communication, Journalism and Related Studies	1	2
Computer Science and Information Sciences	4	1
Education	5	11
Engineering	1	7
Health Professions and Related Clinical Sciences	4	6
Family Ecology and Consumer Sciences		
Languages, Linguistics and Literature		
Law		1
Life Sciences	3	3
Physical Sciences		5
Mathematics and Statistics		
Military Sciences		
Philosophy, Religion and Theology	1	
Psychology		1
Public Management and Services		1
Social Sciences	1	2

One Accreditation Committee (AC) was held on 10-11 May 2017 and one HEQC meeting was held on 8 June 2017 in this quarter.

Summary of HEQC decisions:

At its meeting on 8 June 2016, the HEQC made decisions on the 235 recommendations made by the Accreditation Committee pertaining to applications for accreditation of new programmes and approval of eight sites of delivery at its meeting on 10-11 June 2017. A total of 22 site visits linked to ten institutions were conducted in this quarter and their reports were noted at the HEQC meeting.

Table 3: Summary of HEQC decisions

Total number of programmes for accreditation[1]	235
Programmes accredited without conditions	111
Programmes accredited (with conditions)	78
Programmes not accredited	46
Extension of programmes to new/relocated site of delivery[2]	16
Site visit reports tabled	8

4.1.3.2 Verify institutional capacity to offer accredited programmes Site visits

Eight site visit reports were tabled at the 10-11 May 2017 Accreditation Committee meeting and the 8 June 2017 HEQC meeting. The reports were linked to site visits to three institutions and eight sites of delivery. The site visits evaluated/verified processes linked to conditions of accreditation or approval of extension of programmes to sites of delivery.

4.1.3.3 Revise, pilot and publish a framework and process for accreditation

The draft new framework has been developed in terms of process workflows and processes. Consultation commenced with peers and the Senior Management Committee.

[1] 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 decisions.

[2] 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.

4.1.4 Progress under Quality Enhancement Sub-Programme

4.1.4.1 Complete Phase 1 of the QEP

Planning is underway for a QEP workshop to be held on 3 and 4 August 2017 for representatives of all public universities to begin the process of developing codes of good practice emanating from what has been learnt in Phase 1.

4.1.4.2 Implement Phase 2 of the QEP

A meeting was held on 31 May 2017 with representatives of private higher education institutions in which it was agreed that an online version of the submission document for Phase 2 of the QEP would be made available to private HEIs for completion on a voluntary basis.

4.1.4.2 Other activities under the sub-programme

A workshop funded by the EU Dialogue Facility and jointly led by the Director: Institutional Audits and the Chief Director: Teaching and Learning of the DHET was held from 24-26 May 2017 at the Protea Marine Hotel in Port Elizabeth. The workshop, entitled *Improving the Effectiveness of University Teaching*, was attended by participants from 25 public institutions and speakers from the UK, Netherlands and Sweden.

4.2 Programme 2: Qualifications Management and Programme Reviews

4.2.1 Introduction

This programme seeks to advance the realization of strategic goal 3 of the CHE by managing a single integrated national framework of higher education qualifications as a subset of the National Qualification Framework (NQF); developing qualification standards; and undertaking national reviews in selected programmes and qualification levels. The common denominator among these programme functions is that they all contribute towards ensuring that South African higher education qualifications meet appropriate criteria as determined by the Minister of Higher Education; and that they are of acceptable quality and internationally comparable. Such qualifications and the study programmes that lead to them are intended to contribute to the full personal development of students, and to the social and economic development of the country.

The programme is structured into three related key focus areas or sub-programmes. These are the management of the HEQSF; standards development, and national reviews.

This is a new budget programme structure. It brings together related functions that used to be performed under a number of different directorates in a less coordinated fashion. The consolidation of these functions under this new budget programme structure is expected to engender more coherence, better coordination, effectiveness and resource efficiency.

4.2.2 Progress under Management of the HEQSF Sub-Programme

4.2.2.1 HEQSF policy development, review and implementation

This project has not yet started because no budget was allocated for it.

4.2.2.2 HEQSF information management: HEQCIS

The HEQCIS system continued to work well. The 15 June 2017 deadline for private providers to upload their data in the first cycle of the year was extended to 15 July 2017 as a result of a few providers' difficulties in loading data which have since been addressed. A mini workshop to assist institutions that needed extra assistance with their loads was held on 30 May 2017. Institutions are now loading staff and fulltime equivalent (FTE) data in addition to learner records.

4.2.3 Progress under Development of Qualifications Standards Sub-Programme

4.2.3.1 Development of qualification standards

The Directorate engages regularly with academic communities and other stakeholders to identify qualification types, fields of study and disciplines that would benefit from development of national standards.

Following a substantial revision in response to public comment, the following standard statements are complete and await approval by the HEQC:

- Advanced Diploma in Engineering
- Bachelor of Engineering Technology

a. Bachelor of Commerce Qualification Standard

Members of the Working Group were asked to submit comments on the Bachelor of Commerce draft standard by email in April; comments received were subsequently incorporated into the version that formed the basis for discussion during the meeting held on 17 May 2017. Although progress has been slow due to lack of funds, it is anticipated that the next version should be ready for wider circulation during the second quarter of the year.

b. Bachelor of Sports of Coaching

Following the meeting of 3 March 2017, the working group felt that considerable progress had been made, and that the draft standards statement was ready for wider key stakeholder consultation. A further revision to the statement was made to incorporate inputs received from the working group. As a first stage of public discussion, an invitation for input was extended to all key stakeholder groups on 27 June 2017. The stakeholders included among others, higher education institutions offering qualifications in sports coaching, the South African Sports Confederation and Olympic Committee (SASCOC), the Sports Federations, the Department of Sport and Recreation, and all those with a vested interest in coach development.

The purpose of this first stage of public discussion is to accord the sector an opportunity to engage with the draft standard statement and submit its views, concerns and recommendations for further consideration by the Standards Working Group.

c. Bachelor of Information and Library Studies

A stakeholder consultative meeting took place on 14 June 2017 at the National Library as planned. All the key stakeholders were represented at the meeting, including representatives of the National and Provincial Libraries, the Department of Arts and Culture, the Department of Basic Education, all Higher Education Institutions offering Library and Information Sciences qualifications, and the Library and Information Association of South Africa. An invitation was also extended to the Library and Information Sciences Policy Technical Committee.

The purpose of the meeting was to explore prospects of developing qualification standards for Library and Information Sciences. There was a general recognition that the Library and Information Science landscape has changed, and ways in which Librarians are educated and trained continue to evolve. The participants expressed an urgent need for the development of national benchmark statements to respond to the needs of the profession.

The CHE was asked to constitute a group of academic experts in the field, who will form the core of a Standards Development Working Group for Library and Information Sciences. A call for nominations of a 12 member working group was also made at the meeting. The nominations have since been received, and the working group is expected to commence work in the second quarter of the year.

The National Library has agreed to fund and host most of the activities of the Standards Working Group.

d. Higher Certificate in Emergency Care

The first meeting took place on 30th and 31st of May 2017 as scheduled at the National Department of Health. The Department pledged to fund most of the costs associated with the activities of the Standards Working Group (SWG). The initial draft of the Higher Certificate in Emergency Care standard statement was developed at the meeting, and will continue to undergo revisions in response to comments received from the SWG.

4.1.4.2 Other activities under the sub-programme

Diploma in Emergency Care

The first meeting took place on 30th and 31st of May 2017 as scheduled at the National Department of Health. The Department pledged to fund most of the costs associated with the activities of the Standards Working Group (SWG). The initial draft of the Diploma in Emergency Care standard statement was developed at the meeting, and will continue to undergo revisions in response to comments received from the SWG.

4.2.4 Progress under National Reviews Sub-Programme

4.2.4.1 Management of the phases of National Reviews

a. Follow-up LLB Review outcomes

The HEQC approved the Bachelor of Laws (LLB) outcomes and review reports at its meeting of 30 March 2017. The outcomes and final reports were sent to all the participating institutions on 7 April 2017.

The institutions are required to put measures in place to address the conditions, concerns and recommendations set out in the review report. Guidelines for development of improvement plans have been finalised and sent out to the institutions. The main purpose of an Improvement Plan (IP) is to provide a context and systematic approach for quality improvement. The plan provides an overall analysis of the issues raised in the report, and illustrates how the institution intends to address them given the broader institutional context. The deadline for submission of the Improvement Plans is 06 October 2017.

