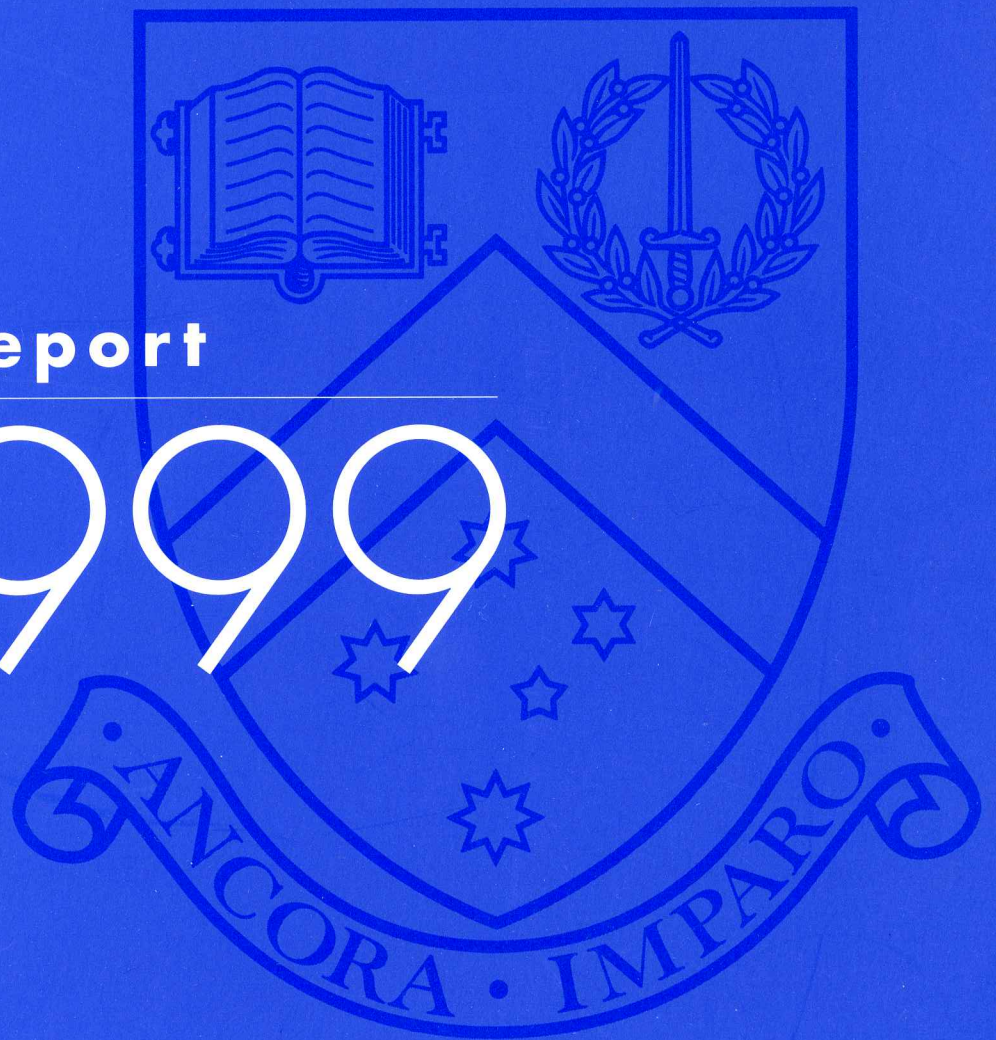


MONASH

UNIVERSITY

Annual Report

1999



M O N A S H U N I V E R S I T Y



AUSTRALIA

Annual Report 1999

For and on behalf of the Council

*Jeremy Ellis
Chancellor*

Monash University
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Vice-Chancellor's statement

These are challenging times for anyone working in an Australian university. In a climate of very tight finances, we are facing greater demands from governments, as well as from students and their future employers. And yet, Monash people are continuing to make their mark as leaders both in Australia and overseas.

As a university we have needed to be innovative and resourceful in our approach to the future. A critical step forward this year was the development of *Leading the Way - Monash 2020* through a process of broad consultation with staff throughout the Monash community.

Leading the Way sets out the strategic vision for the university to become a high quality and broad-based global and self-reliant institution and identifies clearly the defining themes and enduring characteristics that will continue to be part of Monash University.

It remains absolutely vital that the Government does nothing to weaken the internationally recognised strengths of the Australian higher education system, but rather does all it can to enhance the capacity of major universities to play their full part in the further development of the intellectual, scientific, professional, social, cultural, and economic well-being of the nation.

Monash's responsibility is to educate scholars and professionals, advance and apply knowledge, and to serve not merely its various local and national communities, but also its international communities. Monash has moved to further internationalise its curriculum and ensure that more of its programs are sufficiently flexible to be taken by students anywhere in the world.

The university continued to collaborate with business and other industry partners and to forge strong links with other key institutions. The Group of Eight research intensive universities continue to work together across a range of issues of common concern, and the Melbourne-Monash Protocol continues to provide the framework for a number of collaborative ventures in courseware development and shared infrastructure.

Among the wide range of high points and successes in 1999 have been:

- ◆ the first anniversary of Monash Malaysia and the excellent academic results of its students;
- ◆ the establishment of the Monash Centre and alliance with King's College, London, which will be a key focus of Monash's activities in the UK and western Europe;
- ◆ Australian Research Council funding, for the establishment of a Special Research Centre in Green Chemistry, which will focus on the design, manufacture and use of chemical processes that have little or no pollution potential or environmental risks;
- ◆ substantial increase in competitive funding from the National Health and Medical Research Centre;
- ◆ collaboration with the corporate sector on a number of projects including with Sun Microsystems to establish Australasia's first Authorised Academic Java program at the Peninsula campus;
- ◆ the opening of the new award-winning Art & Design building at the Caulfield campus;
- ◆ setting up of a Research Graduate School to enhance and coordinate the university's postgraduate research effort.

The Monash Mission is 'to be one of the finest and most innovative modern universities in the world and to lead the way in higher education in Australia'. On the basis of 1999, it is quite clear that Monash continues to be an institution that attracts the highest quality people, holds good teaching in high regard, and has staff who generate ideas, apply knowledge and engage actively with the broader

community locally, nationally and internationally. Through the efforts of academic and general staff across all seven campuses, Monash is indeed a leader among universities.

Professor David Robinson, Vice-Chancellor and President
January 2000

Guideline 9.1.3 (i) (a)

Establishment

Monash University was established under an Act of the Victorian Parliament on 30 May 1958. A body politic and corporate under the name 'Monash University', it has perpetual succession, a common seal and is capable in law of suing and being sued.

Guideline 9.1.3 (i) (b)

Objectives, functions, powers and duties

The objectives of the university, as stated in section 5 of division 1 of the Monash University Act, are:

- ♦ to provide facilities for study and education and to give instruction and training to all such branches of learning as may from time to time be prescribed by the statutes, including, without limiting the generality of the foregoing, pure science, applied science and technology, engineering, agriculture, veterinary science, medicine, law, arts, letters, education and commerce;
- ♦ to aid by research and other means the advancement of knowledge and its practical application to primary industry and commerce;
- ♦ to confer after examination the several degrees of bachelor, master and doctor and such other degrees and diplomas as are prescribed by the statutes; and
- ♦ to provide facilities for university education throughout Victoria and elsewhere by the affiliation of existing institutions, organisations or bodies to the university, by the creation of new educational institutions, organisations or bodies to be affiliated to the university, by the establishment of tutorial classes, correspondence classes, university extension classes and vacation classes and by such other means as the Council deems appropriate.

The governing authority of the university is the Council. The Council is advised by its subordinate standing committees, other boards and committees, the Vice-Chancellor and senior officers of the university.

Guideline 9.1.3 (i) (c)

Services

The university provides post-secondary education and study facilities primarily to the Victorian community on campuses at Clayton, Caulfield, Frankston, Gippsland, Berwick, Parkville and Malaysia. Faculties of the university, Arts, Art and Design, Business and Economics, Information Technology, Education, Engineering, Law, Medicine, Science and the Victorian College of Pharmacy, each provide undergraduate and postgraduate degrees and diplomas.

In addition to these faculties there are centres which express the research interests of staff members and provide specialised nuclei for postgraduate and some undergraduate study. Many of these act as a focus for interdisciplinary research. The work of the university is expanded and supported by affiliated institutions, which cooperate in various ways with teaching and research programs at Monash.

Guideline 9.1.3 (i) (d) (i)

Administrative structure

From 1 January 1999 to 31 December 1999 the following members constituted the University Council.

■ *Chancellor*

David William Rogers AO LLB *Melb.* to 14/2/99

Jeremy Kitson Ellis MA *Oxon* HonDEng C.Q.U. (*Italy*) FTSE FAICD FAIMM HonFIE Aust. from 15/2/99

■ *Vice-Chancellor and President*

David Antony Robinson BA PhD *Wales* FRSA FAIM

■ *Chairperson of the Academic Board*

Alan William Lindsay BSc MEd *Syd.* PhD *Macq.*

■ *three (3) persons elected by and from the staff of the university prescribed by the Statutes*

Professorial Staff Member

Terry Roslyn Threadgold MA *Syd* resigned 30/6/99

Brian Richard Parmenter BA(Hons) *Nott* MA *Leic* from 1/7/99

Non-Professorial Academic Staff Member

Andrew Markus BA(Hons) *Melb.* PhD *LaT*

General Staff Member

Paul Kenneth Rodan BA(Hons) *WA* MA *Qld* PhD

■ *two (2) persons elected by and from the students enrolled at the university prescribed by the Statutes*

Undergraduate Member

Jacqueline Cameron

Postgraduate Member

Darriel Jeffree BA(Hons) *Flinders*

■ *six (6) persons appointed by the Governor-in-Council*

John Charles Hutchinson DipMechEng ED FIEAust. MAICD MAIM

Wendy Peter BJuris LLM *Cantab.* LLB

Mark Andrew Schapper BSc(Hons) MSc PhD *Melb.*

Joan Melville McPhee MCom *Melb.* ACTT

Dorothy Ruth Pizzey AM BA BEd *Melb.* FACE

Paul Henry Ramler AM DipBusMktg MBus *Chisholm I.T.* ACIT AFAMI

■ *one (1) person appointed by the Minister*

Francis Charles Peck BCom *Melb.* BEd *LaT.* ACEA FACE resigned 31/3/99

(Donald) Ian Allen BCom BEd *Melb.* MA DEd *Calif* FACE from 1/4/99

■ *six (6) persons appointed by the Council*

June Margaret Hearn MA PhD *Melb.*

Louise Adler BA(Hons) *Reading* MA *Columbia* MPhil

Geoffrey Alistair Knights MA PhD *Cantab.* FTSE

John B Laurie BE *Adel* FICE FIE Aust ACE Aust AATSE

Ann Caroline Sherry BA *Qld* Grad Dip IndusRels (*QUT*)

Kenneth James Russell FCA FCIS FCIM FAICD FCPA

Membership of the Audit Committee

Mr J K Ellis – Chair

Mr K J Russell

Ms W Peter

Professor C G Peirson

Professor D A Robinson

In attendance:

Mr P B Wade

Mr R B Connell – Executive Officer and Secretary

Guideline 9.1.3 (i) (d) (ii)

Senior officers

Visitor

His Excellency The Honourable Sir James Augustine Gobbo AC BA(Hons) *Melb.*
MA *Oxon.* HonLLD *Monash*, Governor of Victoria

Chancellor

Jeremy Kitson Ellis MA *Oxon* FTSE FAICD FAIMM HonFIE Aust.

Deputy chancellors

Geoffrey Alistair Knights MA PhD *Cantab.*

Paul Henry Ramler AM DipBusMktg MBus *C.I.T.* ACIT AFAIM

Vice-Chancellor and President

David Antony Robinson BA PhD *Wales* FRSA FAIM

Deputy Vice-Chancellor

Peter LePoer Darvall BCE(Hons) *Melb.* MS *Ohio State* MSE MA PhD *Prin.*
DipEd FIEAust FTSE

