



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

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Dear Professor Mayekiso

UNIVERSITY OF MPUMALANGA: APPROVAL FOR THE UNIVERSITY'S FIVE YEAR INFRASTRUCTURE DEVELOPMENT PLAN AND THE RELEASE OF 2016/17 INFRASTRUCTURE ALLOCATION

Thank you for the submission of the University of Mpumalanga (UMP)'s five year infrastructure development plan and annual report for new infrastructure projects with the proposed budget for 2015-2020.

I have approved UMP's proposed five year infrastructure development plan in order to allow the University to plan its activities for these years as outlined in the infrastructure development plan and the allocation of R673,920 million for 2016/17 (The estimated project cost in the plan must be adjusted to this allocation). The detail of the approved five year infrastructure development plan is shown in tables 1 and 2 below.

Table 1: Approved 5 year academic and residential infrastructure implementation plan for UMP

Academic and residential infrastructure	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
	Rand	Rand	Rand	Rand	Rand
Executive Offices	23 000 000	13 754 354	0	0	0
Library	16 400 000	61 664 699	0	0	0
IT laboratories	5 600 000	28 090 960	10 000 000	0	0
Clinic	18 600 000	37 692 932	0	0	0
Residential	19 100 000	59 088 198	27 039 598	140 289 138	224 913 906
Sports/Multi-Purpose Hall	0	32 738 492	17 540 205		0
Administration block	0	34 921 129	63 448 249	47 423 517	0
Hospitality	0	27 304 022	46 490 632	0	0
Multi-Purpose Academic Teaching Block	0	33 354 197	56 792 281	0	0
Staff support and recreation	0	10 377 300	19 272 128	0	0
Renovation to existing DARDLA buildings	0	6 989 465	12 980 435	0	0

Academic and residential infrastructure	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
BSc building –Research Laboratories	0	0	17 785 746	46 889 694	0
Academic facilities	0	0	36 226 394	162 098 077	222 938 870
Shared facilities	0	0	0	15 482 549	51 832 882
Budget start allocation	3 780 000	5 000 000	0	0	86 448 536
FF & E	0	29 395 786	23 394 738	27 113 862	48 670 681
Total	86 480 000	380 371 534	330 970 406	439 296 837	634 804 875

Table 2: Proposed 5 year site infrastructure implementation plan for UMP

Site infrastructure	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
	Rand	Rand	Rand	Rand	Rand
Lower campus					
Civil infrastructure	0	7 677 387	2 692 586	0	1 300 000
Urban fabric & landscaping	3 000 000	14 778 776	0	0	0
Electrical site infrastructure	0	11 396 393	7 651 901	695 627	0
Hill campus					
Civil infrastructure	0	64 653 407	80 534 144	4 623 635	0
Urban fabric & landscaping	0	11 000 000	15 000 000	12 500 000	16 000 000
Electrical site infrastructure	0	15 000 000	75 000 000	77 801 799	35 000 000
Site infrastructure: External services					
Bulk infrastructure - Electricity, Roads & Water	10 520 000	109 497 705	67 329 042	34 429 636	35 986 327
Sport infrastructure	0	10 000 000	5 000 000	5 265 000	7 500 000
ICT Platform	0	8 607 866	9 026 495	9 748 615	10 528 504
General budget allowance					
Planning and performing	0	6 722 352	7 078 637	7 453 804	7 848 856
Insurance	0	623 772	575 044	584 545	728 302
Siyabuswa	0	26 000 000	20 000 000	38 000 000	37 000 000
Renovations	0	10 000 000	0	0	0
Total	13 520 000	295 957 658	289 887 849	191 102 661	151 891 989

I have been advised that the University's annual report for new infrastructure projects for 2015/16 financial year is satisfactory. Given the satisfactory annual report, I am pleased to inform you that I have approved the release of the University's 2016/17 infrastructure allocation of R404,352 million in June 2016 and R269,568 million in September 2016.

The 2016/17 Infrastructure allocation of R673,920 million is subject to the following conditions:

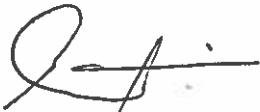
1. Because this allocation is not part of the Council-controlled discretionary funds, you must ring-fence it and disburse the funds only against the approved projects listed in the table above. The funds must be ring-fenced and any interest earned may be used for infrastructure purposes with prior Ministerial approval. The funds must not be used to support on-going operational expenses or any other University initiatives.

2. The University may not make any changes to the projects listed in the table above without prior approval from the Department.
3. The University must submit by 30 May 2017, a progress report on the implementation of these approved projects. This must include a narrative account of progress on each separate project, and in particular of whether it has kept to its implementation and cash flow time lines.
4. The progress report must include a written report on what funds were expended on the projects during 2016/17. This part of the progress report must include the documentation referred to in 5 below.
5. Because these funds represent significant government investments in the University, it is important that they be spent in responsible and accountable ways. This implies that the institution must use good practice in the acquisition processes, and in its accounting for all expenditures. These good practice requirements include the following:
 - 5.1 The progress reports must be supported by an audit certificate. The certificate must indicate that all expenditure was incurred and paid for following the University's formalised procedure and code of conduct;
 - 5.2 The audit certificate must include statements verifying:
 - (a) that the expenditures have been incurred in respect of the projects outlined in the table above; and
 - (b) that the sign-offs from architects and quantity surveyors and project managers have, as may be applicable, been received;
 - 5.3 The certificate must also include a list of all invoices and other appropriate documents, which support the expenditure statement. This list must be compiled according to a template and guidelines, which will be provided by the Department. In addition to the Infrastructure Progress Report and submission of an audit certificate, the Department will provide a Presidential Infrastructure Coordinating Committee (PICC) template that would need to be updated on a regular basis and submitted to the Department on a quarter basis. This template would require universities to submit information in relation to the number of key priorities including jobs created and skills developed for each of the projects. Further details will be provided to the University by the Department; and
 - 5.4 Copies of invoices and other documents must not be attached to the progress report. Original invoices, and other applicable documentation, must be retained by the University in a manner that will facilitate easy access, should this be required by the Department's auditors.

I would also like to remind you that the University must submit its next progress report at the end of May 2017. Furthermore, the interest earned on the infrastructure grant needs to remain earmarked and any plans for the use of these funds must be submitted to the Ministry for approval.

I wish you well in your University's infrastructure programme and should you require further clarity, please contact Ms Brenda Swart, Director: Financial and Physical Planning.

Yours sincerely



Mr GF Qonde

Director-General

Date: 07/06/2016