Support visits for the following institutions "on notice of withdrawal of accreditation" took place as scheduled. All four institutions expressed gratitude for the CHE's support, and pledged their commitment to achieve full accreditation:

North West University : 09 May 2017 at Potchefstroom

University of the Free State : 12 May 2017 at in Bloemfontein

University of South Africa : 16 May 2017 at UNISA

Walter Sisulu University : 23 May 2017 in Mthatha

b. 3rd Phase of the LLB review

On 15 May 2017, the LLB Report-writing Team met with representatives of the Directorate: National Standards and Reviews. At the meeting, Professor Derek van der Merwe was elected Chairperson of the Report-writing Team.

The purpose of the meeting was to finalise the terms of reference for the project, determine a timeline for the conclusion of the national report and to attend to logistical arrangements for the team. The terms of reference and timelines have since been finalised and approved by the HEQC at its 11 June 2017 meeting.

The Team had its second meeting at the University of KwaZulu-Natal on 29 June 2017. The purpose of the meeting was to consolidate the draft report in preparation for submission to the CHE later in August 2017.

c. Doctoral Studies Review

The first Reference Group meeting of the Doctoral Studies Review project was held on 25 and 26 May 2017 at the CHE. The objectives of the two (2) days' meeting were to:

- Reconceptualise the scope, approach, and outcomes of national review of Doctoral studies;
- Propose areas of research to support the project;
- Finalise the project proposal for the approval;
- Identify the project's major milestones, deliverables and timeframes; and
- Allocate responsibilities and tasks

The Reference Group has been divided into two (2) main groups (standards development and national review groups). Each Group has a Chair, who is responsible for the coordination of the activities of the group.

Both groups will continue with their assigned tasks electronically and will report back at a meeting to be held during the last week of August 2017. Two further follow-up meetings are planned for October 2017 and February 2018. Progress will be closely monitored at agreed intervals by the Principal Investigator, the Chairs and the CHE.

4.3 Programme 3: Research, Monitoring and Advice

4.3.1 Introduction

This programme responds to strategic outcome oriented goal 2 in partial fulfilment of the Mission, i.e. being a recognised centre for information, policy analysis and advice. The functions within this programme are cross-cutting in the main, in that they synthesize knowledge and insights gained in the quality assurance and research activities carried out in different parts of the organisation in order to inform the policy analysis and advice produced.

One of the objectives is to undertake research on key issues on higher education, which is generally organised in specific research projects, and which leads to the publication of research findings to be disseminated to CHE stakeholders and other interested parties. Another is to monitor trends and developments in higher education to inform research undertaken by academics across the system or within CHE research projects, and to provide the information that is necessary for the provision of advice to the Minister.

The third objective is to provide research-based advice to the Minister of Higher Education and Training in a proactive manner. The CHE must also respond to any requests for advice from the Minister; the number and nature of these cannot be predetermined, but every request should be acted upon.

4.3.2 Progress under Research Sub-Programme

4.3.2.1 Produce and share research on key issues

In this quarter work was begun on a desktop research project on curriculum and on a series of policy briefs for the CHE website.

4.3.3 Progress under Monitoring Sub-Programme

4.3.3.1 Collate and disseminate information on key trends and developments

During the quarter under review, VitalStats 2015 was completed and published.

4.3.4 Progress under Advice Sub-Programme

4.3.4.1 Provide research-based advice on issues of national importance

Advice was provided to the Minister of Higher Education and Training on the DHET's draft Policy Framework for the Internationalisation of Higher Education and on the DHET's draft Minimum Admission Requirements for Higher Education in terms of the NASCA.

4.4 Programme 4: Administration and Support

4.4.1 Introduction

This Programme is a cross-cutting function that is responsible for providing the systems, activities and structures that enable the organisation to operate effectively and efficiently. It covers the functions in the CEO's Office and the following key support functions: Human Resources, Information, Communication and Technology, Finance and Supply Chain, Facilities management, Corporate Communication, and Administration. The main objectives of this programme are to set the policy and tone for good governance, statutory compliance, and transfer of business best practice across the organization; and ensure the efficient and effective provision of corporate services – administrative, financial, technical and professional - to support the discharge of the core mandate of the CHE. There are no changes for the budget programme structure.

4.4.2 Progress under Information Communication Technology Sub-Programme

4.4.2.1 Develop an integrated online information management system

During the quarter under review, the bid specification for an Integrated Online Information Management System was finalised and the tender will be advertised in July 2017.

4.4.2.2 Ensure governance and compliance with statutory requirements

During the quarter under review, the following ICT policies, procedures and framework were reviewed:

- The ICT Management Framework;
- The Assets Replacement Procedures have been tabled at the Senior Management Committee for support and will subsequently serve at the relevant governing structures for recommendation and approval, in line with the CHE's Delegation of Authority.

The recent and prevalent spate of cyber-attacks internationally and in particular of public/state cooperation has necessitated the installation of a new Dell Sonic Firewall to ensure tight security of the CHE's ICT environment.

4.4.3 Progress under Human Resource Management Sub-Programme

4.4.3.1 Staff training and development

The total training costs as a percentage of personnel costs for the quarter under review is 2.5% with five (5) employees trained during the period. This is the trend associated with the pressure at end of the financial year, and the budgetary constraints in the period under review. This should improve in the next quarter.

Table 4: Training and development conducted during the first quarter

Directorate/ Business Unit	Personnel Expenditure	Training Expenditure	Training Expenditure as a % of personnel Cost	Number of employees trained	Average training cost per employee
Administration	3 151 000	25 376	0.8 %	4	6 344
Monitoring and Evaluation	970 000	16 757	1.7 %	1	16 757
Programme Accreditation	1 507 000	0	0%	0	0
National Reviews and Standards Development	722 000	0	0%	0	0
Institutional Audits	696 000	0	0%	0	0
TOTAL	**6 997 000**	**42 133**	**2.5%**	**5**	**23 101**

4.4.3.2 Filling posts on the approved organisational structure

a. Employment Profile

The total number of employees at the end of the first quarter under review is forty two (42) with ten (10) vacancies against fifty two (52) positions on the approved organisational structure. There were no terminations during the period under review. However the process of filling the vacancies is underway and approximately four (4) of the vacancies should be filled in the next quarter.

Table 5: Employment profile as at 30 June 2017

Salary Band	Number of employees employed at the beginning of the period - 01 Apr 2017	Number of appointments made during April, May and June 2017	Number of terminations made during April, May and June 2017	Number of employees employed at the end of the period - 30 June 2017
Top Management	1	0	0	
Senior Management	7	0	0	

Professional qualified	10	0	0	
Skilled	23	0	1	22
Unskilled	2	0	0	2
TOTAL	**43**	**0**	**1**	**42**

b. Employment Equity Profile

b(1) Employment Equity Targets: 2017/2018

The CHE aims to create a work environment that supports the attraction, development, advancement and retention of people from designated groups at all levels in the organisation. A three year Employment Equity Plan was developed and approved in 2016.

The targets for the organisation are conservative but realistic, considering the size of the organisation and the trends of employee movement. The tables below depict the targets for 2017/2018.

Table 6: Numerical Targets Year 2: 01 April 2017 - 31 March 2018

	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	M	F	
Top management	0	0	0	0		0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	1	0	0	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	1	1	0	0	0	0	0	0	0	0	2
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	**2**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**3**
Non-permanent employees (employees with less than 1 year contract)	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	**2**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**3**

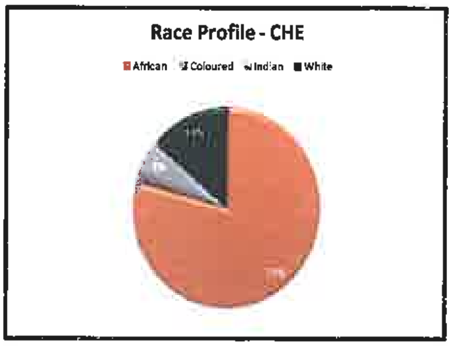
Table 7: Numerical Targets Year 2: April 2017 - 31 March 2017 (PWD'S)

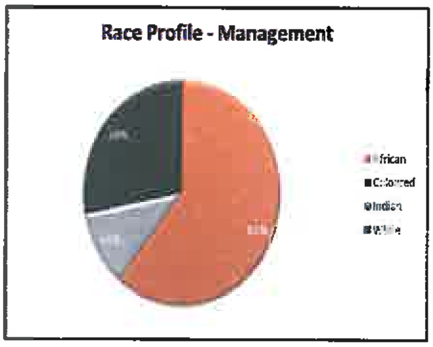
	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	M	F	
Top management	0	0	0	0		0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0