Deputy Vice-Chancellor

John Edgar Maloney BSc PhD *Syd.* MSc *N.S.W.* FAIP FACPSM FAICD

Deputy Vice-Chancellor

Alan William Lindsay BSc MEd *Syd.* PhD *Macq.*

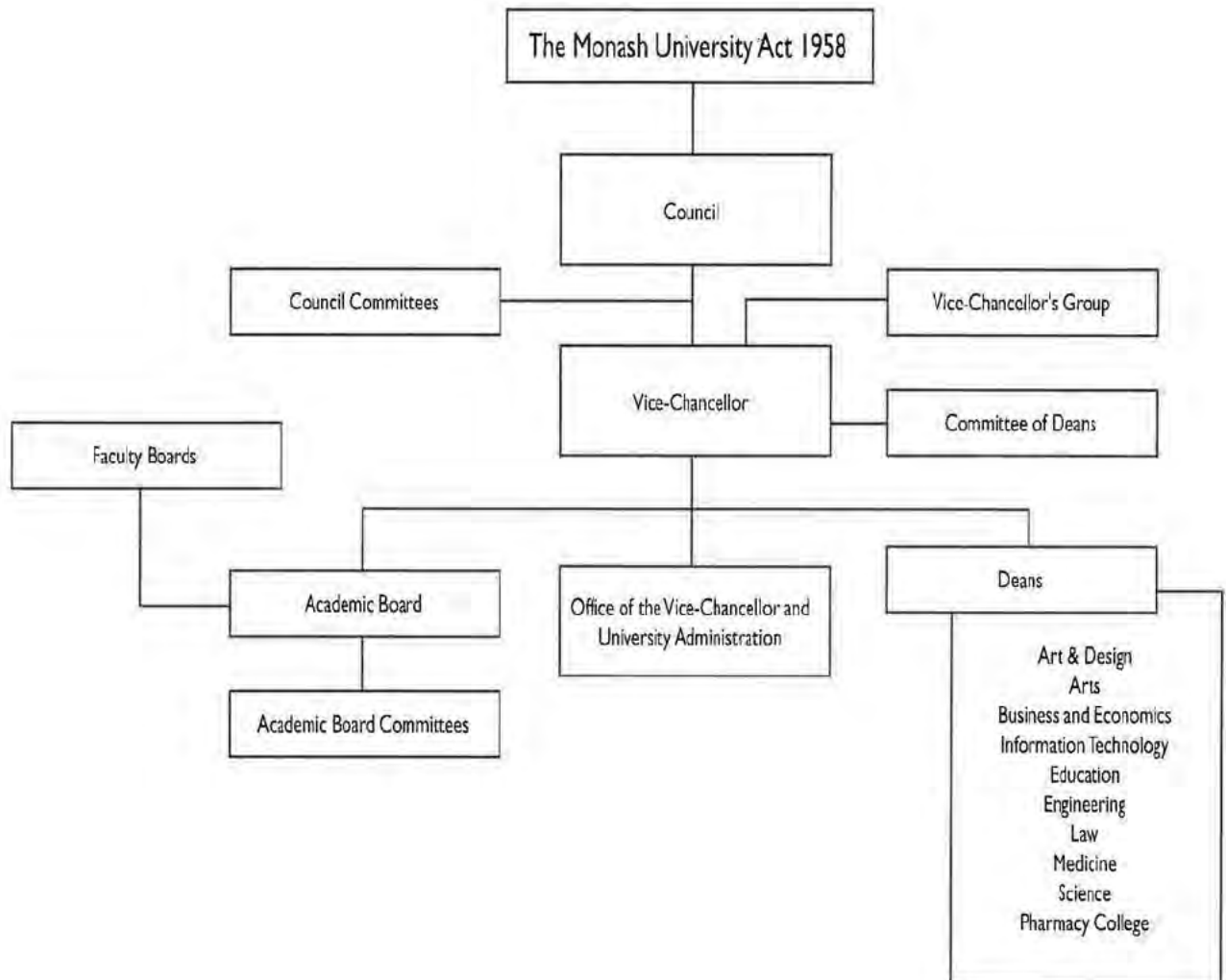
General Manager

Peter Brian Wade BCom(Hons) MA *Melb.* FCPA

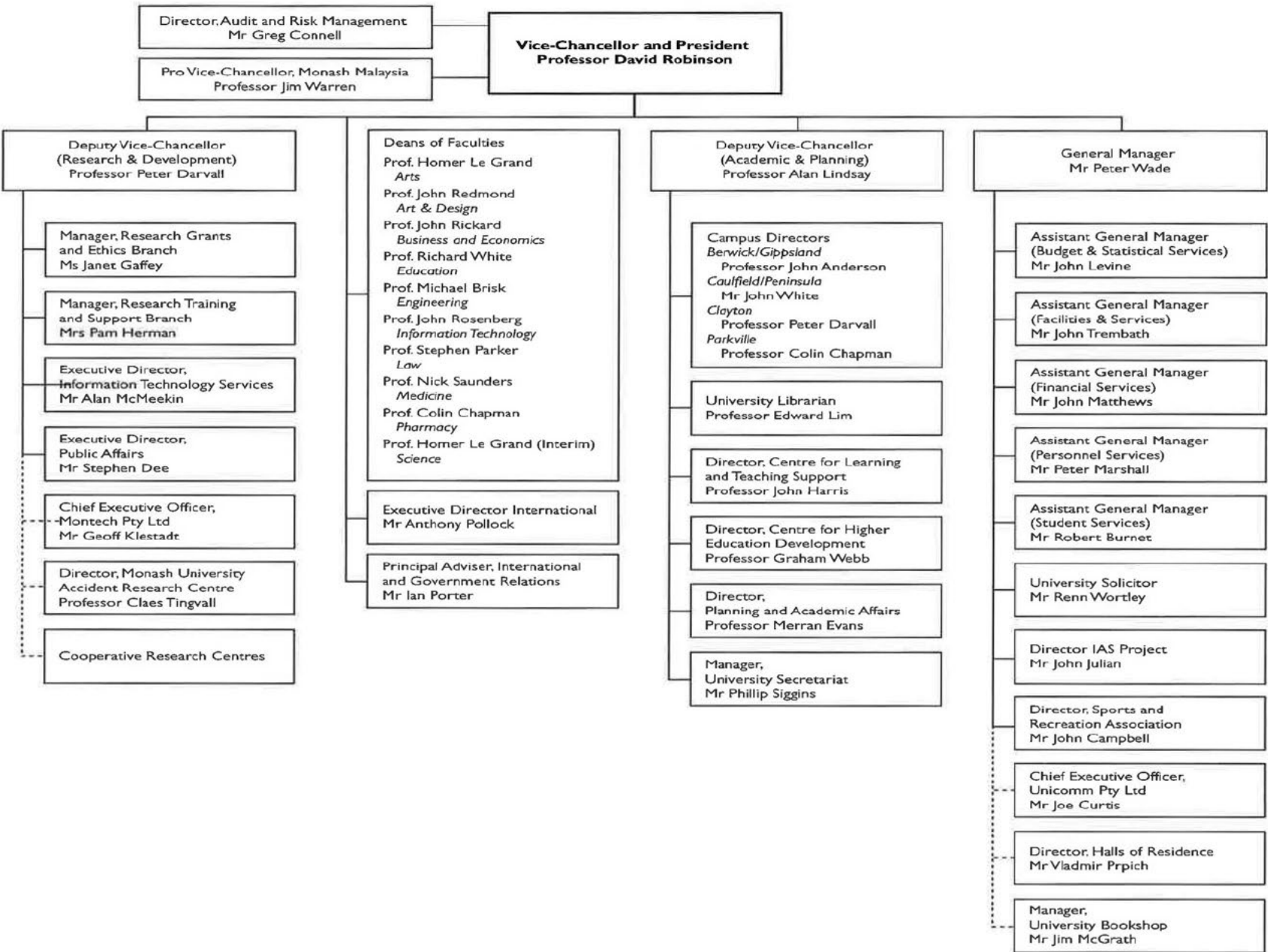
Guideline 9.1.3 (i) (d) (iii)

Organisational charts

Overall governance and management



Monash University Senior management



Guideline 9.1.3 (ii) (a)

Major financial and performance statistics

The financial statements comprise a separate section of the report. The table below sets out a summary of the financial results for 1999 with comparative results for the preceding four financial years.

Year	Surplus (Deficit) \$000	Revenue \$000	Expenses \$000	Assets \$000	Liabilities \$000	Equity \$000
1999	34,510	621,029	586,519	1,163,432	335,375	828,057
1998	29,436	597,984	568,548	1,138,672	366,204	772,468
1997	42,561	576,402	533,841	976,056	231,238	744,818
1996	27,273	576,493	549,220	925,227	227,952	697,275
1995	51,750	552,788	501,038	892,733	223,193	669,540

Guideline 9.1.3 (ii) (c)

Operational Objectives and Initiatives

The emerging vision for Monash 2020 is of a self-reliant, broad-based, global university and learning organisation, conducting innovative teaching and research of international quality and relevance, and engaged actively with the diverse regions, communities, industries and professions which it serves.

Planning Framework

In July 1999, *Leading the Way: Monash 2020* was released, setting out the overall strategic directions and priorities for Monash in the context of a developing vision for the university for the next twenty years.

Leading the Way deals with the most significant of Monash's overall strategies relating to its core functions and sets 'signposts' to future directions. It forms only one part of an integrated planning and review cycle that includes the budget process and operates across the university.

The *Learning and Teaching Plan*, the *Research Management Plan* and the *Global Development Framework* detail the goals and strategies relating to key aspects of institution wide activity and management of the university. The rolling three year operational plans for Monash's faculties and administrative areas reflect *Leading the Way* and the other higher level plans and provide details of the relevant goals, strategies and targets in each area of the institution over three to five years.

Campus Directional Statements signal the role of each campus within the greater Monash and illustrate the overall character, strengths and directions of the university's distributed network.

Learning and Teaching Plan

The *Learning and Teaching Plan* was released in March 1999 and provides a comprehensive framework for developing and maintaining a flexible teaching and learning environment that provides undergraduate and postgraduate education of the highest quality. The key objectives are improving the curriculum, student learning, the teaching environment, the governance of academic programs, quality and standards and strategic program development.

In 1999, *Learning and Teaching Plan* activities focussed mainly on the implementation of the plan. Initiatives included:

- ◆ provision of transitional funds to faculties to assist with embedding and mainstreaming fundamental aspects of the plan within their operational plans and budgets;
- ◆ allocation of twenty grants worth \$1.4m to develop teaching and learning activities in a student centred flexible manner or in ways that addressed other key aspects of the *Learning and Teaching Plan*;
- ◆ initiation of the streamlining of course approval processes and more fully integrating educational planning in course development with resource planning;
- ◆ identification by each faculty of at least one lead site teaching and learning activity where it would assume a university-wide leadership role in 1999 and share best practice outcomes with colleagues in the year 2000;
- ◆ conduct of reviews by many faculties examining their course offerings at both the undergraduate and postgraduate level;
- ◆ extension of the flexibility of course offerings through more diverse and student-centred delivery and by increasing entry and exit points to courses and articulation pathways between programs;
- ◆ the trial of a student and staff intranet to provide easy and personalised access to flexible learning programs and resources;
- ◆ closer coordination and integration of academic support services through the formation of the Academic Support Network;
- ◆ the establishment of a Graduate Certificate in Higher Education for staff; and
- ◆ extension of access to flexible learning support services across all campuses.

Global Development Framework

In carrying out its international mission, Monash University "will operate in strategic alliances with other leading international institutions and will have a matrix of campuses which will be nodes in an educational network that spans the globe". (*Leading the Way: Monash 2020*)

Following a detailed review of its international operations, the university in 1999 prepared the *Monash University Global Development Framework*. The document details the university's plans for international activities, in line with the broader *Monash Plan*. The *Framework* elaborates upon the principles for, and major categories of, development activity, together with an indication of key priorities and prospects projected for the years 2000–2010. Key priorities include: recruiting international students to undertake Monash programs in Australia and in a variety of locations in Asia and elsewhere; establishing additional international campuses; entering into strategic alliances with international partners for the purpose of enhancing educational opportunities for students. The *Framework* will assist the university to carry out its operational objectives by setting and reviewing targets, time lines and key performance indicators.

Campus Review

Gippsland

The Vice-Chancellor established a working party to examine the strategic directions for the university's role in the future development of higher education in the Gippsland region. The working party chaired by the Deputy Chancellor, Dr G Knights, focused on identifying the best structure to balance the imperatives for local authority on academic and financial matters with the requirements for integrated control of academic standards necessary to maintain and enhance the university's reputation. The Vice-Chancellor accepted the broad set of recommendations

framed by the working party and, after discussion in the relevant forums of the university, a small implementation group was established to oversee the next stage.

International Operations

International Students in Australia

Total international student numbers studying for degrees at Monash University in Australia continued to grow in 1999. Monash College in Melbourne had three intakes during the 1999 academic year, enrolling more than 500 students in certificate and diploma programs. English language student numbers continued to improve, expanding from the difficulties encountered during the currency crisis in recent times.

Monash Abroad Program

The Monash Abroad Program was launched in 1998 with the aim of providing students with an international study experience for credit towards a Monash degree. More than 550 students participated in 1999 (up from 400 students the previous year). The program is well on target to reach its goal of 750 students participating annually by the year 2002.

International Campuses and Access Programs

Student numbers at the university's Malaysia campus continued to grow, to a total of nearly one thousand enrolments.

In late 1999, Monash was granted registration and preliminary accreditation by the South African government, allowing the university to establish a campus in that country. Monash University South Africa aims to have its first student intake in 2001, with courses to be offered in Arts, Business and Information Technology.

Monash College in Singapore had its first intake in October 1999, offering certificate and diploma programs in Business and Information Technology. The Monash University Foundation Year (MUFY) program in Malaysia had its first intake in August 1999, offering bridging and pre-university programs.

Guideline 9.1.3 (ii) (c)

Operational reports – faculties

Faculty of Art and Design

The Faculty of Art & Design continued to develop as a centre of excellence in education, practice and research within the domains of art, communications media and design, aspiring to national and international standards.

The faculty's objective to provide a range of major disciplines and sub-specialisations within the current and developing domain of art and design continued to be met in 1999 with the implementation of three new undergraduate courses. The Bachelor of Design is a course in multi-disciplinary design, the Bachelor of Interior Architecture establishes a new discipline area of environmental space design/interior architecture, and the Bachelor of Design (Multimedia Design) allows specialisation in time-based media. A new studio in Photomedia was developed for implementation in the year 2000. To increase international opportunities, a range of theory subjects and introductory studio subjects were developed for offering through flexible delivery. In the postgraduate areas, the faculty developed a new Master of Fine Arts and a PhD course, as well as Graduate Certificate and Graduate Diploma courses.

The new state-of-the-art Faculty of Art & Design building was officially opened by the Chancellor of Monash University in October 1999. The Building won the Merit Award of the Victorian division of the Royal Australian Institute of Architects for its architects, Denton, Corker and Marshall. It was also awarded an equal second place for the RAIA's major national award. Since its opening, the building has hosted the Design Institute of Australia Forum'99. The faculty Gallery is now established in the new building and has developed its reputation with international exhibitions such as *Behind the Seen*, an exhibition of the internationally renowned Dutch graphic design firm, Studio Dumbar; *Photographier l'object*, an exhibition of work by photographer Marc Guillaumot, rarely seen outside France; as well as exhibitions of a range of Australian based works.

In international developments, the faculty signed a Memorandum of Agreement with the Center for Advanced Design in Kuala Lumpur, Malaysia, to develop and carry out collaborative academic activities in art and design, including an articulation program. The faculty's overseas tour subjects were expanded to provide study of art, architecture, design and culture in their places of origin. The regions include the Mediterranean, central Europe and Britain.

The faculty Artist in Residence program was inaugurated with Gordon Burnett, an internationally renowned craftsman and head of Three Dimensional Art at Grays School of Art, The Robert Gordon University, Aberdeen, Scotland.

There were many staff achievements. Les Kossatz, lecturer in the Department of Fine Arts, won the design and commission of the Australian National Korean War Memorial. Clive Murray-White, lecturer at the Gippsland Centre for Art & Design, created *Lars Compitalis*. Commissioned by Loy Yang Power and Monash University, with assistance from the Australia Council, the sculpture was a gift to the people of the Shire of La Trobe. Works by Susan Purdy, lecturer at the Gippsland Centre for Art & Design, have been included in the prestigious National Gallery of Victoria acquisitions collection. Marion Hosking, lecturer in the Department of Applied Arts, won the Rusden Foundation Award for Excellence in silver design and craftsmanship. Geoff Dupree, lecturer in the Department of Fine Arts, held an exhibition at *BMGArt* in Adelaide.

The D W Rogers Award for Excellence in Applied Arts was added to the growing list of patrons of student awards. It was won by glass student, Phil Stokes. The 1999 Lucato Peace Prize was won by Julie Steinhardt in the Department of Fine Arts. The John Fasham Award for Excellence in Sculpture was won by Zoe Strengers. The 1999 Victorian Tapestry Workshop Encouragement Award was awarded to Andrew Weekes, Mardi Novak, K T Doyle and Miranda Legge. Outstanding awards were won by Monash Graphic Design students at the 1999 Southern Cross Package Design Awards. These include the Can Makers Institute of Australia Award, the Framepack Australia Award, the JAC Award, the Signum Award, the Southcorp Packaging Premium Award, Citation for Innovation in Design, the Judge's Citation, the Judge's Graphic Enhancement Award. The Hygrade/Artios Award, awarded to the institution which has most effectively promoted education in packaging design, was won by Monash University. At the 1999 Victorian Design Awards, Arthur de Bono, Head of the Department of Design, and Dominic Lamanna (associate), were finalists for the Industrial Design Major Award. Kurt Ramholdt, third year Industrial Design student, won the Student Design Award.

In conclusion, in 1999, the faculty established the foundation for its future development, nationally and internationally.

Faculty of Arts

The Faculty of Arts initiated a number of measures in 1999 aimed at improving the efficiency and transparency of its administration and management. These included the development of an incentive-based budget model, the requirement of both a

business plan and an academic justification for proposed new courses, the reorganisation and simplification of faculty's committee structure, the implementation of a new structure for the faculty Office based on a "faculty Manager" model, the initiation of a consolidation of the faculty's information technology support services and a draft specification of allocation of administrative responsibilities to regional campuses. Considerable effort was devoted to the implementation of the academic reorganisation of faculty's activities into nine interdisciplinary Schools. A tenth, the School of Music - Conservatorium, will be established from the beginning of 2000. An external review was conducted of the programs in Mass Communications, Writing, and Journalism based at the Gippsland campus. The recommendations of the review panel, which included the extension of a program in Communications and Media Studies to all campuses, are being implemented.

The faculty has begun the implementation of a system of subject weightings for 2001 which will parallel those of other faculties. This will enable students more easily to enrol in subjects in other faculties, move between courses and campuses, and undertake double majors or double degrees. A Student Progress and Equity Committee was established early in 1999 to identify and provide support to students experiencing difficulties in their studies.

