



UPDATE ON THE TRANSITION FROM THE UNIVERSITY OF LIMPOPO TO THE SEFAKO MAKGATHO HEALTH SCIENCES UNIVERSITY

BY INTERIM COUNCIL - February 15, 2015

Introduction

Six weeks ago the Sefako Makgatho Health Sciences University opened its doors and the process to register students kicked into place. This was a critical milestone for our new institution, made possible by long hours of hard work done by a dedicated team of passionate people on the campus. The IC would like to express its gratitude to all those who worked hard, going the extra mile to ensure we collectively succeed in this challenging task.

As you know, while we celebrate this first milestone, a lot more work lies ahead and we would like to encourage you all to continue with the spirit of collaboration as we move SMU to the next level.

During our initial engagements with the university community, the Interim Council (IC) made a commitment to keep everyone abreast of developments on a regular basis. We have continued to meet with the different constituencies on the campus as we encountered a number of challenges and whilst we concede that we may not have addressed all the concerns raised, we remain committed to working to ensure that the University functions as optimally as possible.

The time to provide a progress report on a number of areas of critical importance is upon us and I would like to use this newsletter to brief the community as a whole on where we are, at this point in time.

As you may recall, the terms of reference of the Interim Council (IC) are based on the directives of the Minister of Higher Education to

- Perform a governance function
- Incorporate Medunsa campus into SMU

- Establish a project steering committee
- Constitute various governance structures as contemplated by the standard institutional statute
- to establish Joint Specialised Teams
- Appoint an interim executive management to manage the day to day activities
- Constitute a Council
- Oversee the finalization of the feasibility study relating to the establishment of the new university that includes the new university's clinical training platform that should be synchronised, aligned and completed
- To facilitate the general operations of SMU including adequate administrative, academic, staff and residential space for when the doors of the SMU open in 2015.
- In the Interim to share academic resources between UL and MEDUNSA campus
- Develop an academic plan for a comprehensive university offering health and allied sciences programmes
- Develop the academic, administrative and organisational structures for the new university
- Initiate the facilitation of the land transfer process to build a new building

Clearly, the tasks elaborated above constitute a huge responsibility which the five members of the Interim Council could not realistically complete within the first six months of the term of office of the IC. Consequently, the Minister extended the duration of the appointment of the IC for another six months, which will end at the latest on May 16, 2015. This extension has provided a much needed window for the IC supported by the IM to push forward in delivering on the overarching mandate.

Below is a short report on progress in relation to the terms of reference, with particular focus on the past 6 weeks.

1. PERFORM GOVERNANCE FUNCTION

The IC has diligently performed its governance functions by ensuring oversight of the functions of the university. This entails a range of activities outlined from point 2 below.

2. INCORPORATE MEDUNSA CAMPUS INTO SMU

The first step towards the incorporation of the Medunsa campus into SMU, required that a process to unbundle the medunsa campus from the University of Limpopo be undertaken. To ensure that this process proceeds, a protocol to guide this was signed between the two institutions, i. e UL and SMU. The Protocol prescribed that a Steering Committee would be established with co-chairs from UL and SMU. Under the leadership of this Steering Committee, a total of 6 Joint Task Teams were established .

a. establish Joint Specialised Teams

One of the key functions in relation to the separation of the Medunsa campus from the University of Limpopo (UL) and its incorporation into SMU was to undertake an audit, , through the various and agreed upon JSTs, of all physical, academic, financial, human resources, Information and Communication Technology (ICT), library and support structures and activities on or pertaining to the Medunsa campus. Although the protocol stipulated that the Joint Specialised Teams should consists of equal number of representatives from the UL Turfloop and UL Medunsa, the spirit of collaboration was severely compromised. The level of depth of the resulting reports were uneven and many were inconclusive.

In essence, the objectives of the Steering Committee were not met hence the DHET directed that a due diligence be done as a matter of urgency to gain a better understanding of the assets and liabilities of the two institutions resulting from the demerger in order to inform the incorporation. The IC prepared terms of reference and invited several of the top auditing firms in South Africa to conduct this due diligence. KPMG was appointed to conduct a due diligence based on the terms of reference focusing on the following 12 areas.