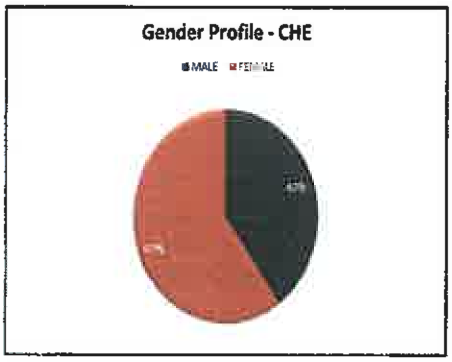
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	1	0	0	0	0	0	0	0	0	0	1
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1**
Non – permanent employees (employees with less than 1 year contract)	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1**

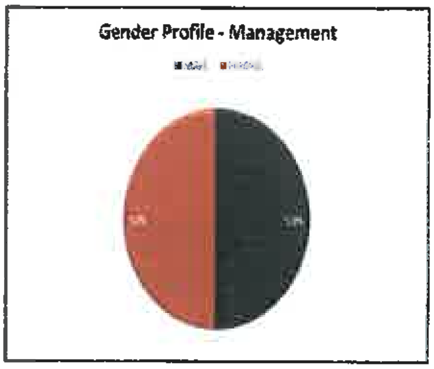
b(2) Employment Equity Status: As at: 30 June 2017

The CHE has a staff complement of 52, including vacancies .The overall profile in terms of race and gender is 79% African, 2% Coloured, 5% Indian, 11% White as well as 40% male and 60% female. The profile at management level is 61% African, 10% Indians, 32% Whites as well as 50% male and 50% female. There has been a significant improvement in the number of the percentage of male employees organisation wide and at management levels. The attraction of Coloureds and people with disabilities at both levels remains a challenge. This is illustrated in the following graphs:









4.4.3.2 Other activities under the sub-programme

a. Employee On-boarding process

The Human Resources unit has embarked on an on-boarding process which replaces the employee induction programme.

The purpose of this process is to provide employees with guidelines in terms of the on-boarding process at the CHE and to assist new employees to adapt to working in the organisation and to make the transition as easy as possible.

Research shows that an effective, carefully planned orientation can assist new employees in adjusting to their job and work environment while instilling a positive attitude and increasing motivation. In addition to allowing the opportunity to complete the necessary paperwork for an employee to begin his/her duties, it orients new employees to job responsibilities and functions, educates them about the organisation's history and values, and imparts valuable information about the employees in the organisation. Other potential benefits of an effective orientation programme include:

- Reducing employee turnover;
- Reducing new employee anxiety;
- Developing realistic job expectations; and
- Improving employee engagement and job satisfaction.

On-boarding is therefore a vital process envisioned to create a smooth transition for a new employee into the organisation, ensuring continual growth, affirming the new employee as a valued team member and enhancing long-term relationship building, employee engagement and retention.

The CHE's on-boarding process commences before a new employee arrives and continues for the first months of employment. The process is conducted in four distinct phases over a maximum period of six (6) months, with continuous support, feedback and supporting tools for employees and managers. The training of line managers and peers on the process is currently underway.

b. Human Resources Operating Model

The review of the HR operating model to reflect and support the revised Strategic Plan 2015-2020 has necessitated a simultaneous review of the Human Resources Strategic Plan 2017/21 including the reconfiguration of the HR operating model to reflect and support the CHE's revised Strategic Plan.

The constraints in financial and human resources have compelled the HR function to consider creative interventions in order to fully optimise the current resources in place. This will be done by creating flexibility and encouraging directorates that experience low activity levels during the year to second employees to pressure points within the CHE value system to fully optimise the affected employees. This intervention will further reinforce the concept of cross functional working which will further support the integrated approach and operating in a hybrid organisational structure.

4.4.4 Progress under Finance and Supply Chain Management Sub-Programme

4.4.4.1 Develop policies, frameworks, guidelines and procedures

During the quarter under review, rates payables for hiring venues and Applicable rates payables to Peer Academics for 2017/2018 were developed and approved.

4.4.4.2 Review policies, frameworks, guidelines and procedures

During the quarter under review, the following documents were reviewed and approved:

- Delegation of Authority;
- Supply Chain Management Policy;
- Supply Chain Management Procedures; and
- Audit and Risk Charter.

4.4.4.3 Pay suppliers within stipulated timelines

On average, 57 eligible suppliers where paid within 20 days during the first quarter.

4.4.4.4 Produce quarterly supply chain management reports

One expenditure report prepared and submitted to DHET by the compliance date during the first quarter.

4.4.5 Progress under the Office of the Chief Executive Officer Sub-Programme

4.4.5.1 Corporate governance meetings

Six governance meetings were held during the first quarter:

- 18 April 2017 – Audit and Risk Committee (ARC);

- 20 April 2017 – Executive Committee (EXCO);
- 23 May 2017 – Audit and Risk Committee (ARC);
- 25 May 2017 – Executive Committee (EXCO);
- 8 June 2017 – Higher Education Quality Committee (HEQC); and
- 29 June 2017 – Council.

4.4.5.2 International partnerships and cooperation

During the quarter under review, the following activities were engaged in:

- A workshop funded by the EU Dialogue Facility was jointly led by the Director: Institutional Audits and the Chief Director: Teaching and Learning of the DHET.

- From 29 May 2017 to 3 June 2017, the Director: Programme Accreditation attended the Workshop on the Harmonisation of African Quality Assurance across Africa (HAQAA) in Accra, Ghana.

- On 16 and 17 June 2017, the CEO attended the Commonwealth of Learning (COL) Board of Governors meeting in Canada.

- On 21 June 2017, members of the senior management attended the EU Project Steering Committee meeting which discussed the Professional Graduates Final Report and the Proposed Framework for Interaction, Coordination and Collaboration in Post-School Education and Training.

- On 27 June 2017, the CEO and the Director Institutional Audits attended the Siyaphumelela Conference themed "Driving student success by making our universities student-ready as well as making our students ready for university".

4.4.5.3 Media releases, communiqués, newsletters and other information

The CHE issued a media release on 13 April 2017 communicating the outcomes of the national review of programmes that lead to the Bachelor Laws (LLB) qualification. The media release attracted much attention and a number of media outlets, including radio and television stations, made contact requesting for interviews with the CHE officials to obtain more details and ask follow-up questions.

The CHE produced and released Volume 1, issue No. 6 of Quality Matters, the CHE electronic newsletter. The newsletter has become an important channel for disseminating information on CHE activities to stakeholders.

4.4.5.4 Participation in international conference

Dr Amani Saidi, Mr Ntokozo Bhengu and Ms Reneilwe Maake were members of the committee that organised the international colloquium on the Development of a Regulatory Framework for Stakeholder Interaction, Coordination and Collaboration in Post-School Education and Training in South Africa. The colloquium was held from 18 to 19 May 2017 at the Birchwood Hotel and Conference Centre, Boksburg. Other members of the organising committee were from the DHET and the South African-European Union Dialogue Facility. The purpose of the colloquium was to facilitate discussion on the production of more professional graduates and building institutional capacity to improve this flow of graduates.

It was expected that the colloquium would contribute to the creation of a multi-stakeholder vehicle to improve the flow of skilled and qualified people into the labour market. Dr Amani Saidi presented a framework for promoting a coherent and coordinated system of quality assurance of higher education programmes that lead to professional qualifications.

4.4.5.5 Benchmarking

This project has not yet started because of capacity and budgetary constraints.

5. PERFORMANCE INFORMATION/DATA TABLES

The 2017/18 Non-financial Performance Information/Data Table for all performance indicators, quarterly targets and actual performance in relation to the targets is reflected below:

Strategic objectives	Performance indicator	2016/2017	2017/2018 – First Quarter: 1 April – 30 June 2017					
		Audited output	Annual target 1 April 2017 – 31 March 2018	1st Quarter Target 1 April – 30 June 2017	Cumulative Total	1st quarter Actual Output 1 April – 30 June 2017	Challenges	Evidence / Comment
Programme 1: Institutional Quality Assurance								
1.1 To develop methodology to assess HEIs QA systems	Number 1.3.1: Develop methodology to assess HEIs QA systems by end March 2018	n/a New performance indicator	Approved methodology	0				**No output required during the 1st Quarter.**
1.2 To assess higher education institutions' quality assurance systems each financial year	Number 1.3.2: Assessment of higher education institutions' quality assurance systems	n/a New performance indicator	Institutional assessments	0				**No output required in 2017.**
1.3 To accredit new programmes submitted each financial year	Number 1.3.3: Accredit new programmes submitted each financial year	86% 660 programmes processed 771 programmes received	75% of submitted applications with a HEQC outcome within 12 months after the appointment of an evaluator	75% of submitted applications with a HEQC outcome within 12 months after the appointment of an evaluator	85% 199 programmes processed and tabled within 12 months after the appointment of an evaluator 235 programmes tabled at HEQC	85% 199 programmes processed and tabled within 12 months after the appointment of an evaluator 235 programmes tabled at HEQ		235 programmes out of this, 199 programmes were processed and tabled within 12 months after the appointment of an evaluator
1.4 To re-accredit programmes submitted each financial year	Number 1.3.4 Re-accredit programmes submitted each financial year	100% 139 programmes were received and processed	80% of submitted applications with a HEQC outcome within 18 months after the appointment of an evaluator	0			Applications for re-accreditation of programmes were included in the agenda of the AC meeting this quarter but were not considered as the agenda was too long and could not be completed. The applications were held over to the next meeting.	**No output required during the 1st Quarter.** The high volume of applications results in the Directorate processing but not being able to complete all applications tabled at an AC agenda band this delays the tabling of these applications at an HEQC meeting for a decision. Costs and the availability of AC members for more than 5 meetings per annum prohibit the scheduling of more meetings.