Research in the faculty in 1999 was supported by five Large ARC grants, 2 ARC Fellowships, 4 ARC SPIRT grants. In 1999 the faculty won five Large ARC grants, an ARC RIEF grant and \$176,000 in ARC Small grants for 2000. The faculty initiated a mentoring scheme aimed at early career researchers who are developing grant applications. In 1999, the faculty was very active in supporting a wide range of internal research schemes providing teaching relief, conference travel funding (to supplement the university scheme), near-miss project funding, visiting scholars, project development and project completion grants. The most recent report on the faculty's research publications indicates a high level of productivity and includes 40 authored and 29 edited books, 106 book chapters and 171 refereed journal articles.

Noteworthy on-going research projects include The Encyclopedia of Melbourne, Environmental Change and Variability, Management of Religious Diversity, Youth Homelessness, Child Abuse and Family Violence and Immigration and Multiculturalism.

Faculty of Business and Economics

The major operational and budgetary objectives were to:

- ◆ Compensate reduced DETYA funding with growth in fee-paying programs. This was achieved through increased enrolments in local full fee-paying undergraduate and graduate programs, as well as growth in international students.
- ◆ Develop a strategy for an expanded global presence that is consistent with the university's strategy as enunciated in *Leading the Way*. New opportunities for increased enrolments of international students have been explored in India, Latin America and Scandinavia.
- ◆ Consolidate and further develop the Learning and Teaching Plan. A Director of Learning and Teaching was appointed and the faculty has undertaken to develop two lead activities for the university, namely to incorporate generic learning and teaching skills into courses, and to make available basic subject/course information available on the World Wide Web.
- ◆ Consolidate and expand activities on the Malaysian campus. The faculty is still the major teaching faculty on the Malaysian campus, accounting for approximately two thirds of total enrolments, or 450 students. The faculty is planning to introduce graduate programs, an MBA for example in 2000, and is already supporting the development of research on the campus.

Phase 2 of the Undergraduate Courses Review has been completed, the outcome of which was to identify three families of degrees with a common inner core of six equivalent subjects that are to be converted to electronic delivery.

The Graduate Courses Review continues with plans for the establishment of a Graduate School and an executive/non-award division.

Review administration across all key functions of the faculty. Whilst a priority for the faculty is to increase revenue, it is also conscious of the extent to which this is sustainable, and hence the need to curtail costs and expenditures. Accordingly, the review will focus on rationalisation of key operations with the objective of achieving streamlined structural arrangements, quality assurance, enhanced workplace satisfaction, multi-skilling, and a stronger focus on meeting faculty goals.

A major focus of the review will be the impact of information and educational technologies on the administrative and scholarly activities of the faculty, and how the faculty can best utilise and manage those technologies.

Faculty of Education

The faculty's broad operational objectives continued to be pre-service training of teachers for the early childhood, primary and secondary levels of education; in-service training of school teachers and other professionals such as nurse educators, industry trainers, and TAFE and university teachers; research training; research into a broad spectrum of educational questions; development and implementation of improvements in teaching; and fostering of public debate on important issues in education.

In 1999 new double degree programs of Education with Information Technology and Law were prepared for commencement in 2000.

Another new program developed in cooperation with the Department of Education, Employment and Training, the Master of Education (School Leadership), will foster substantial further research-practice links. It will take its first students in 2000.

The faculty has worked to lift minimum ENTER scores for pre service teacher education programs. These scores were raised again in 1999, and ranged between 65.40 and 89.45.

The masters degree in Teaching English as a Foreign Language taught jointly by the Faculty of Education and Pukyong University in South Korea continues to develop, and the third cohort of Pukyong students will arrive at Monash in mid 2000. Other international activities include continued growth of the Graduate Certificate, Graduate Diploma and masters program in International Education, and the enrolment in 2000 of a cohort of Special Education students from Botswana.

In 1999 faculty staff were awarded three new SPIRT (Strategic Partnerships with Industry – Research and Training) Australian Research Council Grants, the first SPIRT Grants gained by Education staff. All three grants focus on issues of development and validation of standards for expert teaching, and are working in close collaboration through the leadership of Associate Professor Lawrence Ingvarson. The grants have given great impetus to this emerging research area and are also fostering even closer links with a range of educational bodies across Australia (state ministries and professional development bodies, professional teacher associations).

The faculty has undertaken two major initiatives to enhance and expand research training: a Bachelor of Education (Honours) program is to be introduced in 2000, the first such program in Victoria; distance education/flexible learning forms of the core subjects of the Doctor of Education have been produced.

Faculty of Engineering

In 1999 the key faculty objective was to complete implementation of the major course re-structuring commenced in 1998, bed down all the changes, and work towards producing the first graduates from the programs at the end of 2001. Most of the work needed for this has now been completed, with the final stages of the new BE structure completed for 3rd and 4th level courses (the first cohort enters 3rd level in 2000). It remains necessary to tune several of the new 1st level subjects, especially as we gain experience with the extensive computer-assisted teaching and problem-based-learning technologies we have introduced into these subjects.

After four years of declining applications for Engineering in Australian universities, 1999 saw a 10% increase in commencing HECS funded students across the country, with no loss of quality. At Monash we met our targets with a pleasing 3.35 points rise in ENTER at Clayton 4.20 at Caulfield and 5.75 at Gippsland. Overseas student numbers rose well above the 1998 levels, though not yet back to pre Asian financial crisis numbers.

The faculty is committed to increasing its already significant international student cohort with the target of increasing the 18% of all student fee income that comes from this source by 50%. Hence we continued a comprehensive marketing activity in Malaysia, and Singapore and commenced promotions in India. A major initiative has been to develop standards for automatic credit transfer for diplomates from polytechnics in Singapore and Hongkong.

In line with the university's globalisation concepts the faculty commenced a revitalised student exchange program, focusing on Singapore, North America and Sweden.

The percentage of the faculty's income from non-DETYA sources (51.5%) increased from the 1998 level (48%), a pleasing move in line with the continuing objective of reducing reliance on government funding. The increase was due to a recovery in international student fee income, coupled with strong external research earnings growth.

The faculty continued to perform strongly in research, which remained a highly significant income source, providing 37% of total faculty income in 1999. Of special note were ARC grant successes, with the faculty gaining 17.5 Large Grants. Three of the faculty's six Second and Third Round CRCs were successful in obtaining funding for a further seven years, and the faculty gained three new CRCs in this round, thus retaining our strong involvement in the program with a total of seven CRCs. Research student numbers, however, remained static at the 1998 levels and the targeted 3% growth was not achieved.

Faculty of Information Technology

During 1999 the faculty was involved in developing a coordinated research ethos, integrating its professional development programs, developing new international markets and enhancing infrastructure, while maintaining high standards and continued innovative development in teaching programs.

Operational objectives are outlined in the faculty's Operational Plan. A review of student load shows that all 1999 targets for DETYA undergraduate load were exceeded. In 1999, for the first time, the faculty offered the Bachelor of Network Computing at the Peninsula campus. The application and acceptance rate from DETYA funded students for this course exceeded expectations. Once again demand for the Gippsland based Bachelor of Computing offered via distance education DETYA undergraduate load outstripped available places. All other programs showed continuing high levels of demand; such that all ENTER's required for admission were set at 75 or higher.

A review of the higher degree by research load shows that the faculty fell short by 14 EFTSU on the allocated 1999 target. This shortfall continues to reflect the difficulty in attracting IT graduates to research degrees.

During 1998 the faculty reorganised its graduate course offerings and 1999 has proved to be a very productive year for Australian postgraduate fee paying student load. A review of the 1999 load shows that the total load target was exceeded by 20%.

All international student targets were exceeded in 1999. Investigation of new international student markets commenced in order to diversify the faculty's source of students and thereby minimise risk.

Overall professional and commercial income increased in 1999. The data for 1999 shows that the faculty has made gains in changing the gender ratios of senior academic staff. 1999 saw appointment of the faculty's first female professor.

In 1999 Sun Microsystems appointed the Peninsula School of Computing and Information Technology an Authorised Academic Java Campus (AAJC), one of only 15 in the world and the first in Australia. The Monash AAJC will be developed to be the major Australian centre of expertise on Java and network computing.

The faculty expended over one million dollars in 1999 re-equipping computer laboratories that had been transferred to the faculty's management.

The Monash Information Technology Institute was established in 1999 to provide industry with coordinated professional training and education in IT.

The faculty was successful as a major partner in the Distributed Systems Technology CRC (DSTC). This success was partly a result of the support provided to the Distributed Systems research group within the faculty by SMURF and ITR. DSTC will receive \$20 million of funding over seven years.

The Information Technology Research Fund (ITR) with a budget of \$150,000 has continued to provide support for new research initiatives and existing research strengths within the faculty. This has been allocated on a competitive basis to encourage new research initiatives.

A new Research Office has been established to support the work of the Associate Dean (Research) and assist academic staff applying for research grants and coordinate collection of research publication data.

Faculty of Law

Measured by quantitative and qualitative indicators such as demand for places in the undergraduate program, the quality of the graduate program, graduate employment rates, employers' attitudes to our students, the relationship between the faculty and the profession and the publication rates of our staff, the faculty more than succeeded in meeting the major operational objectives it set itself.

The Undergraduate Programme

The cut off point for VCE entry into Law increased from 97.85 in 1998 to 98.5, reflecting the continuing demand for places in law and the community perception that Monash offers an excellent undergraduate LLB.

The Special Entry scheme for (fee paying) Mature Age entrants introduced in 1999 has been an unqualified success. Applicants were interviewed and selected on the basis of interview performance, prior experience and educational qualifications which indicated their ability to complete the LLB degree successfully. Of the 32 students admitted, 30 passed, with 65% receiving at least a credit average.

The faculty's commitment to excellence in teaching was illustrated by the award of the two 1999 Vice-Chancellor's Awards for Distinguished Teaching to Dr Bernadette McSherry and Ms Melissa De Zwart. This brings to eight, the number of faculty members who have received Distinguished Teaching Awards.

The faculty's longstanding commitment to the teaching of legal skills in the undergraduate program was reflected in a number of student successes. Two law students won the World Debating Championships in the Philippines, three faculty teams won all the skills competitions in the Australasian championships (an unprecedented achievement by any law school) and a faculty team won the State Senior Mooting competition.

The faculty received funding in 1999 to develop an integrated program for teaching practical legal skills and legal ethics throughout the undergraduate curriculum.

The Graduate Program

The faculty offered 29 subjects in the Program in 1999, available as part of a general or specialist Master of Laws or Graduate Diploma program. The coursework program is being extensively revised with plans to offer more graduate subjects in distance mode in the future.

A proposal for a Graduate Diploma in Legal Practice, Ethics and Skills, which will take the place of articles for students who seek admission to legal practice, has been approved in principle by the Council of Legal Education and will be offered in the second semester of 2000.

261 students were enrolled in the various Masters' degrees in 1999; the number of PhD students increased from 16 the previous year to 20 in 1999.

Research

Staff publications increased from 228 entries in the university Research Report in 1997 to 260 entries in 1998. These included 14 books, 18 chapters in scholarly books, 127 publications in scholarly journals (of which 63 were refereed journals) and 27 major reviews.

Research commenced in 1999 on projects funded as 3 ARC Large Grants, 4 ARC Small Grants and a Criminology Research Council Grant. For the year 2000 the faculty has won 4 ARC Small Grants and an ARC SPIRT Grant. In addition the faculty was awarded four university Travel Grants, undertook contract research for industry and received a donation from the National Australia Bank Banking Law Centre for internal research expenditure. The faculty also won a large grant for a research project on privatisation and public accountability which will be undertaken under the auspices of a new Centre.

Five candidates were offered Monash Law School Foundation funded PhD scholarships to "top up" government funding while they are enrolled in PhDs.

Relationships with the legal profession and the community

Most members of the faculty have some involvement with the legal profession and other community bodies. Activities range from chairing Commonwealth statutory bodies, membership of State and Commonwealth Tribunals, membership of expert advisory bodies, membership of Law Institute Committees, membership of editorial committees of learned journals, and membership of Councils of community organisations. Many staff provide legal advice to community organisations and individuals on a voluntary basis.

An important activity involving the legal profession is the Monash Law Foundation Lecture Series which is organised in conjunction with law firms. In 1999 there were 11 lectures across a wide range of topics of both specialist and community interest.

The faculty's longstanding reputation in providing legal services to the community through its links with the Monash-Oakleigh and Springvale Legal Services contributed to its success in obtaining a grant from the Commonwealth Attorney-General's Department to establish "FLAP": a specialist assistance program for family law clients.

International Links

The faculty maintains links with the international community through:

- ◆ admission of international students to the undergraduate and graduate programs (a total of 96 in 1999);
- ◆ participation of Monash students in international exchange schemes;
- ◆ exchange of staff visits with other Law Schools;
- ◆ participation of faculty members as speakers at international conferences;
- ◆ the establishment of an International Advisory Board in 1999;
- ◆ establishment of a joint summer school program for United States students with the Thomas Cooley Law School of Michigan;
- ◆ the appointment of a faculty Placement officer to help build stronger relationships with law firms and businesses with international links.

New Operational Plan

The faculty Operational Plan 2000-02 is based on a vision of this faculty as “The Law School for a Changing World”: a faculty with a reputation for international excellence in understanding and promoting legal change through its teaching, research and community service, and in equipping its graduates for a changing world.

The Plan reflects the strategic directions of Monash University and the themes of internationalisation, engagement and innovation which are expressed in the Monash Plan.

The values that will guide the faculty are: equity in access to legal education; the highest quality of legal education and research; the development and well-being of our staff; access to justice; procedural fairness; and substantive social equality.

Faculty of Medicine

The Faculty of Medicine aims to prepare its medical graduates for lifelong learning and is orienting its scientific education programs towards vocational activities in the health care services. Its role extends beyond undergraduate and postgraduate education into continuing education and the delivery of services to the community. All of these are underpinned by the commitment of the faculty to the advancement of knowledge in clinical and biomedical sciences through research. The faculty also developed professional continuing education programs and offered a number of these by distance education.

In 1999 the faculty:

- ◆ developed a broad range of professionally orientated postgraduate coursework programs in medicine, health policy and health administration, nursing and medical imaging;
- ◆ implemented the new Bachelor of Nursing program across the Gippsland and Peninsula campuses, and commenced a post-registration course on the Malaysia campus; and
- ◆ introduced a multi-disciplinary cross-faculty program in biomedical science.

Early in 1999, a strong commitment was made to initiate reform of the undergraduate medical course to bring it to the forefront of medical education nationally and internationally. Principles which will guide curriculum development have been established. The Australian Medical Council will visit the faculty in early 2001 to accredit the new course, which will commence in 2002.

The Bachelor of Radiography and Medical Imaging will be into its third year in 2000, and the Department has developed an innovative professional fourth year clinical placement program with private radiography service providers. This

program will commence in December 2000 and will enable students to concurrently meet both their academic and professional pre registration hours requirements.

As of 1 July 1998, Ambulance Officer training became the direct responsibility of Monash University. The Centre for Ambulance and Paramedic Studies was established at Peninsula campus in 1999. Teaching programs for the Diploma of Ambulance Paramedic Studies, Advanced Diploma of MICA-Paramedic Studies, and B.Paramedic Studies degrees have been developed.

During 1999, preliminary planning for a Monash Medical School in Malaysia commenced, and the Food and Agriculture Organisation Centre of Excellence in Food Safety, Quality and Nutrition was established at Monash.

The School of Nursing continued to promote and support international exchange opportunities for its students with a total of 22 students placed in clinical agencies across the United Kingdom and 1 in the United States. Students from Monash were also recipients of the Healthstra/Australian Nursing Federation Care Awards.

Research continues to be a high priority for the faculty, with the faculty successful in achieving a major NH & MRC Program Grant and significant funding from the Wellcome Foundation to support activities on Clayton, Monash Medical Centre and Box Hill Hospital campuses. The Monash Institute of Reproduction and Development was awarded a four year grant of \$1m per annum to develop and manage the Australian Centre of Excellence in Male Reproductive Health and two co-operative Research Centre applications were successful.