- Financial aspects of the unbundling
- Current trading
- Historical cash flow
- Analysis of liabilities:
- Accounting framework and financial reporting matters
- Control environment
- Taxation Issues and Implications
- Legal Aspects of the Unbundling:
- Evaluation of Contracts, Human Resource Policies and Procedures
- Industrial Relations and Disputes
- Employment Equity

- Pension Fund and Medical aid Schemes

The outcome of the due diligence will provide a legally acceptable report on all the areas identified above.

- b. The Project steering Committee was established as per the protocol functioned until the 31st of December 2014. Its role was deemed not necessary past December 2014 given that the two institutions are now functioning independently .Matters outstanding may require the establishment of a temporary office dealing with the incorporated process, at SMU. This matter is under discussion by the IC and Interim Management (IM).
- c. Constitute various governance structures as contemplated by the standard institutional statute

The Standard Institutional Statute mandates the Interim Council to establish a number of governance structures which will eventually ensure the constitution of a full Council for SMU. The structures identified are:

- Senate
- The Institutional Forum.

The Acting Registrar has been tasked with ensuring that this task is completed speedily. Progress in this regard has been noted. The Acting Registrar, supported by the Campus Manager and other members of the Interim Management has already put mechanisms in place to solicit nominations from the various constituencies. Mr N J Stofberg a former registrar at Tshwane University of Technology has been appointed to undertake this task. This process should be concluded within a week.

The Interim Council has nominated two of its members, Prof Segone and Ms Sizo Mchunu to represent the IC on the Senate as per the Standard Institutional Statute.

- d. Establishment of council

Again the Standard Institutional Statute prescribes the process for constitution of the full Council for SMU. Membership of Council is elaborated in the SIS and in this regard the Interim Council is mandated to appoint 10 members of the full Council in a manner agreed and defined by the Interim Council.

The Interim Council will follow the following steps towards identifying and appointing the 10 members mentioned above.

- An advert calling for nominations from a wide range of stakeholders will be placed in key national newspapers thus allowing full exposure of SMU and to expand the scope of nominees.

- This will be followed by a stakeholder consultation scheduled for February 27th on campus. This engagement will provide the Interim Council an opportunity to share the mission, vision and strategic plan of this new exciting initiative. The Interim Council supported by the Interim Management will elaborate on what is envisaged for SMU, share progress made in the establishment of SMU to date and highlight what will make SMU the institution of choice for aspirant students and other health professionals. This will be an opportunity to market and expose SMU to the rest of the country especially to critical role players in higher education, potential funders and the alumni. The university community is an integral part of this consultation process and we urge you to share your ideas on the day and to enrich the debates.

The final step will be a process of selection of the most appropriate persons to join the Council following a rigorous selection process led and conducted by the Interim Council.

DHET is overseeing the implementation of this initiative, since UL has to accede to this request. SMU is waiting for finalisation of this process.

3. APPOINT AN INTERIM EXECUTIVE MANAGEMENT TO MANAGE THE DAY TO DAY ACTIVITIES

The IC does not manage the day to day functions of the university. Currently SMU has registered a total of 5034 students. Approximately 78% of these students stay in residences (on and off campus).

The IC was given R50 million to establish the university where the incorporation and delinking processes will be supported. However, with SMU that came into operation on the 1st of January 2015 it was clear that this funding is an earmarked grant which means it is meant for a certain purpose and therefore the IC needs to report on the utilisation of this earmarked grant to DHET.

Therefore this team has to manage the finances to ensure that the terms of reference of the IC are undertaken and implemented as per the Gazette, including the feasibility study and master plan, a development framework, ICT, websites and email systems.

It was for the sole purpose of reporting to DHET, that the IC was obliged to ensure that the grant was utilised for the objectives that were outlined in the Gazette. The IC is not operational in all aspects, but gives strategic advice and oversight on the performance of the interim management as well as address lingering issues related to de-merger and incorporation as well as focus on its terms of reference.