Strategic objectives	Performance indicator	2016/2017	2017/2018 – First Quarter 1 April – 30 June 2017					
		Audited output	Annual target 1 April 2017 – 31 March 2018	1st Quarter Target 1 April – 30 June 2017	Cumulative Total	1st quarter Actual Output 1 April – 30 June 2017	Challenges	Evidence / Comment
1.5 To verify institutional capacity to offer accredited programmes by means of site visits to institutions each financial year	Number 1.3.5 Verification of institutional capacity to offer accredited programmes by means of site visits to institutions each financial year	66% 37 Site visits completed 56 site visits were tabled at the HEQC meetings	75% of reports tabled at an HEQC meeting 12 months after a site visit	75% of reports tabled at an HEQC meeting 12 months after a site visit	100% 8 site visit reports tabled at HEQC meeting	100% 8 site visit reports tabled at HEQC meeting		Note that this output is calculated as follows: Number of site visit reports tabled within 12 months/ total number of site visits tabled at HEQC • Worked out using 8 June HEQC: 3/8 = 0.375 (38%) • Worked out using 10 May AC: 8/8 = 1 (100%) The 10 May 2017 AC date is used for the purposes of calculation as no changes are made to the application between the AC and HEQC.
1.6 To revise, pilot and publish a framework and process for programme accreditation by end March 2020	Number 1.3.6 Revise, pilot and publish a framework and process for programme accreditation by end March 2020	n/a New performance indicator	Approved revised framework document for programme accreditation	None				**No output required during the 1st Quarter.** Although the revised framework document for programme accreditation should be finalised during the 4th Quarter, the Draft Framework had been presented to the Senior Management Committee meeting and it was supported.
1.7 To complete Phase 1 of the QEP	Number 1.3.7 Complete Phase 1 of the QEP end of March 2018	18 institutional visits conducted	Synthesis document from Phase 1 of the QEP 2 workshops	QEP workshop	0	0	The first workshop could not be held during the 1st Quarter as planned because the funds were received late on 29 May 2017.	Two workshops will be held in August and November 2017.
1.8 To implement Phase 2 of the QEP	Number 1.3.8 Implement Phase 2 of the QEP by the end of March 2019	100% Finalised the focus areas document (Phase 2 of the QEP)	23 institutional reports received from HEIs	0				**No output required during the 1st Quarter.**

Strategic objectives	Performance indicator	2016/2017	2017/2018 – First Quarter: 1 April – 30 June 2017					
		Audited output	Annual target 1 April 2017 – 31 March 2018	1st Quarter Target 1 April – 30 June 2017	Cumulative Total	1st quarter Actual Output 1 April – 30 June 2017	Challenges	Evidence / Comment
Programme 2: Qualifications Management and Programme Reviews								
2.1 HEQSF Policy Development, review and implementation each financial year	Number 2.3.1 Number of HEQSF policies developed and approved by end of March 2018	2	1 policy developed and approved	0				**No output required during the 1st Quarter.**
2.2 HEQSF Information Management – collect data on HEQCIS to upload to NLRD each financial year	Number 2.3.2 Number of HEQCIS uploads to NLRD per by the end of March 2018	94% private higher education institutions uploaded data on HEQCIS	HEQCIS to upload data to NLRD twice yearly	Report on data uploaded to NLRD by HEQCIS	0	0 No upload yet	The date for institutions to upload their information to HEQCIS was extended to 14 July at their request, so the first upload to NLRD will be in the second quarter	
2.3 Number of qualification standards developed by the end of each financial year	Number 2.3.3 Number of qualification standards developed in planned phases by end of March 2018	4	4 Standards developed	4 Standards at different stages of completion			(Detailed information is reflected under point 4.2.3 above)	
			Doctoral Studies	40%		40% Reference group workshop held 25-26 May 2017 First iteration under development due in the 2nd quarter		**40% completion of standards development process consist of:** CHE invites standards development working group to an initial workshop (preferably over two days). • Reference group workshop held 25-26 May 2017 Draft statement 40% complete: 1st iteration • First iteration under development due in the 2nd quarter
			Bachelor of Commerce	60%		60% Third iteration of draft statement completed		**60% completion of standards development process consist of:** CHE invites standards development working group to a second and third workshop • Third working group meeting held on 17 May 2017

Strategic objectives	Performance indicator	2016/2017	2017/2018 – First Quarter: 1 April – 30 June 2017					
		Audited output	**Annual target** **1 April 2017 – 31 March 2018**	**1st Quarter Target** **1 April – 30 June 2017**	**Cumulative Total**	**1st quarter Actual Output** **1 April – 30 June 2017**	**Challenges**	**Evidence / Comment**
								Draft statement 60% complete • Third iteration of draft statement completed
			Sports Coaching	No set target for Q1		80% Draft standard statement ready for wider key stakeholder consultation. As a first stage of public discussion, an invitation for input was extended to all key stakeholder groups on 27 June 2017.		**80% completion of standards development process consist of:** CHE invites standards development working group to a fourth and fifth workshop • Meeting held on 3rd March 2017 Draft statement 80% complete • Fourth iteration completed CHE disseminates the draft statement to various stakeholders for comment. • Draft sent out for stakeholder input on 27 June 2017
			Bachelor of Nursing	No set target for Q1		Scheduled to start in the third quarter		
			Library Sciences	No set target for Q1		20% • Stakeholder consultative meeting 14 June 2017 • Standard Working Group appointed		**20 % completion of standards development process consist of:** CHE proposes a standards development exercise for a specific qualification type (or types), in that particular field • Letters sent out to academic institutions and stakeholders on 22 May 2017 CHE selects a group of academic experts in the field, who will form the core of a standards development working group • Stakeholder consultative meeting 14 June 2017 • Working Group appointed CHE host regional stakeholder consultation forums (optional)

Strategic objectives	Performance Indicator	2016/2017	2017/2018 – First Quarter: 1 April – 30 June 2017					
		Audited output	Annual target 1 April 2017 – 31 March 2018	1st Quarter Target 1 April – 30 June 2017	Cumulative Total	1st quarter Actual Output 1 April – 30 June 2017	Challenges	Evidence / Comment
			Engineering – Diploma	100%		100% Final draft completed – Awaiting HEQC approval		**100% completion of standards development process consist of:** • CHE to conduct public consultations on the draft statement (written comments and public hearings) • Revision of the final draft in line with comments from public consultations • CHE to present final draft to National Review Committee • CHE to present final draft Standard to HEQC • Formal approval of the final draft by CHE Council Final draft completed – Awaiting HEQC approval
			Engineering – Bachelor	100%		100% Final draft completed – Awaiting HEQC approval		**100% completion of standards development process consist of:** • CHE to conduct public consultations on the draft statement (written comments and public hearings) • Revision of the final draft in line with comments from public consultations • CHE to present final draft to National Review Committee • CHE to present final draft Standard to HEQC • Formal approval of the final draft by CHE Council Final draft completed – Awaiting HEQC approval
			Procurement qualifications	No set target for Q1		Scheduled to start in the fourth quarter		
			Higher Certificate in Emergency	20%		40% Reference group workshop held 30-31 May 2017 First iteration of draft statement completed		**40% completion of standards development process consist of:** CHE invites standards development working group to an initial workshop • Reference group workshop held 30-31 May 2017

Strategic objectives	Performance Indicator	2016/2017	2017/2018 – First Quarter: 1 April – 30 June 2017					
		Audited output	Annual target 1 April 2017 – 31 March 2018	1st Quarter Target 1 April – 30 June 2017	Cumulative Total	1st quarter Actual Output 1 April – 30 June 2017	Challenges	Evidence / Comment
								Draft statement 40% complete: 1st iteration • First iteration completed
2.4 Management of the phases of National Reviews planned for each financial year	Number 2.3.4 Percentage of planned major milestones in each national review achieved by the end of March 2018.	0	Approved national report on Bachelor of Social Work – Phase 3	100%		90% In progress – 3rd draft under revision		**Phase 3 – 100% completion of management of National Reviews consist of:** • Peer review decision making and outcomes - competed • HEQC ratification and publication of outcomes - completed • Monitoring of improvement plans – completed • Preparation and publication of a national review report on the state of the provision under review in South Africa – in progress
		40%	Approved national report on Bachelor of Laws – Phase 3	No set target for Q1		90% Writing Team commenced work in May 2017. Terms of Reference approved by the HEQC on June 2017. (refer 4.2.4 above)		**Phase 3 – 100% completion of management of National Reviews consist of:** • Peer review decision making and outcomes - competed • HEQC ratification and publication of outcomes - completed • Monitoring of improvement plans – in progress • Preparation and publication of a national review report on the state of the provision under review in South Africa – in progress
		n/a New performance indicator	Approved activities report on Doctoral Degrees – Phase 1	20%		20% Consultation with key stakeholder groups regarding the scope of the review Reference group first meeting held 26-27 May 2017.		**Phase 1 – 60% completion of management of National Reviews consist of:** • Consultation with key stakeholder groups regarding the scope of the review, • Writing the review proposal, • Reaching agreement on the minimum standards and criteria for the review • Selection of the reference group, review panels and chairs. • Training workshops for all key stakeholder groups.