During 1999, planning continued for the Alfred Hospital Education and Research Precinct in collaboration with the Baker Institute for Medical Research, the Macfarlane Burnet Centre for Medical Research and the Alfred Hospital. In addition, the Institute of Public Health and Health Services Research was established jointly with the Southern Health Care Network. The Institute brings together a number of existing university and Southern Health Care Network centres, and will be a vehicle for a major initiative in health services research and education.

Faculty of Science

During 1999 the faculty continued to focus on maintaining high standards of teaching and research while addressing the difficult challenges it faces in relation to funding and reduced student demand for science courses. The implementation of the initiatives from the faculty planning document *Science Ahead* has, on the whole, proved successful with the introduction of new courses and further development of marketing and industry liaison programs. These programs are aimed at improving the image and understanding of science education and careers in science disciplines.

The introduction of the new Bachelor of Science, Bachelor of Environmental Science and Bachelor of Behavioural Neuroscience courses has been very successful. These courses have attracted high quality students and the initial results from 1999 shows that they have maintained this quality, with above average results in their first year of university study.

The success of these courses has helped to continue the impetus for establishing new and innovative courses such as the Bachelor of Psychology and Management/Marketing, Diploma of Wine Technology and Marketing, Diploma in Psychology and Graduate Diploma in Psychology, which will be introduced in 2000. Plans are also in place to develop a Bachelor of Science/Bachelor of Information Technology double degree for introduction in 2001.

The development of the new courses has continued with the review and preparation of second year programs. All second year subjects were reviewed during 1999 and revised for introduction as 6 point subjects in 2000. This ensures that the new courses are consistent with the objectives of the university's Learning and Teaching Operational Plan. The faculty also obtained grants from the Strategic Innovation Fund which were used to provide web based support for all first year

subjects. It is intended that this initiative will continue with the development of similar support for later year subjects.

A plan to develop closer relationships with industry has been put into action with the appointment of an Industry Liaison Director and an Industry Relations Officer. Their first initiative has been to commence a feasibility study and pilot program of industry placements for undergraduate students. If the pilot program is successful, students will be able to undertake a six to twelve month industry placement which will give them credit towards their degree for an Industry Based Learning subject planned for introduction in semester 2, 2000. It is intended that students will undertake a negotiated learning program relevant to their specific workplace environment with an emphasis on personal and professional development, industrial understanding and development of scientific skills and knowledge.

On the research front, the Australian Research Council awarded a Special Research Centre in Green Chemistry under the directorship of Professor W R Jackson. This new centre will have a budget in excess of \$1M p.a. and is already attracting a great deal of interest from local industry after just a few months of operation. The departments of Biological Sciences and Chemistry were successful in obtaining renewed funding for the CRC for Freshwater Ecology and Professor S McKechnie was on the successful team that bid for ARC Special Research Centre funding for the Centre for Environmental Stress and Adaptation Research to be based at LaTrobe University.

Science faculty academics were successful in obtaining a range of other research and development grants. A number of Strategic Monash University Research Fund grants were received to be used for the creation of new undergraduate and postgraduate courses and for initiatives such as the Centre for Analysis and Management of Biological Invasions.

The achievements of individual academic staff members were recognised through a number of awards and appointments. Of particular note, Professor J Monaghan was awarded with the CSIRO External Medal for 1999 in recognition of his outstanding work in the area of Smoothed Particle Hydrodynamics.

The number of research scholarships awarded to the faculty increased in 1999 with a total of 44 Australian Postgraduate Awards and Monash Graduate Scholarships and five International Postgraduate Research Scholarships.

The faculty has made changes and progress in 1999 and has identified key imperatives for 2000 and beyond, particularly given the shifts in demand from the generalist degree to more targeted courses of study. The faculty will seek to grow its market share in the domestic undergraduate market and generate greater income from international and Australian fee paying courses.

Victorian College of Pharmacy

The major operational and budgetary objectives of the Victorian College of Pharmacy are:

- ♦ the provision of undergraduate pharmacy education,
- ♦ the provision of a range of postgraduate courses and research training opportunities,
- ♦ the conduct of high quality research in the broad field of the pharmaceutical and formulation sciences and pharmacy practice,
- ♦ the 'engagement' of staff in a range of activities both within Monash University and in the wider national and international communities
- ♦ the management of all facets of the College's activities so that funds provided from several sources are expended according to established guidelines.

All of these objectives were achieved in 1999. The following activities and achievements are worthy of note:

- ◆ Off-campus practical experience placements commenced in 1999 and will become major components of the third and fourth years of the new pharmacy course which was introduced in 1997. The practical experience placements incorporate a significant amount of off-campus teaching using flexible delivery methods, and include placements in both hospital and community pharmacies in city and rural locations. When possible, there will be opportunities for pharmacy students to work alongside students from other health care courses during the practical experience placements.
- ◆ The College's longstanding research collaboration with the pharmaceutical industry remains buoyant with several projects showing the potential for significant commercial application. Enrolment of graduate research students was strong in 1999, with a further increase largely limited by available scholarship support.
- ◆ A start was made on the refurbishment of the vacated medicinal chemistry laboratories in the Scott Building to provide teaching and office space for the Department of Pharmacy Practice. Also underway is a refurbishment of the major teaching laboratories and adjoining offices in the Department of Pharmaceutics. Once these upgrades are completed in 2000 there will be a much greater capacity for teaching small groups in the Department of Pharmacy Practice, and for teaching pharmaceutical microbiology and drug formulation in the Department of Pharmaceutics.
- ◆ A Centre for Continuing Education was established in 1999 to consolidate and extend the College's involvement in the provision of postgraduate courses for pharmacists and other health care providers. A major emphasis of the new centre will be the provision of courses by means of high quality flexible delivery methods.
- ◆ A number of staff changes occurred during 1999 or will occur early in 2000, necessitating the recruitment of several senior academic staff as soon as possible, most notably a Chair of Medicinal Chemistry to replace Professor Mark von Itzstein who is moving to Griffith University, and a Chair of Pharmaceutical Biology.
- ◆ Planning was finalised for the introduction in 2000 of a new Bachelor of Formulation Science course. This will be the first course of its type in Australia and will be one of very few around the world. Graduates are expected to prove highly employable in the pharmaceutical, food, cosmetic, agricultural chemical and paint industries.
- ◆ Staff at the College continued to 'engage' with the profession through their involvement in the activities of the Pharmaceutical Society of Australia (Victorian Branch), The Pharmacy Board of Victoria, and other professional associations.
- ◆ A graduate certificate course in pharmacoeconomics was offered for the first time in 1999, and several new postgraduate courses will be offered in 2000, including a Graduate Certificate in Wound Management, and a Graduate Certificate in Hospital Pharmacy.

Guideline 9.1.3 (i) (e)

Personnel and Equity Issues

Merit and Equity

In *Leading the Way: Monash 2020*, the university has established the principles underpinning staffing policy and practice for the next two decades. One of the major objectives is to provide all Monash staff with an opportunity to work in an environment 'where there is a commitment to equity and the principles of gender equity and equal employment opportunity are given practical effect throughout the

institution'. This builds on commitments to equity in previous editions of the *Monash Plan*, including the provision of a working and learning environment free from discrimination and harassment.

Gender equity

In 1999, the university undertook several major initiatives to ensure progress towards meeting targets for increasing the numbers of women employed in senior positions. With leadership from the Vice-Chancellor, the Taskforce for the Advancement of Women developed changes to recruitment policy and practice and strategies to increase the participation of women in research. A Senior Women's Forum was established and several mentor schemes for women staff introduced at the faculty level.

These initiatives were included with ongoing policies and other new strategies in a comprehensive plan linked to the Monash Plan. The *Affirmative Action Plan 2000-2001: Promoting Equal Employment Opportunity for Women* was launched in November, following a widespread consultation process in which many women staff across the institution were involved.

Recognising the needs of both men and women, a Work and Family Project was commenced in 1999 to promote and extend policies and workplace practices which will assist all staff to combine their work and family responsibilities.

Equal Employment Opportunity

The university has nearly completed implementation of the Aboriginal and Torres Strait Islander Career Development and Recruitment Strategy. By December 1999, 33 of the target of 40 training placements had been filled. During the placement, training is undertaken in university systems and a relevant Australian National Training Authority certificate qualification. Fifteen participants have been awarded certificates and some successful trainees have undertaken a Career Development Placement for a further year. By December 1999, two successful participants had been appointed to ongoing positions in the university.

A successful pilot program for a small group of Indigenous and non-Indigenous staff to undertake the certificate level IV training in Administration led to an extension of the program whereby work-based certificate level training in administration was delivered to 40 Monash female staff.

An environment free from discrimination and harassment

The Equal Opportunity Unit has developed a training program to meet two major training needs:

- ♦ supporting managers and staff in their endeavours to achieve equity in their workplace;
- ♦ ensuring Advisers and Conciliators appointed under the Discrimination and Harassment Grievance Procedures reached appropriate levels of knowledge and skills.

Special courses were provided to meet the needs of student groups, including those in residential environments.

Additional Discrimination and Harassment Advisers were appointed and their services were made available on all campuses to facilitate prompt, fair and confidential resolution of grievances.

Workforce Data

	1999			1998		
	FT&FFT	Casual	Total	FT&FFT	Casual	Total
Academic						
Female	761	163	924	775	163	938
Male	1333	183	1516	1367	184	1551
Total	2094	346	2440	2142	347	2489
General						
Female	1411	255	1666	1399	255	1654
Male	958	118	1076	968	118	1086
Total	2369	373	2742	2367	373	2740
All Staff						
Female	2172	418	2590	2174	418	2592
Male	2291	301	2592	2335	302	2637
Total	4463	719	5182	4509	720	5229

Public Sector Management & Employment Act

Public Sector Employment Principles

Monash University has always been committed to the general principles of equity and fair and reasonable treatment in employment. These important principles have been emphasized in "*Leading the Way - Monash 2020*", the university's strategic plan published in July 1999.

In particular, the plan refers to the university's objective of providing Monash staff with the opportunity to work "where there is a commitment to equity and the principles of gender equity and equal employment opportunity are given practical effect throughout the institution".

Specific operational objectives in this area include:

- ◆ Ensure open, fair, competitive and merit based selection strategies.
- ◆ Staff at all levels will be treated with fairness and respect.
- ◆ Target outcomes...leading to an increase in the proportion of female staff especially at senior levels, and to growth in the number of indigenous Australian members of staff.
- ◆ Increase access, provide support and promote conditions conducive to success for disadvantaged groups.

Achievements in 1999 include:

- ◆ revision of staff selection policies to ensure they are consistent with the university's commitment to selection on merit;
- ◆ the development and publication of the university's Affirmative Action Plan 2000-2001;
- ◆ progressive implementation of organisational change and policy strategies initiated by the Vice-Chancellor's Taskforce for the Advancement of Women;
- ◆ employment targets exceeded under the Aboriginal and Torres Strait Islander Career Development and Employment Strategy;
- ◆ commencement of Work and Family Project;

- ◆ Equal Opportunity Training Program provided for managers and staff;
- ◆ advisory and conciliation services provided for staff and students with concerns about discrimination and harassment.

The advisory and conciliation services referred to are underpinned by Grievance Resolution Procedures, set out in the Monash University Staff Handbook.

Public Sector Conduct Principles

In "Leading the Way: The Monash Plan 1998-2002", the goals of the university with regard to the delivery of teaching programs and the conduct of research were clearly stated. These included regular assessment of the quality and relevance of teaching programs through:

- ◆ student questionnaires;
- ◆ peer reviews;
- ◆ coordination with professional bodies;
- ◆ course advisory committees including external members;
- ◆ regular formal reviews, including employer feedback.

Reference was also made to the university's determination to improve its performance with regard to the conduct of research, as measured by attraction of competitive research grants. The university's ongoing commitment to quality, measured by international standards and assurance processes is confirmed in "Leading the Way: Monash 2020".

Guideline 9.1.3 (ii) (f) and (g)

Consultants

The university engaged a wide range of consultants to assist in the implementation of new management and student administration systems, and who provided information for a variety of research projects encompassing many fields of endeavour, including management, administrative, organisational, and scientific activities. Below is the listing of the consultants used by the university and the fees paid for their services during the year ending 31 December 1999.

<i>Name</i>	<i>\$</i>
Sage Computer Support P/L	101,290
ACER Customer Services	101,770
QED Interactive P/L	111,835
Phillips Curran P/L	111,848
AST Consulting	113,200
Alexander Stitt & Partner	114,875
Bradley Elms Consultants	149,656
Votar Partners	160,365
Career Brokers & Trainers	197,775
KPMG	500,800
SAP Australia	5,408,525
Sub-total (accounts >\$100,000)	7,071,939
714 consultantcies at <\$100,000	6,096,547
Total consultants fees	13,168,486

Guideline 9.1.3 (ii) (h)

Major works

In keeping with its stated objectives and goals Monash through its Capital Works program has undertaken the following significant works.

Clayton Campus

Major laboratory refurbishment which commenced in 1998, together with the construction of Engineering Building 72, and the Hargrave Library extension were completed in 1999.

Major projects consist of;

- ◆ Construction of an extension to the Senior Chemistry building, ground floor, east end and extensive refurbishment of existing laboratory and office space. This project, costing \$2M, created 1300m² of gross floor area to accommodate Water Studies laboratories which was relocated from the Caulfield campus.
- ◆ Extensive refurbishment of laboratory spaces throughout Medical and Science faculty buildings commenced in 1997 and continued into 1999. The works costing approximately \$11M to date included the removal of old laboratories fixtures, fittings and construction and equipment of new modern laboratories complying with current Australian codes and Occupational Health Safety and Environmental standards.
- ◆ The new Engineering Building 72 and the Hargrave Library extension commenced construction in March 1998. The project consisted of 4220 m² gross floor area and provided a new reception area and Dean's suite, together with accommodation for the departments of Civil, Electrical and Computer Systems Engineering. The building is three storeys in height, is fitted with a lift, is air-conditioned and has an enclosed double storey link to the existing Engineering Building 35. Associated with the building is the Sir Alexander Stewart Conference Facility comprising a 120 seat tiered lecture theatre, seminar rooms, foyer, kitchen and store, totaling 357m² floor area.
- ◆ The construction of a three storey extension to the north of the Hargrave Library comprising 2148m² of air-conditioned floor area to house a single Science Technology and Mathematics library by combining the facilities of the Hargrave and Biomedical libraries.

Caulfield Campus

The new \$9 million Art and Design Building was occupied at the commencement of first semester in 1999. The project consisted of a three storey wing incorporating administration offices, 100 seat lecture theatre, tutorial rooms, workshop, computer laboratories, exhibition and gallery space. Both wings form a courtyard to building A and are linked with a two storey corridor space.

Peninsula Campus

A state funded grant of \$3 million dollars enabled the construction of a new Ambulance and Paramedic Studies Centre on the campus.

As part of the Faculty of Medicine this Centre will provide a high level of integration with related health disciplines within the university.

Berwick campus

Stage 2 Building

Construction of a \$7M two storey Stage 2 building commenced in April 1998 was completed in May 1999. The air-conditioned building of 3486m² gross floor area provided space for two 90 seat tiered lecture theatres, two multimedia studios, a chemical sciences laboratory, six computer laboratories, four tutorial rooms, student lounge and amenities, new library extension and staff offices. The new building connects with the existing building on both the ground and first floors and extends the existing landscaped courtyard. The new air-locked entry connects to the extended carpark.

Student Housing

Work commenced in December 1998 on two student housing units. Each unit contains two flats, each consisting of five bed-study rooms, two bathrooms, laundry, lounge, dining and kitchen. The units were occupied in July 1999.