4. FEASIBILITY STUDY AND MASTER PLAN

We were asked to oversee the finalization of the feasibility study relating to the establishment of the new university that includes the new university's clinical training platform that should be synchronised, aligned and completed. The intention of such a process is to request from Treasury new money to support the development of this new university. This has been submitted to DHET and Treasury. Unfortunately, because the IC was appointed in May and due to the magnitude of the tasks the consultants could not complete in time for National Treasury to allocate financial resources. Furthermore, there were changes needed to be included in the plan resulting from lack of clarity with respect to the training platform, in particular, whether the academic hospital (George Mukhari) will be built and where, whether level 2 hospital will be built, and the same related to Soshanguve hospital together with the satellite primary care facilities. Furthermore, the need to relocate the pharmacy building needed to be addressed in view of the geological surveillance showing the unsuitability of the initial location of the building. All these changes have an impact on the finances of the university. These matters have now been resolved. It is foreseen that this study will be submitted formally to Treasury during this year as part of the DHET MTEF processes.

5. FACILITATION OF GENERAL OPERATIONS

One of the functions of the IC is to oversee the general operations of SMU including adequate administrative, academic, staff and residential space for when the doors of the SMU open in 2015. This required that we stay very close to the functioning of the university, prior to the appointment of the IM, the IC had to be operational if the university was to be opened on the 1st of January 2015. Negotiations were conducted with Gauteng to ensure there is a training platform, communication was sent to National Health Laboratory Service (NHLS) to ensure a smooth transition from UL to SMU. Indeed due to the tight time frames and the pressure to get ready for the University to start functioning in January 2015,, the IC had to deal with operational tasks which have now been handed over to the Interim Management bar the preparation of the budget that will allow the IC to approve the allocation of financial resources. This is complicated by the challenges of unbundling resources from UL to SMU.

6. SHARE ACADEMIC RESOURCES WITH UL

One of the terms of reference for the IC was , in the Interim to share academic resources between UL and MEDUNSA campus. We did so, by seconding the Interim Management to SMU. The appointment of the permanent Executive management members will occur under the leadership of the substantive council.

7. DEVELOPMENT OF AN ACADEMIC PLAN

The IC was tasked with the responsibility to develop an academic plan for a comprehensive university offering health and allied sciences programmes. We have started consultation with the academic staff on the programmes, but much more needs to be done. The range of programmes suggested in the JTT report is too broad and needs to be narrowed. We plan to undertake this task with the assistance of the senate. We have developed a draft strategic plan at the request of DHET with input from the university. The IC is waiting for the substantive inputs of the various departments before we can have a consolidated strategic plan. We also requested the university management to consult the community with respect to the annual performance plan, which will be submitted to DHET by end of March.

8. ACADEMIC AND ADMINISTRATIVE STRUCTURES

The IC has the responsibility as part of its terms of reference to develop the academic, administrative and organisational structures for the new university. The IC requested Professor Ayo Yusuf to put together a draft in consultation with staff who were available in December. The current draft is being reviewed by the university staff.

9. LAND TRANSFER

The IC has been in consultation with the legal firm that assisted the Joint Task Team and the consultant on SMU Master Plan to have the land transferred into the name of SMU. This is not a quick process and given that there is a land claim on one section and mining rights over the whole area, there are delays. We are confident that the actual transfer into the name of SMU will be achieved in a relatively short timeframe.

10. LAUNCH OF THE NEW UNIVERSITY

The institution and the DHET together with the IC has established a steering and local organising committee to plan the launch of SMU. It is going to be a very exciting event with the drum majorettes that will partake, and the SMU choir that will honour us with their voices. The DHET is waiting for a formal confirmation of the President's attendance. The event date will be communicated as soon as the availability of the Minister of Higher Education and Training and the Minister of Health is confirmed. Staff and students will be invited to this major event and more details will be provided to the SMU community.

11. COMMUNICATION AND FEED BACK

The Interim Council will appreciate getting feedback on this news letter and other suggestions you may have. Please post them on the website at www.smu.ac.za. We will respond to these in the next news letter.