Strategic objectives	Performance Indicator	2016/2017	2017/2018 – First Quarter: 1 April – 30 June 2017					
		Audited output	Annual target 1 April 2017 – 31 March 2018	1st Quarter Target 1 April – 30 June 2017	Cumulative Total	1st quarter Actual Output 1 April – 30 June 2017	Challenges	Evidence / Comment
Programme 3: Research, Monitoring and Advice								
3.1 Research: To produce and share reliable research on key issues per year to inform the development and transformation of the higher education system through one publication by the end of March each year	Number 3.3.1(a) One publication recording research findings by end March 2018	1	One publication published	0	1	1	There is currently no budget for empirical research or for a publication The project (Kagisano 11) was finalised during Q4 of 2016/17 but it could not be recorded as an achievement for Q4 as dissemination of such research findings was done after March 2017.	**No output required during the 1st Quarter.** Publication of research report. Project: Kagisano 11
	Number 3.3.1(b) One event held by end March 2018	n/a New performance indicator	One event held	0			There is currently no budget to host events	**No output required during the 1st Quarter.**
3.2 Monitoring: To collate and disseminate by the end of March each year monitoring information on key trends and developments in higher education	Number 3.3.2 One monitoring publication, VitalStats published by end March 2018	1	One vital stats publication produced	0	1 publication	1 publication		Although no output was required during the 1st Quarter, VitalStats 2015 was published in April 2017.
3.3 Advice: To provide by the end of each financial year research-based recommendations and advice on issues of national importance to the higher education sector, both proactively and in response to Ministerial requests	Number 3.3.3(a) Number of Proactive advice reports to the Minister of Higher Education and Training by end March 2018	0	Two Advisory reports submitted to the Minister	0			Advice is based on research The budget shortfall for research also affect this indicator	**No output required during the 1st Quarter.**
	Number 3.3.3(b) Number of responsive advice reports to the Minister of Higher Education and Training by end March 2018	100% 4	80% of requests received and responded to	80% of requests received and responded to	100% 2 responsive advice reports were submitted in response to 2 requests	100% 2 responsive advice reports were submitted in response to 2 requests		• Advice on Internationalisation policy • Advice on NASCA (new qualification for adults)

Strategic objectives	Performance Indicator	2016/2017	2017/2018 – First Quarter: 1 April – 30 June 2017					
		Audited output	Annual target 1 April 2017 – 31 March 2018	1st Quarter Target 1 April – 30 June 2017	Cumulative Total	1st quarter Actual Output 1 April – 30 June 2017	Challenges	Evidence / Comment
Programme 4: Administration and Support								
4.1 Integrated, online Information, Communication and Technology (ICT) System completed in the phases allocated for each year.	Number 4.3.1 Development of an integrated online CHE management information system by the end of the financial year	n/a New performance indicator	• Due diligence • Design and Specifications development • Project Plan • Contract	0				**No output required during the 1st Quarter.** Although no output was required during the 1st Quarter, the Bid Specification was finalised.
4.2 To ensure governance and compliance of ICT with statutory requirements each financial year	Number 4.3.2 Number of reviewed and developed ICT policies, frameworks, guidelines, procedures and processes each quarter	8 ICT policies reviewed / developed	7 Policies developed and approved	2 Policies developed and approved	2 • 1 Framework reviewed (ICT Management Framework) • 1 Asset Management Procedure developed	2 • 1 Framework reviewed (ICT Management Framework) • 1 Asset Management Procedure developed	ICT Steering Committee Meeting was postponed due to lack of quorum	Awaiting approval by the ICT Steering Committee and the EXCO/Council
4.3 and 4.4 Human Resources Management. Staff training in each financial year	Number 4.3.3 Percentage of staff trained and developed within each quarter (staff training interventions)	77% (32 training interventions)	70%	10% 4 training interventions offered	12% 5 training interventions offered	12% 5 training interventions offered		
	Number 4.3.4 Percentage of approved posts on the organisational structure filled throughout the quarter	83% of the organisational structure filled	85% of approved posts on the organisational structure filled (44 employees)	85% of approved posts on the organisational structure filled (44 employees)	81% of approved posts on the organisational structure filled (42 employees)	81% of approved posts on the organisational structure filled (42 employees)		
4.5, 4.6, 4.7 and 4.8 Financial management and supply chain management. Targets given per financial year	Number 4.3.5 Number of developed Finance and SCM policies, frameworks, guidelines and procedures within each quarter	15 Finance and SCM policies, frameworks, guidelines and procedures reviewed / developed	2 developed Finance and SCM policies, frameworks, guidelines and procedures	2 developed and approved Finance and SCM policies, frameworks, guidelines and procedures	2 • Rates payable for Hiring of Venues • Applicable rates payable to Peer Academics for 2017/2018	2 • Rates payable for Hiring of Venues • Applicable rates payable to Peer Academics for 2017/2018		Approved documents

Strategic objectives	Performance indicator	2016/2017	2017/2018 – First Quarter: 1 April – 30 June 2017					
		Audited output	Annual target 1 April 2017 – 31 March 2018	1st Quarter Target 1 April – 30 June 2017	Cumulative Total	1st quarter Actual Output 1 April – 30 June 2017	Challenges	Evidence / Comment
	Number 4.3.6 Number of reviewed Finance and SCM policies, frameworks, guidelines and procedures within each financial year		6 reviewed policies, framework, guidance and procedures	0	4 • Delegation of Authority • SCM Policy • SCM Procedures • Audit and Risk Charter	4 • Delegation of Authority • SCM Policy • SCM Procedures • Audit and Risk Charter		Approved documents Although no output was required during the 1st Quarter, the following documents were finalised: • Delegation of Authority • SCM Policy • SCM Procedures • Audit and Risk Charter
	Number 4.3.7 Average percentage of eligible suppliers paid within 30 days each month within the quarter	100% 231	80% Average percentage of eligible suppliers paid within 30 days	80% Average percentage of eligible suppliers paid within 30 days	100% (57/57) 57 suppliers averagely paid within 20 days	100% (57/57) 57 suppliers averagely paid within 20 days		Detail report available
	Number 4.3.8 Number of expenditure reports submitted to DHET by the compliance date	n/a New performance indicator	4 approved expenditure reports	1 approved expenditure reports	1 approved expenditure report	1 approved expenditure report		Approved expenditure report
4.9 Number of Corporate Governance meetings each financial year. Targets are per financial year	Number 4.3.9 Number of scheduled governance meetings to be held by the end of March 2018	n/a New performance indicator	21 meetings held	6 meetings held	6 meetings were held	6 meetings were held		
4.10 Number of International Partnerships and Cooperation at the end of each financial year. Targets given per financial year	Number 4.3.10 Number of active international partnerships participated in by the end of March 2018	n/a New performance indicator	5 events	0				**No output required during the 1st Quarter.**