Off Campus Buildings

Institute of Reproduction and Development

In 1999 this building was completed and occupied providing offices and laboratory accommodation. The building is linked to the adjacent Monash Medical Centre E Block by an elevated enclosed linking ramp.

The building was constructed on a site acquired from Monash Medical Centre at Clayton and consists of 3446m² gross floor area over three floors and roof top plantroom.

Alfred Medical Research and Education Precinct

Planning commenced in 1998 for a \$70M complex to be constructed at the Alfred Hospital in Prahran. The new building will be occupied by the Baker Institute, Macfarlane Burnet Centre, Alfred Hospital and Monash University. The university has a \$10M share in the project which will provide two levels of laboratory accommodation and a share of the Animal House and Imaging Department. The building is scheduled for completion in 2001.

Report under Section 220 Of the Building Act (1993)

Monash University's Facilities and Services Division is responsible for all buildings, grounds, and service infrastructure on its Victorian campuses.

New buildings are managed by the Projects and Planning office with existing building refurbishment and major maintenance arranged through campus based Facilities and Services Managers.

Set out below are the responses to questions raised under guideline 5: Reporting to Parliament.

i(a) The university, by engaging independent Building Surveyors, ensures that all works requiring building approval have plans certified and on completion have Certificates of Occupancy issued in compliance with the Building Act 1993.

i(b) Works such as building maintenance, replacement of equipment, civil works, landscaping and such are the type of projects which are exempt from the ten year liability.

Guideline 9.1.3 (iv) (f)

Major research and development activities

Monash Research Graduate School

The university's Research Management Plan identified a graduate school structure as a key strategy for highlighting the quality and range of Monash's research training programs. Established on 1 November 1999, the Monash Research Graduate School seeks to bring a diversity of research training elements together. Professor Maxwell L King has been appointed as inaugural director of the School and over 50 postgraduate coordinators attended the first school forum on 30 November 1999. It is intended that the new entity will provide leadership in setting university policy on research training and scholarship matters and designing strategies for attracting and retaining high quality local and international research students.

Monash Research Graduate Centre

In 1999, over 700 postgraduate and honours students were registered to use the Monash Research Graduate Centre's computers and other facilities on a 24-hour access basis.

The Centre's exPERT program of employment and research training continued to expand in 1999, with a workshop or seminar being scheduled every fortnight during semesters one and two, seventeen in all for the year. Generic skills training options grew significantly through an agreement which allowed Monash and University of Melbourne postgraduates to attend workshops and seminars at either institution, subject to places being available.

Research Applications & Funding

During 1999 Monash researchers submitted 1694 applications to 239 separate granting bodies and schemes. Of these applications for support 582 were successful, representing a success rate of 34%, as for 1998. Funding for the first year of these successful grants totalled \$19,836,356. In relation to new awards, the university continued its commitment to using its own resources to support postgraduate research training by providing 105 Monash Graduate Scholarships, compared with 121 Government-funded Australian Postgraduate Awards (with stipend).

Research Grants Outcomes

The major sources of research income continued to be the programs of the Australian Research Council and the National Health and Medical Research Council. In summary:

- ◆ 46 new ARC Large Grants were awarded to Monash, the same number as in 1998. The university continues to rank fifth in Australia in ARC Large Grant funding.
- ◆ 5 ARC Fellowships were awarded for research to be undertaken at Monash: four postdoctoral fellowships and a prestigious QEII Fellowship.
- ◆ Under the International Researcher Exchange program 7 of the 13 applications were successful.
- ◆ Under the Strategic Partnerships with Industry (SPIRT) program Monash researchers were awarded 15 grants.
- ◆ 53 new National Health and Medical Research Council project grants were awarded to Monash in the 1999 selection round for funding in 2000, from 149 applications, plus 5 equipment grants totalling \$172,000.

Australian Research Council (ARC)

Large Grants

Monash University was awarded 46 new ARC Large Grants out of 186 applications, a success rate of 24.7%, which is higher than the national average. There was a fall in the number of Large Grant applications from Monash researchers and across the system.

Small Grants

Monash was allocated \$1,763,900 for competitive allocation under the Small Grants Scheme in 1999, for projects to commence in 2000. Monash ranked fifth nationally in terms of the size of its Small Grants allocation for 1999. This sum reflects in part the university's success in obtaining ARC Large Grants in the preceding two years. The allocation enabled support to be provided for 159 research projects.

Fellowships

Monash was awarded 5 ARC Fellowships (4 Postdoctoral, 1 Queen Elizabeth II) out of 38 applications (18 Postdoctoral, 11 Australian/QEII, 6 Senior), a success rate slightly below the national average.

Infrastructure Block Grants

Monash University was allocated \$5,966,720 in 1999 for Research Infrastructure Block Grants, compared with \$7,183,537 in 1998. Of this sum \$975,000 was distributed amongst the library's branches, while the remainder was distributed to faculties based on the proportion of National Competitive Grant funds obtained.

Research Infrastructure Equipment and Facilities Program

As a result of the 1999 selection for projects to be supported in 2000, Monash University was awarded \$550,000 for a single project for which it is the lead institution. Monash is involved in a further ten projects, as a collaborating institution, recognising that participating in other institution's bids is a cost-effective means of gaining access to expensive infrastructure.

Strategic Partnerships with Industry - Research and Training (SPIRT)

Under this scheme researchers with industry partner involvement may seek funding for one or more of a project grant, an Australian Postgraduate Award (Industry) (APAI) or a postdoctoral fellow. Monash submitted 48 SPIRT applications in 1999, more than in 1998, but was awarded funding for only 15. Within these 15 successful SPIRT grants were 9 project grants, 11 APAIs and 2 Postdoctoral Fellows (Industry).

National Health and Medical Research Council (NH&MRC)

Project and Equipment Grants

Monash was awarded 53 new project grants from 149 applications, including one 5-year project grant and 5 bridging grants. The Monash share of funding for new and continuing projects was 10.6%, an increase on the two previous years.

Fellowships and Awards

Monash was awarded four CJ Martin Fellowships, one Neil Hamilton Fairley Fellowship, one Howard Florey Centenary Fellowship and one Australian Clinical Research Fellowship. A further 16 applications were unsuccessful.

Monash Research Fund

In 1999, the university provided from its own resources \$2.3 million through the Monash Research Fund. Some \$1 million was provided in direct support of research projects of interest to the university, and to position its researchers to obtain funds from external sources. Funds were also applied to promote collaborative use of

major equipment and facilities, to assist academics to travel to present the results at international conferences, and to support postgraduate research students to travel and publish their research results.

In line with the commitment made in the Monash University strategic plan, \$3 million was transferred from general funds available to faculties to create the Special Monash University Research Fund. Half of this sum was made available on a competitive basis for faculty proposals aimed at creating and extending new research strengths, with the remainder allocated on a formula basis to reward research performance.

Research Publications

In 1999 Monash University collected data on 6247 research publications which were published by Monash staff and students in 1998. These publications were collected under 31 defined categories and included output formats as diverse as books, edited volumes of conference proceedings, creative works, expert commentary and theses accepted for higher degrees. Monash reported 2489 research publications under four publication categories to the federal Department of Education, Training and Youth Affairs as part of the 1998 financial and publications research data collection.

Logan Research Fellowships

In 1996 Monash University established the Logan Research Fellowships to build on its research reputation, and to mark the retirement in December of the Vice-Chancellor, Professor Mal Logan. The purpose of the Fellowships was to expand Monash's research efforts and ensure that the university continued to lead the way in research development and scholarship. The university has committed over \$1 million to the fellowships, to attract up to 30 world-class postdoctoral researchers to Monash over a six-year period.

Five Logan Research Fellowships were awarded in 1996, 1997 and 1998, with a sixth 1998 applicant having his ARC QEII fellowship supplemented with allowances from the Logan Research Fellowship fund in recognition of an earlier offer of a Logan Research Fellowship. For the 1999 round the awardees, their departments and commencement dates are as follows:

- ◆ Dr Roland Boer, School of History and Gender Studies (4 January 2000)
- ◆ Dr Burkard Polster, Department of Mathematics (20 December 1999)
- ◆ Dr Robert Mahony, Department of Electrical and Computer Systems Engineering (13 December 1999)
- ◆ Dr Tony Rowe, Department of Biochemistry and Molecular Biology (3 April 2000)
- ◆ Dr Tony Tiganis, Department of Biochemistry and Molecular Biology (4 January 2000)

Postgraduate Research Scholarships and Awards

In the 1998-9 selection round, 828 applications were received for the 97 Monash Graduate Scholarships (MGS) and 112 Australian Postgraduate Awards (APA) available. Only four other Australian universities received a larger allocation of APA than Monash.

While overall 53% of applications were from females, when only Australian applicants are considered the figure rises to 61%. Of the APA-eligible applicants only 9.2% had interstate addresses, which suggests that at least in part, the low level of mobility amongst Australians can be attributed to student choice rather than institutional policy.

Just over 52.4% of applicants (434) were deemed to hold either first class honours or an equivalent qualification. Nearly 25% (110) of these applicants had been favourably assessed by one of the university-wide H1 equivalence panels which met in late November 1998 to review the academic and research qualifications of all those applicants whom the faculties wished to rank but who did not hold standard

Australian first class honours degrees. Twenty-five percent of applications submitted to these panels were not successful.

While 57.8% of all eligible applicants received offers, 183 applicants holding first class honours qualifications or their equivalent failed to receive an offer for any award, 69 more than in the 1997-8 selection round. Of all the stipend scholarship offers made 40.2% were made to applicants who held non-Monash qualifications. The number of MGS or institutional awards taken up by international students has increased from 41% in 1998 to 49% in 1999.

A further 10 faculty-nominated students received mid year MGS offers in June 1999. It is the university's long established policy to retain a portion of awards for allocation at this later date to accommodate further applicants of excellent research calibre, who are seeking scholarship support.

Additionally in 1999, nine of the Monash Graduate Scholarships available were earmarked for faculty nominated areas of research strength and priority.

Under the auspices of the new Strategic Partnerships with Industry-Research Training scheme (SPIRT), Monash received 13 APA (Industry) awards, one less than in the previous year. This represented a success rate of 52%.

The university received a quota of 17 International Postgraduate Research Scholarships (IPRS) in 1999. A further initiative in 1999 was the creation of nine Monash University International Postgraduate Research Partial Tuition Scholarships to complement the government's IPRS programs.

The university's MGS budget increased from \$4.85m in 1998 to \$4.93m in 1999, and funding from departmental and outside sources for other research stipend awards rose \$0.17m to \$4.4m in 1999. Overall, total expenditure in 1999 for MGS, APA, IPRS and other externally funded and departmental awards remained steady at \$16.6m, with about 1,120 postgraduate researchers in receipt of stipend scholarships and approximately 100 on fee-paying awards.

Additionally, the university continued to support individual academic departments through an annual grant-in-aid program of \$130,000 which is apportioned among academic departments in accordance with the relative size of each unit's research load (EFTSU).

The Monash Postgraduate Travel Grant program saw a doubling of its annual budget to \$172,000 in 1998, an allocation increased to \$190,000 in 1999. Presently, successful applicants are required to pay the first \$150 of the fare themselves. It is expected that this scheme will meet the total travel costs of awardees in 2000. In 1999, 234 students were supported by the scheme, compared with 201 awardees in 1998. This represents a 16% increase in the number of postgraduate research candidates who have benefited from the program.

In 1999 the Conference Organisers' Grants scheme, introduced a year earlier, continued to provide financial support to postgraduate researchers who intend to plan and run a Monash, state, national or international conference, seminar or workshop. An annual budget of \$10,000 is set aside to support this initiative.

The Postgraduate Publications Grant program had a slightly increased budget of \$110,000 in 1999. It assists approximately 24 doctoral or research masters students under examination, to write up papers based on their research. Tenure is for up to 3 months.

All these grant programs, funded through the Monash Research Fund, are an efficient and cost effective way of raising the profile of Monash's postgraduate research efforts both nationally and internationally.

In 1999 Monash University was allocated 1,666 EFTSU of HECS exemptions (APAs without Stipend), four more than in the previous year. Generally all doctoral students, full-time research masters and part-time re-enrolling research masters students are able to be accommodated within this allocation.

Since the publication of the Monash Research Management Plan in June 1998, the university's postgraduate research award and grant programs have continued to expand. Most notably, 1999 saw the creation of two new research fellowship programs - the Monash University Postgraduate Teaching and Research Fellowship schemes which are open to both part-time and full-time students undertaking research projects in designated areas of faculty research strength and priority. Awards are made via faculty nominations and are subsidised by central funding which meets up to 30% of salary costs. The university believes that these fellowships confer a more formal status on postgraduates within the university's research and teaching community, and provide an entry point to a university career. Twenty-one teaching fellowships were offered in 1999, while the Teaching Fellowship program will not be fully operational until 2000.

A further initiative arising from the Monash Research Management Plan was the introduction of the Mollie Holman Doctoral medals, awarded for the best doctoral thesis in each faculty where there are nominations of sufficient calibre to merit such a prestigious award being made. In the first year of its operation, seven awards were made under the program.

Expenditure on all postgraduate research scholarships, awards and grants amounted to \$22.3m in 1999. A further \$30,000 was allocated for 12 awards for honours students under the Vice-Chancellor's Undergraduate Research (Honours) scholarship scheme.

The university continues to review its strategies for attracting external monies for its scholarship programs, and has set itself a target for a 5% annual increase in this type of support over the next five years.

Candidature and examinations

A total of 2,734 students were enrolled for research higher degrees at Monash in 1999, of whom 1,915 were doctoral candidates. This year, 124 doctoral students were enrolled in the university's two professional doctorate programs, the Doctor of Education (EdD) and the Doctor of Psychology (DPsych). During 1999, 489 and 274 new doctoral and research masters candidates respectively, commenced their candidature. Three research masters programs, the PhD and the EdD may now be undertaken by external mode. It is anticipated that programs such as these will lead to some significant collaborative research programs, especially with overseas research institutions.

In accordance with Monash Research Management Plan targets, the university seeks to achieve a 1% increase in international research admissions each year from 2000 to 2005. In 1999, 8.3% of postgraduate research students were from overseas. Eighty-one international postgraduate research students commenced their studies in 1999.

As Monash's postgraduate research training reputation is underpinned by the excellent quality of its supervision, supervision questionnaires are distributed to the postgraduate research cohort every four years to ascertain not only instances of supervisory strength, but also to identify areas where supervision practice may be improved. The results from the 1998 supervision survey have now been analysed and disseminated university-wide. In particular, examples of best practice have been identified and publicised following a meeting of representatives from those academic units which scored well in the survey.

Two hundred and eighty-three (283) candidates submitted doctoral theses for examination in 1999, compared with 280 in 1998. While in 1994 only 36% of all doctoral thesis submissions were from female candidates, by 1999 this had increased to 50%. The average submission time for doctoral theses is 50.9 full-time equivalent months (49.2 and 52.9 full-time equivalent months for males and females respectively). A target of the Monash Research Management Plan is to reduce the

average doctoral completion time by three months by the year 2000. The average age of doctoral students awarded the degree is currently 35.2 years, with approximately 60% of submissions made by persons born in Australia.

In the order of 84% of doctoral examinations are concluded without further examination being required.

Guideline 9.1.3 (i) (f)

Freedom of Information

In 1999 the university received sixteen requests under the Freedom of Information Act 1982. Of these:

- ♦ 15 were granted access in full or partial access was granted;
- ♦ 1 proceeded to VCAT after the university denied access to all or some documents. VCAT is currently considering the university's decision.

The university is largely funded by the Government, and maintains a high level of administrative contact with a number of Commonwealth and State Government agencies that have considerable influence on policy for which the university may be adjudged accountable. These include the Commonwealth Department of Education, Training & Youth Affairs, the Australian Research Council and the National Health and Medical Research Council.

Most vital records relating to institutional policy and administration are maintained by departments within central administration. The principal records series (listed below) are rich sources of information about all aspects of university affairs. University Council and Academic Board agendas and minutes, which are the most accessible records series reflecting policy and procedures, have long been available in near complete form in the Sir Louis Matheson Library and may be consulted without notice during normal library hours (generally 9.00 am to 6.00 pm Monday to Friday during term). The principal record series available are as follows:

- ♦ University Council minutes 1958 –
- ♦ Academic Board minutes 1960 –
- ♦ Student files 1961 –
- ♦ Student record cards 1961–1990
- ♦ Committee of Deans minutes 1962 –
- ♦ Administrative correspondence 1962 –
- ♦ Staff files 1962 –
- ♦ Monash accounting and reporting system (MARS) 1978 – 1999
- ♦ Integrated staff information system (ISIS) 1981 – 1999
- ♦ Monash University student information system (MUSIS) 1982 –
- ♦ Accounts receivable input and enquiry system (ARIES) 1983 – 1999

In 1999, Monash University introduced the Integrated Administrative Systems Project. This project introduced and implemented new software to replace the existing financial, personnel, payroll and student administrative systems. SAP R/3, the integrated business software system that is used for finance and human resources processes was fully operational in 1999 replacing:

- ♦ MARS
- ♦ ISIS; and
- ♦ ARIES.

CALLISTA is the new student Information system that will replace MUSIS when it is fully introduced.

The university has provided statements as required under Part II of the Freedom of Information Act 1982. These statements may be inspected at the libraries of each campus and at Records Administration, Room G31, Administration Building 3a, Monash University, Clayton campus. The university archives section (located in Building 3d) also has a reading room available for inspection of archived records. The university administration office hours are normally from 9am to 1pm and 2pm to 5pm Monday to Friday.

Monash produces a wide range of publications covering all aspects of the university's teaching and learning and research activities. The Guide to Courses and Subjects – Undergraduate and Guide to Course and Subjects - Postgraduate provide a thorough guide to the university's academic programs with details on degree requirements, courses and subjects.

The Guides are supported by a range of publications which provide information on specific aspects of the university's key functions. These include the annual *Monash University Undergraduate Courses 1999*, *Monash University Postgraduate Courses 1999*, a guide to the university for international students, and various publications on research and research outcomes. The university also produced a large range brochures, booklets and presentation kits describing the activities and expertise of faculties, departments and research centres.

The university's Public Affairs Unit produces a range of regular publications which are distributed throughout the university, to the media, secondary schools, the business sector and to opinion leaders throughout the community. A wide range of the university's publications including course and subject is available on-line on the World Wide Web through the Monash Homepage (reached via the URL <http://www.monash.edu.au/>).

General guides to the university's activities and services are also available in print and video formats.

Preliminary enquiries with regard to freedom of information access may be made by telephone to the FOI manager. All requests for access to university records under the Freedom of Information Act 1982 must be made in writing, addressed to the FOI manager and accompanied by the \$20 application fee prescribed by the Act.

Requests for access should contain sufficient detail to enable specific documents required to be identified. Applicants will be notified in writing of the decision on a request as soon as possible but at least within forty-five days of the application being received. If access is granted the applicant will be advised at this time of the arrangements for gaining access to the requested documents.

Charges for access will be in accordance with the Freedom of Information (Access Charges) Regulations 1983. The charges will cover time spent searching for documents and the cost of providing access.

The Freedom of Information manager is:

Mr Phillip Siggins
 Manager, University Secretariat
 Monash University
 Wellington Road

Guideline 9.1.3 (ii) (k)

National Competition Policy

During 1999 the university continued to implement its established policies consistent with our obligations in relation to National Competition Policy. Diligence has been shown in monitoring existing programs and the vetting of new proposals and initiatives by the university Compliance Officer to ensure they comply with the Competition Code.

As part of our rolling Compliance Program, the university will embark on an intensive renewed NCP awareness program in 2000.

The Trade Practices Compliance Manual available on the Internet at: <http://www.monash.edu.au/admin/tpacompl.htm> clearly sets out both individual and university obligations in relation to the Trade Practices Act (1974).

The university is pleased to report that it was not the subject of any National Competition Policy related actions in 1999.

Guideline 9.6.2

Year 2000 Compliance

The need to ensure that Monash University would not be adversely affected when the century changed on 1 January 2000 was the subject of a vast amount of planning and diligent effort. The schedule below details the major business critical systems and the date of compliance. All systems critical to the ongoing operation of the university were Year 2000 compliant by the end of 1999.

A schedule of all classes of business critical systems in use by the university and the dates by which those systems were Year 2000 compliant is available. Requests for further information should be directed to:

Mr M. Robinson
Year 2000 Coordinator
Information Technology Services

<i>Critical Business System Name</i>	<i>Plain English Description of Critical Business Function</i>	<i>Date system Y2K compliant</i>
Voyager integrated library system	Catalogue of the university Library's collection for consultation by library staff and users. Records all details of library acquisition and management.	August 1999
Library system – Voyager	Hardware and operating system for main library system.	February 1999
IAS – Monash Finance System	All core financial transactions for Monash University.	July 1999
IAS – Human Resources and Payroll System	Corporate Staff and Payroll system.	July 1999
Monash University Student Information System	Corporate Student Information system used to track students' enrolment and progress from application through to completion and graduation including fee assessment.	June 1999
Administration Production	Hardware and operating systems for Main Administrative Production system.	August 1999

<i>Critical Business System Name</i>	<i>Plain English Description of Critical Business Function</i>	<i>Date system Y2K compliant</i>
SDS (Gippsland Student Database)	Gippsland campus Student information system for tracking the enrolment and progress of Gippsland campus students that are not recorded in MUSIS.	June 1999
Gippsland Student Administration	Hardware and operating systems for Gippsland Student Administration Production System.	July 1999
Staff Applications	Applications programs for the staff environment.	November 1999
Staff file servers and associated systems	Novell file servers for the staff environment – together with associated services.	September 1999
Student Applications	Applications programs for the student environment.	November 1999
Student file servers and associated systems	Novell file servers for the student environment – together with associated services.	August 1999
LINUX – teaching systems	Student teaching environment – Unix.	August 1999
Teaching Oracle	Student teaching environment – Oracle.	April 1999
SUN Network computing environment	Student teaching environment – Network computing.	June 1999
WAN	Inter-campus network links.	May 1999
PABX	Internal/External Communications	September 1999
Building Automation System-ANDOVER	Controls heating, ventilation, security, air conditioning, plant and constant temperature facilities.	July 1999
Scientific Equipment	Measurement devices for Scientific experiments and research.	September 1999
Personal Computers	Computers for teaching, research and administration.	November 1999

Statutes made and/or amended during 1999

- ◆ Statute 6.1.2 – Courses and Degrees (Amendment No 1 1999)
- ◆ Statute 6.1.2 – Course and Degrees (Amendment No 2 1999)
- ◆ Statute 6.1.2A – Monash Mt Eliza Graduate School of Business and Government Ltd (Amendment No 2 1998)
- ◆ Statute 2.3 – The Faculties (Amendment No 1 1999)
- ◆ Statute 6.1.1 – University Entrance and Admission to Courses (Amendment No 1 1999)
- ◆ Statute 6.1.2. – Courses and Degrees (Amendment No 3 1999)
- ◆ Statute 3.7 – The Disability Pensions Fund (Amendment No 1 1999)
- ◆ Statute 10.1 – Affiliation (Amendment No 1 1999)

Guideline 9.1.3 (ii) (i)

Other relevant information

Further information on the following topics is available. Initial inquiries should be directed to:

Manager,
University Secretariat
Monash University
Wellington Road
Clayton, Vic. 3168
Telephone 9905 9002

- ♦ Guideline 9.1.3 (iv) (a) – Pecuniary Interest Statement.
- ♦ Guideline 9.1.3 (iv) (b) – Shares held by senior officers as nominee.
- ♦ Guideline 9.1.3 (iv) (c) – Publications produced by the university.
- ♦ Guideline 9.1.3 (iv) (d) – Details of prices, fees, charges, rates and levies.
- ♦ Guideline 9.1.3 (iv) (e) – External reviews of the university.
- ♦ Guideline 9.1.3 (iv) (f) – Research details—additional faculty specific information is available.
- ♦ Guideline 9.1.3 (iv) (g) – Overseas visits undertaken.
- ♦ Guideline 9.1.3 (iv) (h) – Marketing and public relations matters.
- ♦ Guideline 9.1.3 (iv) (i) – Occupational health and safety matters.
- ♦ Guideline 9.1.3 (iv) (j) – Details of time lost through industrial accidents is available on request.
- ♦ Guideline 9.1.3 (iv) (k) – There are no major external committees sponsored by the university.

Guideline 9.1.3 (ii) (j)

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BALANCE SHEET AS AT 31 DECEMBER 1999

<u>1998</u>			<u>1999</u>	
Monash University \$000	Consolidated \$000	Notes	Monash University \$000	Consolidated \$000
Current Assets				
4,875	12,219		6,204	17,998
13,097	17,619		15,222	18,608
40	60		49	-
53,095	59,022		25,400	39,219
2,619	3,052		2,769	3,309
12,468	13,026		10,235	10,750
<u>86,194</u>	<u>104,998</u>		<u>59,879</u>	<u>89,884</u>
Total Current Assets				
Non-Current Assets				
550	239		729	107
85,596	263,165		103,197	274,803
642,310	655,341		668,232	681,192
2,943	3,365		4,049	4,361
111,564	111,564		113,085	113,085
<u>842,963</u>	<u>1,033,674</u>		<u>889,292</u>	<u>1,073,548</u>
<u>929,157</u>	<u>1,138,672</u>		<u>949,171</u>	<u>1,163,432</u>
Total Assets				
Current Liabilities				
75	75		-	-
4,321	6,091		10,071	12,504
8,182	8,322		7,131	7,157
-	716		-	716
21,760	26,497		11,389	16,541
2,430	5,876		3,372	7,914
23,388	23,388		1,798	1,798
-	341		-	341
30,947	31,920		31,836	32,933
<u>91,103</u>	<u>103,226</u>		<u>65,597</u>	<u>79,904</u>
Total Current Liabilities				
Non-Current Liabilities				
35,689	37,227		36,164	36,164
-	5,368		-	4,652
-	65,941		-	59,520
42,317	42,878		41,549	42,050
111,564	111,564		113,085	113,085
<u>189,570</u>	<u>262,978</u>		<u>190,798</u>	<u>255,471</u>
<u>280,673</u>	<u>366,204</u>		<u>256,395</u>	<u>335,375</u>
Total Liabilities				
Net Assets				
<u>648,484</u>	<u>772,468</u>		<u>692,776</u>	<u>828,057</u>
Equity				
83,102	122,280		83,102	122,667
403,085	403,814		403,085	403,851
162,297	246,374		206,589	301,539
<u>648,484</u>	<u>772,468</u>		<u>692,776</u>	<u>828,057</u>
Total Equity				

The accompanying Notes form part of these financial statements.

OPERATING STATEMENT FOR THE YEAR ENDED 31 DECEMBER 1999

1998		1999			1999	
Monash University \$000	Consolidated \$000		Notes	Monash University \$000	Consolidated \$000	
Operating Revenue						
227,457	227,457	Commonwealth Government Grants	12	218,164	218,164	
82,252	82,252	Higher Education Contribution Scheme	13	92,448	92,448	
1,637	1,637	State Government Grants	14	5,173	5,173	
55,969	55,969	Other Research Grants and Contracts		51,821	51,246	
246	246	Scholarships and Prizes		357	357	
7,875	7,982	Donations and Bequests		8,873	11,790	
10,708	26,254	Investment Income	7(d)	10,480	22,074	
101,586	135,506	Fees and Charges	15	119,159	156,910	
53,854	60,681	Other Revenue	16	51,099	62,867	
541,584	597,984			557,574	621,029	
Less:						
Operating Expenses						
335,375	348,715	Academic Activities	17(a)	356,714	364,348	
18,877	19,068	Libraries	17(b)	19,212	19,419	
23,928	26,838	Other Academic Support Services	17(c)	23,245	25,828	
28,413	30,677	Student Services	17(d)	26,232	28,495	
2,473	2,473	Public Services	17(e)	1,519	1,519	
20,706	21,039	Buildings and Grounds	17(f)	20,803	21,143	
88,367	119,738	Administration and Other General Services	17(g)	86,636	125,767	
518,139	568,548			534,361	586,519	
23,445	29,436	Surplus for the year ended 31 December 1999 before abnormal items		23,213	34,510	
Less:						
Abnormal Items						
7,988	7,988	Government Superannuation Contributions	2	1,521	1,521	
(7,988)	(7,988)	Deferred Benefits for Superannuation	2	(1,521)	(1,521)	
1,749	1,749	Asset Write Downs		-	-	
21,696	27,687	Surplus for the year ended 31 December 1999 after abnormal items		23,213	34,510	
140,601	218,841	Retained Surplus at 1 January 1999		162,297	246,374	
-	167	Retained Surplus at 1 January 1998 - Monash University Foundation Year Ltd		-	-	
Add:						
Prior Period Adjustments						
-	-	Commonwealth Government Grants	1(g)	21,486	21,486	
119,552	119,552	Government Superannuation Contributions		-	-	
(119,552)	(119,552)	Deferred Benefits for Superannuation		-	-	
162,297	246,695	Funds Available for Appropriation		206,996	302,370	
-	-	Dividends Paid		(407)	(407)	
Transfers (to)/from Reserves:						
-	(213)	Transfer to Funds held in Perpetuity		-	(387)	
-	(108)	Transfer to General Reserve		-	(37)	
162,297	246,374	Retained Surplus at 31 December 1999		206,589	301,539	

The accompanying Notes form part of these financial statements.

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 1999

1998			1999	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
CASHFLOWS FROM OPERATING ACTIVITIES				
Inflows				
234,136	234,136	Commonwealth Government Grants	217,148	217,148
1,537	1,537	State Government Grants	4,442	4,442
		Higher Education Contribution Scheme:		
69,832	69,832	- Higher Education Trust Fund	79,445	79,445
12,420	12,420	- Student payments	13,004	13,004
277,685	322,445	Receipts from student fees and other customers	244,835	301,098
63	8,654	Investment income received	129	8,621
Outflows				
(550,510)	(598,457)	Payments to creditors and employees	(524,634)	(573,076)
-	(245)	Grant to Monash Alumni Association Inc	-	(435)
(3,446)	(3,674)	Interest paid	(2,652)	(2,748)
<u>41,717</u>	<u>46,648</u>	Net cash inflows from operating activities	<u>31,717</u>	<u>47,499</u>
		26(b)		
CASHFLOWS FROM INVESTING ACTIVITIES				
Inflows				
4,106	5,208	Proceeds from sale of property, plant and equipment	1,151	1,357
309,010	445,050	Proceeds from investment sale and redemption	285,724	371,567
80	80	Prepaid rent and other receipts	-	-
Outflows				
(66,163)	(68,414)	Payments for property, plant and equipment	(58,233)	(60,318)
(302,283)	(440,005)	Payments for investments	(263,100)	(349,294)
-	-	Other payments	(188)	(188)
<u>(55,250)</u>	<u>(58,081)</u>	Net cash inflows/(outflows) from investing activities	<u>(34,646)</u>	<u>(36,876)</u>
CASHFLOWS FROM FINANCING ACTIVITIES				
Inflows				
24,929	18,097	Proceeds from borrowings	13,641	13,975
-	-	Other	-	-
Outflows				
(8,048)	(11,881)	Repayment of borrowings	(8,182)	(16,220)
-	-	Other Payments	-	-
<u>16,881</u>	<u>6,216</u>	Net cash inflows/(outflows) from financing activities	<u>5,459</u>	<u>(2,245)</u>
3,348	(5,217)	Net increase/(decrease) in cash held	2,530	8,378
2,749	17,207	Effects of exchange rate changes on cash	-	(397)
-	2,629	Cash at 1 January 1999	6,097	14,619
<u>6,097</u>	<u>14,619</u>	Cash at 31 December 1999	<u>8,627</u>	<u>22,600</u>
		26(a)		

The accompanying Notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

1. STATEMENT OF ACCOUNTING POLICIES

These general purpose accounts have been prepared using an accrual basis of accounting in accordance with:

- (i) Australian Accounting Standards, except where stated otherwise,
- (ii) other authoritative pronouncements of the Public Sector Accounting Standards Board and/or the Australian Accounting Standards Board,
- (iii) Urgent Issues Group Consensus Views, and
- (iv) the disclosure requirements of the Financial Management Act 1994.