Strategic objectives	Performance indicator	2016/2017	2017/2018 – First Quarter: 1 April – 30 June 2017					
		Audited output	Annual target 1 April 2017 – 31 March 2018	1st Quarter Target 1 April – 30 June 2017	Cumulative Total	1st quarter Actual Output 1 April – 30 June 2017	Challenges	Evidence / Comment
4.11 Number of media releases, communiqués, newsletters and other corporate information resources released by the end of each year	Number 4.3.11 Number of media releases, communiqués, newsletters and other corporate information resources released by the end of March 2018	3	5 media releases, communiqués, newsletters and other corporate information resources released	1 media release, communiqué, newsletter and other corporate information resources released	2 1 media release on the outcomes of the LLB review; and Volume 1, Issue No. 6 of the CHE newsletter	2 1 media release on the outcomes of the LLB review; and Volume 1, Issue No. 6 of the CHE newsletter	The actual performance is double the target for the quarter because of the media release on the outcomes of the LLB review which came earlier than had been initially expected.	1 media release on the outcomes of the LLB review and Volume 1, Issue No. 6 of the CHE newsletter
4.12 and 4.13 To keep abreast of QA trends – one international conference participated in by the end of March each year. To conduct benchmarking exercises of key CHE processes	Number 4.3.12 To keep abreast of QA trends – one international conference participated in by the end of March 2018	n/a New performance indicator	1 international conference participated in	0	1	1		Although no output was required during the 1st Quarter, the CHE participated in an international conference or colloquium on a framework for interaction, coordination and collaboration in Post-School Education and Training held on from 18 to 19 May 2017
	Number 4.3.13 To conduct benchmarking exercises of key CHE processes by end of each year	n/a New performance indicator	Benchmarking activity report	0				**No output required during the 1st Quarter.**

1st QUARTER EXPENDITURE SUMMARY REPORT AS AT 30 JUNE 2017

SUMMARY	TOTAL BUDGET	1st QUARTER 01/04/2017 - 30/06/2017	2nd QUARTER 01/07/2017 - 30/09/2017	3rd QUARTER 01/10/2017 - 31/12/2017	4th QUARTER 01/01/2018 - 31/03/2018	Actual Expenditure YTD	% OF EXP VS BUDGET	BUDGET BALANCE AS AT 30th JUNE 2017
INCOME	**54 604 600**	**13 520 984**	**0**	**0**	**0**	**13 520 984**	**25%**	**41 083 616**
DHET - Government grant	47 946 000	11 987 000				11 987 000	**25%**	35 959 000
Private Accreditation - Cost Recovery	4 000 000	1 046 846				1 046 846	**26%**	2 953 154
Interest Income	850 000	460 407				460 407	**54%**	389 593
University of Pretoria	1 808 600	26 731				26 731	**1%**	1 781 869
EXPENDITURE	**54 604 600**	**13 134 371**	**-**	**-**	**-**	**13 134 371**	**24%**	**41 470 229**
Goods and Services	21 300 016	5 944 955				5 944 955	**28%**	15 355 061
Personnel	33 304 584	7 189 416				7 189 416	**22%**	26 115 168
INCOME LESS EXPENDITURE	**-**	**386 613**	**-**	**-**	**-**	**386 613**	**1%**	**- 386 613**

BANK BALANCES AT END OF QUARTER	Q2	Q3	Q4	Q1
	30 Sept 16	31 Dec 16	31 March 17	30 June 17
INVESTEC BANK	10 646 708	8 684 443	3 300 601	3 364 750
STD BANK - TRANSACTION ACCOUNT	533 562	556 967	408 968	14 864 884
STD BANK - PRIVATE ACCREDITATION	253 581	84 954	2 809 040	2 086 261
TOTAL AVAILABLE	**11 433 851**	**9 326 364**	**6 518 609**	**20 315 895**

1st QUARTER EXPENDITURE REPORT PER PROGRAMMES AS AT 30 JUNE 2017

SUBPROGRAMMES	TOTAL BUDGET	1st QUARTER 01/04/17-30/06/17	2nd QUARTER 01/07/17-30/09/17	3rd QUARTER 01/10/17-31/12/17	4th QUARTER 01/01/18-31/03/18	Actual Expenditure YTD	% OF EXP VS BUDGET	BUDGET BALANCE AS AT 30 JUNE 2017
	R	R					%	
CEO' S OFFICE	**12 236 334**	**2 442 685**	-	-	-	**2 442 685**	**20%**	**9 793 649**
Goods and Services	7 038 517	1 327 759				1 327 759	19%	5 710 758
Personnel	5 197 817	1 114 926				1 114 926	21%	4 082 891
SUPPORT SERVICES	**16 473 505**	**3 700 684**	-	-	-	**3 700 684**	**22%**	**12 772 821**
Goods and Services	7 382 889	1 523 102				1 523 102	21%	5 859 787
Personnel	9 090 616	2 177 582				2 177 582	24%	6 913 034
RESEARCH,MONITORING AND ADVICE	**4 657 073**	**1 242 363**	-	-	-	**1 242 363**	**27%**	**3 414 710**
Goods and Services	163 039	269 688				269 688	165%	(106 649)
Personnel	4 494 034	972 675				972 675	22%	3 521 359
ASSESSMENT QUALITY ASSURANCE MECHANISM	**6 449 886**	**877 753**	-	-	-	**877 753**	**14%**	**5 572 133**
Goods and Services	2 190 182	180 479				180 479	8%	2 009 703
Personnel	4 259 704	697 274				697 274	16%	3 562 430
ACCREDITATION	**9 728 543**	**2 507 332**	-	-	-	**2 507 332**	**26%**	**7 221 211**
Goods and Services	2 479 385	997 458				997 458	40%	1 481 927
Personnel	7 249 158	1 509 874				1 509 874	21%	5 739 284
NATIONAL STANDARDS AND REVIEWS	**5 059 259**	**2 363 554**	-	-	-	**2 363 554**	**47%**	**2 695 705**
Goods and Services	2 046 004	1 646 469				1 646 469	80%	399 535
Personnel	3 013 255	717 085				717 085	24%	2 296 170
GRAND TOTAL	**54 604 600**	**13 134 371**	-	-	-	**13 134 371**	**24%**	**41 470 229**

REASONS FOR OVER AND UNDER SPENDING PER SUBPROGRAMMES

Note: Reasons for over/under spending will cover subProgrammes that are 5% below or above the spending threshold of 25%.

CEO'S OFFICE

Goods & services

Underspent by 6% due to the HRRC scheduled to take place in August 2017 and October 2017. Membership and subscripitons payments due in September/October 2017.

Personnel

Spending within the spending threshold.

SUPPORT SERVICES
Goods & services
Spending within the spending threshold.
Personnel
Spending within the spending threshold.

RESEARCH,MONITORING AND ADVICE
Goods & services
Over spent by 140% due to the 206/2017 committments paid in this quarter.
Personnel
Spending within the spending threshold.

ASSESSMENT QUALITY ASSURANCE MECHANISM
Goods & services
Under spent by 17% due to less planned activities for during this quarter.

Personnel
Under spent by 9% due to a vacant funded Senior Manager post as a results of resignation.

ACCREDITATION
Goods & services
Over spent by 15% due to the following reasons: Multiple site visits and an Accreditation Committee Meeting were arranged and all travel costs were incurred.Multiple evaluators appointed to deal with large number of applications received, online and offline including site visits.
Personnel
Spending within the spending threshold.

NATIONAL STANDARDS AND REVIEWS
Goods & services

Overspent by 55% due to travel related costs for the Director and Senior Manager to UFS and WSU LLB follow up site visits. The site visits were budgeted for, but the money was not allocated due to budget short fall within CH National Review. Travel related costs for the people who attended the Emergency Care Standard Development meeting on 30-31 May 2017.
Personnel
Spending within the spending threshold.

COUNCIL ON HIGHER EDUCATION

CHE

1ST QUARTER EXPENDITURE DETAIL REPORT AS AT 30 JUNE 2017

Note: Note numbers are allocated for expenditure items that are 5% below or above the spending threshold of 25%.