Comparative information is reclassified where appropriate to enhance comparability.

(a) Non-Current Assets

i) Depreciation/Amortisation

Depreciation on equipment, buildings and library books is included in the operating statement as an expense item. In accordance with Australian Accounting Standard AAS 4, depreciation is computed on the straight line method over the estimated useful life of the assets to the entity.

Useful lives of equipment range from 2 years to 100 years.

Software is amortised over a useful life of 7 years.

Library books have useful lives ranging from 5 years to 50 years. Rare books are not depreciated as they appreciate in value.

Depreciation on buildings completed during the year is calculated from the date of completion of the building. All buildings are depreciated at the rate of 3% per annum.

Leasehold improvements are amortised over the useful lives of the improvements, which is generally 10 years.

ii) Borrowing Costs

Borrowing costs are capitalised in relation to financing qualifying assets in accordance with Australian Accounting Standard AAS 34. Borrowing costs are capitalised when the qualifying asset is greater than \$0.5M; the expected useful life of the asset is three years or greater; and the period of construction or development of the qualifying assets is 12 months or more. As the University's borrowings support the general capital program, interest is capitalised at a weighted average rate.

Borrowing costs have been recognised as part of the carrying value of property and software development assets. The capitalisation rate used to determine the amount of capitalised borrowing costs is 7.58%.

Note 9(c) shows the borrowing costs included as an expense in the operating statement.

iii) Equipment

Equipment in the Balance Sheet consists of:

1998	
Monash University \$000	Consolidated \$000
140,989	151,751
-	367
(92,783)	(99,386)
48,206	52,732

Equipment:
At Cost
Under Finance Lease
Provision for Depreciation/Amortisation
Net Value at 31 December 1999

1999	
Monash University \$000	Consolidated \$000
153,655	165,229
-	47
(99,254)	(106,317)
54,401	58,959

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(a) Non-Current Assets (continued)

iv) Software Development

Internal use software is capitalised and amortised on a straight line basis where the expected useful life is three years or greater and the costs to be capitalised exceed \$0.5M. Where costs fall below this benchmark, they will be expensed as incurred.

In 1999 software development includes capitalised borrowing costs of \$0.26M [refer note 1(a)(ii)].

Software Development in the Balance Sheet consists of:

1998	
Monash University \$000	Consolidated \$000
3,833	3,833
-	-
<u>3,833</u>	<u>3,833</u>

Software Development at Cost
Provision for Amortisation
Net Value at 31 December 1999

1999	
Monash University \$000	Consolidated \$000
13,531	13,531
(741)	(741)
<u>12,790</u>	<u>12,790</u>

v) Library Books

Library books are valued at cost and depreciated over their estimated useful life [refer note 1(a)(ii)]. Rare books are not depreciated as they appreciate in value.

Library Books in the Balance Sheet consists of:

1998	
Monash University \$000	Consolidated \$000
104,968	105,106
(23,335)	(23,335)
<u>81,633</u>	<u>81,771</u>

Library Books at Cost
Provision for Depreciation
Net Value at 31 December 1999

1999	
Monash University \$000	Consolidated \$000
113,148	113,286
(26,012)	(26,012)
<u>87,136</u>	<u>87,274</u>

vi) Property

The total value of land and buildings was established by formal valuation by the Valuer-General of Victoria as at 31 December 1995. Subsequent additions are valued at cost.

In 1999 property includes capitalised borrowing costs of \$0.35M [refer note 1(a)(ii)].

Property in the Balance Sheet comprises:

1998	
Monash University \$000	Consolidated \$000
62,804	65,004
401,950	407,750
2,335	2,335
61,962	63,160
17,529	17,529
(37,942)	(38,773)
<u>508,638</u>	<u>517,005</u>
<u>642,310</u>	<u>655,341</u>

Land at valuation by the Valuer-General of Victoria as at 31 December 1995
Buildings at valuation by the Valuer-General of Victoria as at 31 December 1995
Land, at cost
Buildings, at cost
Buildings - Work in Progress, at cost
Provision for Depreciation
Net Value at 31 December 1999

1999	
Monash University \$000	Consolidated \$000
62,449	64,649
401,815	407,615
3,069	3,069
93,154	94,173
5,901	6,158
(52,483)	(53,495)
<u>513,905</u>	<u>522,169</u>
<u>668,232</u>	<u>681,192</u>

vii) Total Property, Equipment and Library Books

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(a) Non-Current Assets (continued)

viii) Leasehold Improvements

Leasehold Improvements in the Balance Sheet consists of:

1998			1999	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
2,360	3,327	Leasehold Improvements, at cost	2,360	3,306
943	943	Leasehold Improvements - Work in Progress	2,240	2,240
(360)	(905)	Provision for Amortisation	(551)	(1,185)
<u>2,943</u>	<u>3,365</u>	Net Value at 31 December 1999	<u>4,049</u>	<u>4,361</u>

(b) Provision for Long Service Leave and Recreation Leave

Long service leave and annual leave employee entitlements have been calculated on an individual liability basis in accordance with Australian Accounting Standard AAS 30. The standard requires measurement of long service leave at estimated present value. Salary on-costs have been included in the calculation of leave provisions.

The total provision shown in the Balance Sheet is made up as follows:

1998			1999	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
i) Current				
5,151	5,239	Provision for Long Service Leave	5,156	5,238
25,796	26,681	Provision for Recreation Leave	26,680	27,695
<u>30,947</u>	<u>31,920</u>		<u>31,836</u>	<u>32,933</u>
ii) Non-Current				
42,317	42,878	Provision for Long Service Leave	41,549	42,050
<u>42,317</u>	<u>42,878</u>		<u>41,549</u>	<u>42,050</u>

(c) Capital

The movements in Capital and Reserves are disclosed in the Note 11 - Consolidated Statement of Changes in Equity.

1998			1999	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
i) Funds Held in Perpetuity:				
-	-	Specified Bequests and Donations	-	-
-	38,916	Monash University Foundation	-	39,303
<u>-</u>	<u>38,916</u>		<u>-</u>	<u>39,303</u>
ii) Contributed Capital :				
83,102	83,102	Commonwealth Government and State Grant contributions to Capital Works and Land	83,102	83,102
-	2	Other	-	2
<u>83,102</u>	<u>83,104</u>		<u>83,102</u>	<u>83,104</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(c) Capital (continued)

1998			1999	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
-	260	iv) Other	-	260
		Premium arising on consolidation of controlled entity Sir John Monash Business Centre Pty Ltd		
<u>83,102</u>	<u>122,280</u>	v) Total Capital	<u>83,102</u>	<u>122,667</u>

1998			1999	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
		(d) Reserves:		
51,708	51,898	i) General Reserve	51,708	51,935
351,377	351,916	ii) Asset Revaluation Reserve	351,377	351,916
<u>403,085</u>	<u>403,814</u>	iii) Total Reserves	<u>403,085</u>	<u>403,851</u>

(e) Interest in Cooperative Research Centres

The University has an interest in fifteen Cooperative Research Centres. The University has provided equity to the Cooperative Research Centres through cash contributions and the provision of research resources ("in-kind" support). The value of the "in-kind" support has been established using Commonwealth Government guidelines. The value of the University's investment has been adjusted to reflect the University's interest in the estimated net tangible assets of the Cooperative Research Centres. Details of the valuation of the investment are shown at Note 7 (c).

(f) Financial Instrument Disclosures

Accounting policy and other disclosures under Australian Accounting Standard AAS 33 related to financial assets and liabilities are shown in note 27 (b).

(g) Commonwealth Government Grants

The advance payment of the Commonwealth grant for operating purposes and the advance from the Higher Education Trust Fund received in December 1999, relating to the year 2000, has been treated as income in 1999 in order to comply with the new Australian Accounting Standard AAS 15 - Revenue. The significant impact of this standard is a reduction in the liability for government grants in advance of \$21.5M in the current year.

Under the transitional provisions of the standard, the 1999 advance payment of the Commonwealth grant for operating purposes and Higher Education Trust Fund grants, paid in 1998, have been adjusted against the opening retained surplus.

The above accounting treatment does not comply with Section 2.5 of the Department of Education Training and Youth Affairs Guidelines for the Preparation of Annual Financial Reports for the 1999 Reporting Period by Australian Higher Education Institutions, which requires these payments to be treated as a liability. In the Note 19 - Acquittal of Commonwealth Government Grants, the payment of the Commonwealth grant for operating purposes [Note 19(a)] and the advance from the Higher Education Trust Fund [Note 19(c) (i)] are both treated as balances carried forward.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

2. ABNORMAL ITEMS

In accordance with a directive under the Financial Management Act 1994, Monash University has reported its notional share of the unfunded liability of the State Superannuation Fund in the Balance Sheet as at 1 January 1998. The University has also recognised the future funding of the liability as an asset of equivalent value. Asset and liability movements for the year have been recognised as abnormal items.

<u>1998</u> Monash University \$000		<u>1999</u> Monash University \$000
	Movements for the year are as follows:	
7,988	Government Superannuation Contributions - Asset	1,521
(7,988)	Deferred Benefits for Superannuation - Liability	(1,521)
<u>-</u>		<u>-</u>

Note 25(f) provides full details of the accounting treatment in the Financial Statements.

3. PRINCIPLES OF CONSOLIDATION

The accounts have been consolidated on the basis of the University's controlling and beneficial interest in the following associated entities:

Montech Pty Ltd, and controlled entity Montech Medical Developments Pty Ltd;
 Monash I.V.F. Pty Ltd;
 Monash Ultrasound Trust;
 Monash I.V.F. Pathology Services Trust;
 Monash University Foundation Trust;
 Monash Unicomm Pty Ltd;
 Monash International Pty Ltd, and controlled entity Monash Language Centre Pty Ltd;
 Monash Mt Eliza Graduate School of Business and Government Limited;
 Sir John Monash Business Centre Pty Ltd;
 Monash University Foundation Year Ltd;
 AMPASC Pty Ltd

Further Details:

(a) Montech Pty Ltd, and controlled entity Montech Medical Developments Pty Ltd

The principal activities of the company were the marketing and promotion of commercially viable projects predominantly developed at Monash University.

At 31 December 1999, the University owned 100% of the shares in the company.

The consolidated operating profit of the company for the year was \$0.014M (1998 \$0.044M).

The total consolidated assets of the company at 31 December 1999 amounted to \$60.010M (1998 \$66.403M).

The total consolidated liabilities of the company at 31 December 1999 amounted to \$59.841M (1998 \$66.248M).

(b) Monash I.V.F. Pty Ltd

The principal activity of the company remained unchanged during the year and was the provision of infertility medical services,

At 31 December 1999, the University owned 100% of the shares in the company.

The consolidated operating profit of the company for the year was \$0.214M (1998 \$0.236M) after contributing \$0.57M in research funding to the Monash University's Institute of Reproduction and Development (1998 \$0.5M). No income tax expense was charged, or benefit recognised.

The total consolidated assets of the company at 31 December 1999 amounted to \$3.850M (1998 \$3.201M).

The total consolidated liabilities of the company at 31 December 1999 amounted to \$2.504M (1998 \$2.069M).

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

3. PRINCIPLES OF CONSOLIDATION *(continued)*

(c) Monash Ultrasound Trust

Monash Ultrasound Trust is a trust settled on the University by Monash I.V.F. Pty Ltd in 1988. The University is the sole beneficiary of the trust and received no contributions from the trust in 1998 or 1999.

(d) Monash I.V.F. Pathology Services Trust

Monash I.V.F. Pathology Services Trust is a trust settled on the University by Monash I.V.F. Pty Ltd in 1988. The University is the sole beneficiary of the trust and received no contributions from the trust in 1998 or 1999.

(e) Monash University Foundation Trust

Monash University Foundation is a trust created by the University in 1983. The University is the sole beneficiary of the trust and received contributions of \$6.411M from the Foundation in 1999 (1998 \$7.441M).

The surplus of the trust for the year before abnormal items was \$7.867M (1998 \$8.162M).

The total assets of the trust at 31 December 1999 amounted to \$133.717M (1998 \$124.991M).

The total liabilities of the trust at 31 December 1999 amounted to \$7.127M (1998 \$6.270M).

(f) Monash Unicomm Pty Ltd

The principal activity of the company during the year was to oversee the administration and provision of services of the Monash University Union. The company did not trade in 1999.

At 31 December 1999 the University owned 80% of the shares in the new company.

The operating profit for 31 December 1999 amounted to \$0.027M (1998 \$0.033M loss).

The total assets of the company at 31 December 1999 amounted to \$0.003m (1998 \$0.065M).

The company has no liabilities at 31 December 1999 (1998 \$0.089M).

(g) Monash International Pty Ltd, and controlled entity Monash Language Centre Pty Ltd

The company was incorporated on 2 May 1994.

The principal activity of the company was the provision of services in relation to international matters for Monash University.

At 31 December 1999, the University owned 100% of the shares in the company.

The consolidated operating profit of the company for the year was \$1.029M (1998 \$0.721M).

The total consolidated assets of the company at 31 December 1999 amounted to \$6.713M (1998 \$5.747M).

The total consolidated liabilities of the company at 31 December 1999 amounted to \$5.072M (1998 \$5.085M).

(h) Monash Mt Eliza Graduate School of Business and Government Limited

With effect from 1 August 1994 the Monash Mt Eliza Business School was established.

The principal activities of the company were those of providing management development and training programs and postgraduate courses in management.

At 31 December 1999, the University owned 100% of the shares in the company.

The operating profit of the company for the year was \$2.345M (1998 \$0.356M).

The total assets of the company at 31 December 1999 amounted to \$17.113M (1998 \$14.400M).

The total liabilities of the company at 31 December 1999 amounted to \$7.206M (1998 \$6.838M).

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

3. PRINCIPLES OF CONSOLIDATION *(continued)*

(i) Sir John Monash Business Centre Pty Ltd

The Sir John Monash Business Centre Pty Ltd was incorporated on 16 July 1990.

In the 1994 year the University owned 50% of the shares in the company, and the balance was owned by the Council of Adult Education. Monash University purchased the shares held by the Council of Adult Education in 1995. The premium amounting to \$260,000 arising on consolidation of this controlled entity is recorded under Capital in the balance sheet (see Note 1(civ)).

The principal activities of the company during the year were the provision of training, conference facilities, adult education and other related services.

The operating profit of the company for the year was \$0.002M (1998 \$0.001M).

The total assets of the company at 31 December 1999 amounted to \$0.800M (1998 \$0.662M).

The total liabilities of the company at 31 December 1999 amounted to \$0.656M (1998 \$0.520M).

(j) Monash University Foundation Year Ltd

The Company was incorporated on 30 April 1992 and consolidated in the Monash University accounts for the first time in 1998.