	TOTAL BUDGET	1st QUARTER 01/04/17-30/06/17	2nd QUARTER 01/04/17-30/09/17	3rd QUARTER 01/10/17-31/12/17	4th QUARTER 01/01/18-31/03/18	Actual Expenditure YTD	% OF EXP VS BUDGET	NOTES	BUDGET BALANCE AS AT 30 JUNE 2017
	R	R	R				%		
INCOME SOURCES	**54 604 600**	**13 520 984**	**-**	**-**	**-**	**13 520 984**	**25%**		**41 083 616**
DHET - GOVERNMENT GRANT	47 946 000	11 987 000				11 987 000	25%		35 959 000
UNIVERSITY OF PRETORIA	1 808 600	26 731				26 731	1%	1	1 781 869
PRIVATE ACCREDITATION	4 000 000	1 046 846				1 046 846	26%		2 953 154
INTEREST AND OTHER INCOM	850 000	460 407				460 407	54%	2	389 593
TOTAL EXPENDITURE	**54 604 600**	**13 134 371**	**-**	**-**	**-**	**13 134 371**	**24%**		**41 470 228**
									-
ACCOMMODATION	862 585	156 744				156 744	18%	3	705 841
AIR TRAVEL	2 046 769	398 550				398 550	19%	3	1 648 219
CAR HIRE	58 493	15 977				15 977	27%	3	42 516
PARKING AND TOLLGATES	34 830						0%	3	34 830
ROAD TRAVEL	*348 640*	*109 611*				109 611	31%	3	239 029
SERVICE FEES	231 936	21 834				21 834	9%	3	210 101
SUBSISTENCE	16 881	18 791				18 791	111%	3	(1 910)
PEER ACADEMICS	897 390	492 182				492 182	55%	4	405 208
CONSULTANCY	20 000						0%	5	20 000
OUTSOURCED SERVICES	1 521 160	*1 562 700*				1 562 700	103%	6	(41 540)
ADMINISTRATION	1 037 577	521 697				521 697	50%	7	515 880
REGISTRATION FEES	17 387						0%	8	17 387
VENUE AND CATERING	894 598	39 673				39 673	4%	9	854 926
OFFICE SUPPLIES	15 000						0%	10	15 000
HONORARIUMS	2 000						0%	11	2 000
LEGAL FEES	2 957 500	*1 073 766*				1 073 766	36%	12	1 883 734
INSURANCE	303 000	*134 710*				134 710	44%	13	168 290
COUNCIL MEMBERS	3 824 169	*254 992*				254 992	7%	14	3 569 177
EXTERNAL AUDIT	1 065 000	*60 864*				30 864	6%	15	1 004 136
INTERNAL AUDIT	477 330	*14 093*				14 093	3%	16	463 237
LICENCE FEES	446 519	357 526				357 526	80%	17	88 993
MEDIA & RESOURCES	43 390	- 10				- 10	0%	18	43 400
INFORMATION SYSTEMS	796 278	136 688				136 688	17%	19	659 590
BUILDING & UTILITIES	2 440 380	375 011				375 011	15%	20	2 065 369
RECRUITMENT COSTS	520 463	*140 013*				140 013	27%		380 450
HUMAN RESOURCES COSTS	420 740	*59 544*				59 544	14%	21	361 196
PERSONNEL	33 304 584	7 189 416				7 189 416	22%		26 115 168
TOTAL (OVER)/UNDER SPEND	**0**	**386 613**	**-**	**-**	**-**	**386 613**			**(386 612)**

CHE

REASONS FOR OVER AND UNDER SPENDING

Note: An explanation for over/under spending will cover expenditure items that are 5% below or above the spending threshold of 25%.

1	24% under recovery is a result of a transfer funds not been made from University of Pretoria for Quality Enhance Projects (QEP).
2	29% extra income received because of the interest received on invested surplus cash ,recovery costs on seconded member of staff as well as proceeds from insurance claims.
3	The under and over spending on travel,accomodation and related costs are due to less more travell requests from various Programmes.
4	30% overspending is due to more Peer Academics appointed as a result of additional site visit under subprogramme Accreditation.
5	25% unspent as a result of the planned work scheduled to take place in later Quarters.
6	78% overspending is due to once-off payment of SAQA payment that was made and was also underbudgeted.
7	25% overspending is as a result of allocation of some expenses such as stationery being purchased in advance although their usage lasts up to second quarter. Other costs in admin relate to telephone,insurance,bank charges, printing etc.
8	25% unspent is due to scheduled conferences have not occurred as at the end of the first Quarter.
9	21% underspending is as a result of the major part of this expense relate to the scheduled QEP conferences that have not taken place yet.
10	25% unspent is informed by services not requested in this quarter.
11	25% unspent as a result of the honorarim vouchers to be paid at the end of the financial year in the 4th Quarter.
12	11% overspending is due to increased and ongoing litigation costs with SANTS.
13	19% overspending is a result of once off payment and therefore there are savings to be realised on this line item.
14	18% underspending is informed by some council members claims for the first Quarter meetings not been submitted and processed.

15	19% underspending is a result of a major component of External audit fees to be processed in the second and third quarters.
16	22% underspending is informed by commencment of Internal Audit services in the second Quarter and therefore related costs will reflect from the second Quarter onwards.
17	55% overspending is due to some of the licence fees costs that relate to period beyond the first quarter.
18	25% unspent due to books,brochures,promotional items and other publicity materials not requested in this quarter.
19	8% underspending is a a result of some IT costs relating to the first quarter have not reflected in the expenses and will be recorded in the seconded quarter.
20	10% underspending is due to some maintenance costs budgeted for have not occurred yet.
21	11% underspending is informed by costs low in the first Quarter as some scheduled and budgeted expenditure has not taken place yet.

COUNCIL ON HIGHER EDUCATION

Compliance checklist for the Public Finance Management Act, 1999, as amended (PFMA)

CHAPTER SIX: PUBLIC ENTITIES

Section	Question	Yes	No	N/A	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)?			✓	Not applicable in this quarter.
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)?			✓	Not applicable in this quarter.
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 in this quarter.
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*	✓			

Section	Question	Yes	No	N/A	Remarks
	reasonably discoverable, which in my 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)?				
50(2)	*(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—* *(a) act in a way that is inconsistent with the responsibilities assigned to an accounting authority in terms of this Act; or* *(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.* Did the accounting authority comply with the restraints stipulated in section 50(2)?	✓			
50(3)(a) 50(3)(b)	*(3) A member of an accounting authority must—* *(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* *(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.* 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? And (b) withdrew from the proceedings of the accounting authority when that matter was considered, unless the exclusion as stipulated was applicable?	✓			
51(1)(a)	*(1) An accounting authority for a public entity—* *(a) must ensure that that public entity has and maintains—* *(i) effective, efficient and transparent systems of financial and risk management and internal control;* *(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* *(iii) an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective;* *(iv) a system for properly evaluating all major capital projects prior to a final decision on the project;* Did the accounting authority for a public entity comply with the stipulations contained in section 51(1)(a)?	✓			

COUNCIL ON HIGHER EDUCATION

Section	Question	Yes	No	N/A	Remarks
51(1)(b)	*(1) An accounting authority for a public entity—* *(b) must take effective and appropriate steps to—* *(i) collect all revenue due to the public entity concerned; and* *(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* *(iii) manage available working capital efficiently and economically;* Did the accounting authority comply with the stipulations contained in section 51(1)(b)?	✓			
51(1)(c)	*(1) An accounting authority for a public entity—* *(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;* 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?	✓			
51(1)(d)	*(1) An accounting authority for a public entity—* *(d) must comply with any tax, levy, duty, pension and audit commitments as required by legislation;* Did the accounting authority comply with any tax, levy, duty, pension and audit commitments as required by legislation.	✓			
51(1)(e)	*(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;* 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)?			✓	No financial misconduct took place in the public entity during this period.
51(1)(f)	*(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;* Did the accounting authority submit all stipulated information to stipulated users as prescribed by section 51(1)(f)?	✓			

COUNCIL ON HIGHER EDUCATION

PFMA AND TR COMPLIANCE CHECKLIST

Section	Question	Yes	No	N/A	Remarks
51(1)(g)	*(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* 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?			✓	Not applicable in this quarter.
51(1)(h)	*(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.* 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?	✓			
51 (2)	*(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.* 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?	✓			A submission was made to DHET and Treasury in relation to budget shortfall for the year 2017/2018.
53(1)	*(l) 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* 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?			✓	Not applicable in this quarter.
53(2)	*(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.* Was the budget submitted to the executive authority through the accounting officer for a department designated by the executive authority?	✓			
53(3)	*(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.*		✓		

Section	Question	Yes	No	N/A	Remarks
	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?				
53(4)	*(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.* 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?	✓			
54(1)	*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.* 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?			✓	Not applicable in this quarter.
54(2)	*(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:* *(a) establishment or participation in the establishment of a company;* *(b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;* *(c) acquisition or disposal of a significant shareholding in a company;* *(d) acquisition or disposal of a significant asset;* *(e) commencement or cessation of a significant business activity; and* *(f) a significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.* 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?			✓	Not applicable in this quarter.
54(3)	*(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.* 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)?			✓	Not applicable in this quarter.
  55(1)(a) 55(1)(b)	*(1) The accounting authority for a public entity—* *(a) must keep full and proper records of the financial affairs of the public entity;* *(b) prepare financial statements for each financial year in accordance with generally accepted*	✓			

Section	Question	Yes	No	N/A	Remarks
   55(1)(c) 55(1)(d)	*accounting practice, unless the Accounting Standards Board approves the application of generally recognised accounting practice for that public entity;* *(c) must submit those financial statements within two months after the end of the financial year—* *(i) to the auditors of the public entity for auditing; and* *(ii) if it is a business enterprise or other public entity under the ownership control of the national government, to the treasury; and* *(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—* *(i) an annual report on the activities of that public entity during that financial year;* *(ii) the financial statements for that financial year after the statements have been audited; and* *(iii) the report of the auditors on those statements.* Does the accounting authority for a public entity: a) Keep full and proper records of the financial affairs of the public entity?; b) Prepare financial statements for each financial year in accordance with generally accepted accounting practice (gaap), unless the stipulated deviation from gaap applies?; c) Submit those financial statements within two months after the end of the financial year to the stipulated institutions?; and d) Submit within five months of the end of a financial year to the stipulated institutions: i) An annual report on the activities of that public entity during that financial year ii) The financial statements for that financial year after the statements have been audited and iii) The report of the auditors on those statements?				
  55(2)(a) 55(2)(b) 55(2)(c)	*(2) The annual report and financial statements referred to in subsection (1) (d)must—* *(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;* *(b) include particulars of—* *(i) any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;* *(ii) any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;* *(iii) any losses recovered or written off,* *(iv) any financial assistance received from the state and commitments made 10 by the state on its behalf and* *(v) any other matters that may be prescribed; and* *(c) include the financial statements of any subsidiaries.* Does the annual report and financial statements referred to in section 55(1)(d):	✓			The annual report and unaudited financial statements have been prepared and submitted to AGSA for audit as prescribed.

COUNCIL ON HIGHER EDUCATION

Section	Question	Yes	No	N/A	Remarks
	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?; b) Include particulars of the matters referred to in section 55(2)(b)?; and c) Include the financial statements of any subsidiaries?				
55(3)	*(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.* 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?		✓		The audit report will be finalised on the 31st July 2017. Therefore the reports will only be submitted in August 2017 as prescribed.
55(4)	*(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.* 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?			✓	Not relevant to the CHE.
56(1)	***(1)** The accounting authority for a public entity may—* *(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* *(b) instruct an official in that public entity to perform any of the duties assigned to the accounting authority in terms of this Act.* 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?	✓			The CHE delegation authority has been updated and approved by Council and it clearly in writing stipulates the delegation of powers to the CHE employees.
56(2)	*A delegation or instruction to an official in terms of subsection (l)—* *(a) is subject to any limitations and conditions the accounting authority may impose;* *(b) may either be to a specific individual or to the holder of a specific post in the relevant public entity; and* *(c) does not divest the accounting authority of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty.* 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?	✓			
56(3)	*(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.* In case where an accounting authority confirmed, varied or revoked any decision taken by an		✓		No decisions revoked for this quarter.

Section	Question	Yes	No	N/A	Remarks
	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)	*An official in a public entity—* *(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;* *(b) is responsible for the effective, efficient, economical and transparent use of financial and other resources within that official's area of responsibility;* *(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;* *(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* *(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.* 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 officiai, including any delegations and instructions in terms of section 56?	✓			
58(1)	*(l) The annual financial statements of a public entity must be audited annually by—* *(a) the Auditor-General; or* *(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.* Are the annual financial statements of the public entity audited on an annual basis by one of the two stipulated parties?	✓			The annual financial statements for the year 2016/2017 is currently been audited and the final audit outcome will be issued by AGSA on the 31st July 2017.
58(3)	*(3) A public entity must consult the Auditor-General on the appointment of an auditor in terms of subsection (2).* Did the public entity consult the Auditor-General on the appointment of an auditor in terms of section 58(2)?			✓	The CHE is audited by AGSA therefore this is not applicable to CHE.
58(2)	*(2) A public entity may appoint, as its auditor, a person referred to in subsection (l)(b) only if the audit is not performed by the Auditor-General* 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?			✓	Not applicable in this quarter.
59	*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—* *(a) after consultation with the accounting authority for that public entity; and*			✓	Not applicable in this quarter.

Section	Question	Yes	No	N/A	Remarks
	(b) with the concurrence of the Auditor-General. Were the auditors discharged after consultation with the executive authority and with the concurrence of the Auditor-General and in terms of section 59?				
66 (1) to 66(6)	*(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-* *(a) is authorised by this Act; and* *(b) in the case of public entities, is also authorised by other legislation not in conflict with this Act; and* *(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)* *(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:* *(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.* *(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:* *(a) A public entity listed in Schedule 2: The accounting authority for that Schedule 2 public entity.* *(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.* *(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.* *(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.* *(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.* *(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.* *(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.*		✓		There was no need to borrow any funds or issue a guarantee.

PFMA AND TR COMPLIANCE CHECKLIST

Section	Question	Yes	No	N/A	Remarks
	(7) A public entity authorised to borrow money— *(a) must annually submit to the Minister a borrowing programme for the year; and* *(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.* Did the public entity borrow money or issue a guarantee or enter into any such transaction as referred to in this section? If so, have the requirements of sections 66 (1) a-c and 66 (2) to 66 (6), as applicable, been met?				
77 (a) (b)	*An audit committee—* *(a) must consist of at least three persons of whom, in the case of a department—* *(i) one must be from outside the public service;* *(ii) the majority may not be persons in the employ of the department, except with the approved of the treasury; and* *(iii) the chairperson may not be in the employ of the department;* *(b) must meet at least twice a year; and* Does the composition of the audit committee meet the requirements of this section and have they met as prescribed?	✓			Fully functional and effective.

TREASURY REGULATIONS COMPLIANCE REPORT

Section	Question	Yes	No	N/A	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 in this quarter.

PFMA AND TR COMPLIANCE CHECKLIST

COUNCIL ON HIGHER EDUCATION

Section	Question	Yes	No	N/A	Remarks
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)	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: (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.			✓	CHE is already listed as Schedule 3A.
	3. 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?	✓			The internal audit service provider has been appointed in July 2017 for a period of 3 years.
	4. 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	Does the chairperson of the committee comply with the following requirements:	✓			

Section	Question	Yes	No	N/A	Remarks
Tr(27.1.3)	- 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?			✓	Not applicable in this quarter.
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?	✓			The terms of reference were reviewed by the Audit and Risk Committee members at its meeting in May 2017.
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?	✓			Disclosed in the unaudited annual report for the year 2016/2017.
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; - 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).	✓			A comprehensive report of the Audit and Risk Committee was included in the unaudited annual report and annual financial statement for the year 2016/2017.
4.1.8 Tr(27.1.9)	- 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: - 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.		✓		No members implicated.

PFMA AND TR COMPLIANCE CHECKLIST

Section	Question	Yes	No	N/A	Remarks
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.		✓		No major concern were raised.
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?	✓			The Audit and Risk Committee meets quarterly together with the AGSA and discuss financial, risks and governance matters that require urgent attention and solution.
	4.2 Internal controls and internal audit (Chapter 27.2)				
4.2.1 Tr(27.2.1)	- 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?	✓			The internal audit service company has been appointed in June 2017 for a period of 3 years.
4.2.3 Tr(27.2.3 & 4)	Where the internal audit was contracted out - were the tendering procedures properly followed? - were they independent (i.e. not external auditors)?	✓			The internal audit service company has been appointed in June 2017 for a period of 3 years.
4.2.4 Tr(27.2.5)	- 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 (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 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.	✓			The previous internal audit service company evaluated the internal control measures in place and report it to the Audit and Risk Committee meeting as scheduled.

Section	Question	Yes	No	N/A	Remarks
	(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?	✓			
	5. 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.	✓			The unaudited annual financial statements for the year 2016/2017 has been submitted to the AGSA, DHET and National Treasury as prescribed.
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?	✓			The framework of acceptable levels of materiality and significance was recommended Audit and Risk Committee and not in consultation with AGSA.
5.1.5 Tr(28.1.6)	Did the public entity prepare financial statements in accordance the GRAP? - If not, was there disclosure of the departure, reasons and effect on financial statements?	✓			
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?	✓			
	6. 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	✓			

Section	Question	Yes	No	N/A	Remarks
	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?	✓			
	7. 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; (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,	✓			

Section	Question	Yes	No	N/A	Remarks
	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; (m) 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?	✓			Is part of the monthly and quarterly expenditure report.
	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 in this quarter.
	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?	✓			

Section	Question	Yes	No	N/A	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?	✓			
	8.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 in this quarter.
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 in this quarter.
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.
9	**9. 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 reported in this quarter.
9.1.2	Was the investigation instituted within 30 days from the date of discovery of the alleged financial			✓	Not applicable in this quarter.

COUNCIL ON HIGHER EDUCATION

Section	Question	Yes	No	N/A	Remarks
Tr(33.1.2)	misconduct?				
9.1.3 Tr(33.1.3)	If the accounting authority or its members is alleged to have committed 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?			✓	Not applicable in this quarter.
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.			✓	Not applicable in this quarter.
	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?			✓	Not applicable in this quarter.
	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.			✓	Not applicable in this quarter.