In prior years the principal activities of the company were to operate and administer, under an agreement and on behalf of Monash University, a registered and approved foundation year program for international students seeking to enter undergraduate courses at both Monash University and other Australian universities. All interests and obligations under this agreement were assigned to Monash International Pty Ltd and during the current financial year all matters in relation to this assignment were finalised. The company is now dormant.

The operating loss of the company for the year was \$0.014 (1998 \$0.054M.)

The company has no assets at 31 December 1999 (1998 \$0.136M.)

The company has no liabilities at 31 December 1999 (1998 \$0.024M).

(k) AMPASC Pty Ltd

The Company was incorporated on 24 July 1997.

The principal activities of the Company were to provide education and training programs for the Ambulance Service - Victoria and other bodies, and other public educational programs. All programs were provided by the Ambulance Officer Training Centre under an operating agreement with the Company. Monash University oversaw the provision of these programs. Under the terms of the agreement the arrangement ceased on 30 November 1999. The Company has not traded since the termination of the agreement.

Funding for the education and training programs is provided by the Department of Human Services the total amount received in 1999 and was transferred to the Ambulance Officer Training Centre.

At balance date, the Company has no assets or liabilities. The same financial position existed in 1998.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

4. INVENTORIES

Only materials which are purchased and controlled centrally have been reported in the Balance Sheet. Materials purchased by the University for departmental use and held under the control of individual departments are treated as expended at the time of purchase.

Perpetual stock records were maintained for centrally controlled stock.

Stocktakes of centrally controlled stock were completed at 31 December 1999 and valuations at cost were as follows:

1998			1999	
Monash University	Consolidated		Monash University	Consolidated
\$000	\$000		\$000	\$000
1,648	1,648	Trading Bookshop	1,887	1,887
389	389	Union and Sports & Recreation	288	288
182	182	Central Building Maintenance Store	195	195
5	5	Halls of Residence	10	10
182	339	Central Stationery Store	165	439
213	489	Other Academic Services	224	490
<u>2,619</u>	<u>3,052</u>		<u>2,769</u>	<u>3,309</u>

5. RECEIVABLES

1998			1999	
Monash University	Consolidated		Monash University	Consolidated
\$000	\$000		\$000	\$000
8,937	12,496	Trade Debtors (see below)	11,758	15,083
462	462	Student Loan Debtors (see below)	464	464
-	-	Monash International Pty Ltd	565	-
13	-	Monash I.V.F. Pty Ltd	21	-
72	-	Monash Unicomm Pty Ltd	-	-
135	-	Monash Mt Eliza Graduate School of Business & Government Ltd	199	-
2	-	Monash University Foundation	79	-
119	-	Montech Pty Ltd	151	-
3,357	4,661	Other Amounts Receivable	1,985	3,061
<u>13,097</u>	<u>17,619</u>		<u>15,222</u>	<u>18,608</u>
9,904	13,604	Trade Debtors	12,387	15,859
(967)	(1,108)	Provision for Doubtful Debts	(629)	(776)
<u>8,937</u>	<u>12,496</u>	Net at 31 December 1999	<u>11,758</u>	<u>15,083</u>
520	520	Student Loan Debtors	537	537
(58)	(58)	Provision for Doubtful Debts	(73)	(73)
<u>462</u>	<u>462</u>	Net at 31 December 1999	<u>464</u>	<u>464</u>

6. LOANS

1998			1999	
Monash University	Consolidated		Monash University	Consolidated
\$000	\$000		\$000	\$000
-	-	a) Current		
		Loans Unsecured:		
40	60	Loan to Monash IVF Pty Ltd	49	-
40	60	Other	-	-
			<u>49</u>	<u>-</u>
		b) Non-Current		
		Loans Unsecured:		
430	-	Loan to Sir John Monash Business Centre Pty Ltd	430	-
-	-	Loan to Monash IVF Pty Ltd	299	-
120	239	Other Loans	-	107
<u>550</u>	<u>239</u>		<u>729</u>	<u>107</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

7. INVESTMENTS

1998		1999		
Monash University \$000	Consolidated \$000	Notes	Monash University \$000	Consolidated \$000
a) Current				
<i>Managed Funds:</i>				
33,797	33,797		13,538	13,538
16,385	16,385		8,954	8,954
298	298		556	556
<u>50,480</u>	<u>50,480</u>		<u>23,048</u>	<u>23,048</u>
<i>Monash University Foundation:</i>				
-	4,749		-	12,006
-	-		-	-
-	<u>4,749</u>		-	<u>12,006</u>
<i>Common Fund:</i>				
1,245	1,245		995	995
<i>Other:</i>				
73	73		-	-
1,297	2,476		1,357	3,170
<u>1,370</u>	<u>2,548</u>		<u>1,357</u>	<u>3,170</u>
<u>53,095</u>	<u>59,022</u>		<u>25,400</u>	<u>39,219</u>
Total Current Investments				
b) Non-Current				
<i>Managed Funds:</i>				
58,546	58,546	23(b)	71,502	71,502
9,252	9,252		9,757	9,757
<u>67,798</u>	<u>67,798</u>		<u>81,259</u>	<u>81,259</u>
<i>Monash University Foundation:</i>				
-	87,797		-	83,648
-	25,950		-	28,500
-	<u>113,747</u>		-	<u>112,148</u>
<i>Common Fund:</i>				
14,931	14,931		17,495	17,495
<u>14,931</u>	<u>14,931</u>		<u>17,495</u>	<u>17,495</u>
<i>Other:</i>				
500	-		500	-
250	-		250	-
650	-		650	-
235	-		235	-
200	200		200	200
340	-	3(i)	340	-
503	503		503	503
-	-		-	-
-	65,694	10(b)	-	59,305
-	-		-	-
189	292		1,765	3,893
<u>2,867</u>	<u>66,689</u>		<u>4,443</u>	<u>63,901</u>
<u>85,596</u>	<u>263,165</u>		<u>103,197</u>	<u>274,803</u>
Total Non-Current Investments				

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

7. INVESTMENTS (continued)

<u>1998</u>			<u>1999</u>	
<u>Monash University</u> \$000	<u>Consolidated</u> \$000	<u>Notes</u>	<u>Monash University</u> \$000	<u>Consolidated</u> \$000
		c) The Investment in Cooperative Research Centres (CRC's) has been calculated as follows:		
4,711	4,711	Cash Contributions made	5,299	5,299
34,001	34,001	"In Kind" Contributions	40,720	40,720
<u>38,712</u>	<u>38,712</u>		<u>46,019</u>	<u>46,019</u>
		Less:		
(19,493)	(19,493)	Losses of the CRC's, incurred to 30 June 1999	(24,200)	(24,200)
(19,219)	(19,219)	Less: Diminution in Value of Investment in CRC's.	(21,819)	(21,819)
<u>-</u>	<u>-</u>	Investment in CRC's at cost less diminution in value	<u>-</u>	<u>-</u>
		d) Investment Income		
2,715	8,258	Dividends	4,111	9,793
4,654	7,921	Interest	3,801	6,628
3,339	6,066	Realised Profit/(Loss)	2,568	4,633
-	4,009	Unrealised Profit/(Loss)	-	1,020
<u>10,708</u>	<u>26,254</u>	Total Investment Income	<u>10,480</u>	<u>22,074</u>
		e) Shares held in Trust by Montech Pty Ltd		
		Monash University owns 36 million shares in Metabolic Pharmaceuticals Limited, a company listed on the Australian Stock Exchange, that are held in trust by Montech Pty Ltd. The shares were acquired in 1998 and are bound by various escrow provisions. As the provisions prevent the shares from being traded for 2 years the University has not assigned a value.		

8. ACCRUED LIABILITIES

<u>1998</u>			<u>1999</u>	
<u>Monash University</u> \$000	<u>Consolidated</u> \$000		<u>Monash University</u> \$000	<u>Consolidated</u> \$000
14,551	17,811	Accrued Charges	6,401	9,881
-	254	Group Tax	-	246
811	-	Monash International Pty Ltd	-	-
-	-	Montech Pty Ltd	-	-
28	-	Sir John Monash Business Centre Pty Ltd.	31	-
6,370	8,432	Other	4,957	6,414
<u>21,760</u>	<u>26,497</u>	Total Accrued Liabilities	<u>11,389</u>	<u>16,541</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

9. BORROWINGS

<u>1998</u>			<u>1999</u>		
<u>Monash University</u>	<u>Consolidated</u>		<u>Monash University</u>	<u>Consolidated</u>	
\$000	\$000		\$000	\$000	
		a) Current			
-	140	Finance Lease Liability	23(c)	-	32
69	69	Loans from Banks secured by mortgage against the revenues of the University - Repayable 0-1 year		13	13
8,000	8,000	Loan from Bank - Commercial Bills' Repayable 0-1 years		7,000	7,000
113	113	Other Loans, unsecured: Repayable 0-1 years		118	112
<u>8,182</u>	<u>8,322</u>	Total Current Loans		<u>7,131</u>	<u>7,157</u>
		b) Non - Current			
-	38	Finance Lease Liability	23(c)	-	-
35,280	36,780	Loan from Bank - Commercial Bills Repayable 1-5 years		35,880	35,880
61	61	Loans from Banks secured by mortgage against the revenues of the University: Repayable 1-5 years		68	68
19	19	Repayable over 5 years		-	-
113	113	Other Loans, unsecured: Repayable 1-5 years		113	113
216	216	Repayable 2-5 years		103	103
<u>35,689</u>	<u>37,227</u>	Total Non-Current Loans		<u>36,164</u>	<u>36,164</u>
		c) Interest Expense			
2,076	2,299	Attributable to:			
-	24	Loans from Banks and Other Sources		2,521	2,633
		Finance Charges from Finance Leases		-	7
<u>2,076</u>	<u>2,323</u>	Total Interest Expense		<u>2,521</u>	<u>2,640</u>

10. OTHER AMOUNTS PAYABLE

<u>1998</u>			<u>1999</u>		
<u>Monash University</u>	<u>Consolidated</u>		<u>Monash University</u>	<u>Consolidated</u>	
\$000	\$000		\$000	\$000	
		a) Current			
-	341	Other		-	341
<u>-</u>	<u>341</u>		<u>-</u>	<u>341</u>	
		b) Non - Current			
-	65,694	Montech Pty Ltd - R & D Syndicated Deposits	7(b)	-	59,305
-	247	Other		-	215
<u>-</u>	<u>65,941</u>		<u>-</u>	<u>59,520</u>	

11. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 1999

	Capital and Equity \$000	Funds Held in Perpetuity \$000	General Reserve \$000	Asset Revaluation Reserve \$000	Retained Surplus \$000	1999 Total \$000	1998 Total \$000
Balance at 1 January 1999	83,364	38,916	51,898	351,916	246,374	772,468	744,818
Balance at 1 January 1998 (Monash University Foundation Year Ltd)	-	-	-	-	-	-	167
Surplus for the period	-	-	-	-	34,510	34,510	27,687
Prior period adjustment	-	-	-	-	21,486	21,486	
Dividends Paid	-	-	-	-	(407)	(407)	-
Transfers from Retained Surplus to:							
Funds held in Perpetuity	-	387	-	-	(387)	-	-
General Reserve	-	-	37	-	(37)	-	-
Transfer of Donor Trust Funds to Monash University	-	-	-	-	-	-	(206)
Share Capital Monash Unicomm Pty Ltd	-	-	-	-	-	-	2
Balance at 31 December 1999	83,364	39,303	51,935	351,916	301,539	828,057	772,468

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

12. COMMONWEALTH GOVERNMENT GRANTS

<u>1998</u>			<u>1999</u>	
<u>Monash University</u> \$000	<u>Consolidated</u> \$000	<u>Notes</u>	<u>Monash University</u> \$000	<u>Consolidated</u> \$000
199,690	199,690			
		Pursuant to the Higher Education Funding Act 1988:		
		Operating Purposes	1(g)	191,351
		Special Research Assistance:		
7,250	7,250	Large Research Grants		6,733
1,944	1,944	Small Research Grants		1,823
1,536	1,536	Collaborative Research Grants		479
7,756	7,756	Research Infrastructure Grants		6,444
-	-	Special Research and Key Centres		-
980	980	Research Fellowships		840
16	16	International Research Exchange		38
5,994	5,994	Australian Postgraduate Awards		5,863
777	777	Australian Postgraduate Awards (Industry)		-
841	841	Overseas Postgraduate Research Scholarships		837
7	7	International Projects		-
149	149	SPIRT		2,145
517	517	Teaching Hospitals		525
<u>227,457</u>	<u>227,457</u>			<u>217,078</u>
		Other Commonwealth Grants		1,086
<u>227,457</u>	<u>227,457</u>			<u>218,164</u>

13. HIGHER EDUCATION CONTRIBUTION SCHEME

Higher Education Contribution Scheme revenue was collected by the University as follows during the reporting period:

<u>1998</u>			<u>1999</u>	
<u>Monash University</u> \$000	<u>Consolidated</u> \$000		<u>Monash University</u> \$000	<u>Consolidated</u> \$000
69,832	69,832	Received from Higher Education Trust Fund	1(g)	79,444
12,420	12,420	Received from Students		13,004
<u>82,252</u>	<u>82,252</u>			<u>92,448</u>

14. STATE GOVERNMENT GRANTS

State Government grants for the following purposes were received by the University during the reporting period:

<u>1998</u>			<u>1999</u>	
<u>Monash University</u> \$000	<u>Consolidated</u> \$000		<u>Monash University</u> \$000	<u>Consolidated</u> \$000
1,637	1,637	Earmarked Grants		5,173

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

15. FEES AND CHARGES

<u>1998</u>			<u>1999</u>	
<u>Monash University</u>	<u>Consolidated</u>		<u>Monash University</u>	<u>Consolidated</u>
\$000	\$000		\$000	\$000
57,323	62,232	Fee-paying Overseas Students	62,042	65,598
7,999	10,843	Fee-paying Non-overseas Postgraduate Students	10,741	13,963
1,947	1,947	Fee-paying Non-overseas Undergraduate Students	3,969	3,969
4,295	4,295	Student Amenities Fees	5,102	5,102
7,133	7,133	Halls of Residence	8,333	8,333
4,216	4,794	Rentals & Hirings	6,357	6,947
7,993	7,993	Short Course Fees	6,214	6,214
2,132	9,187	Non-Award Course Fees	1,942	11,692
8,548	27,082	Other Fees and Charges	14,459	35,092
<u>101,586</u>	<u>135,506</u>		<u>119,159</u>	<u>156,910</u>

16. OTHER REVENUE

<u>1998</u>			<u>Notes</u>	<u>1999</u>	
<u>Monash University</u>	<u>Consolidated</u>			<u>Monash University</u>	<u>Consolidated</u>
\$000	\$000			\$000	\$000
7,441	-	Monash University Foundation		6,411	-
15,484	15,484	Business Type Activities		16,875	16,875
22,652	22,652	Academic Activities		17,928	17,834
4,086	4,351	Proceeds on Disposal of Fixed Assets		4,528	4,626
4,191	18,194	Other Income		5,357	23,532
<u>53,854</u>	<u>60,681</u>			<u>51,099</u>	<u>62,867</u>

17. EXPENSES BY FUNCTION

<u>1998</u>				<u>1999</u>	
<u>Monash University</u>	<u>Consolidated</u>			<u>Monash University</u>	<u>Consolidated</u>
\$000	\$000			\$000	\$000
a) Academic Activities					
142,035	144,286	Academic Staff Salaries		142,351	145,308
31,089	31,419	Academic Staff Salary Related Costs	18	30,676	31,035
43,872	45,414	Non-Academic Staff Salaries		47,390	48,803
9,601	9,776	Non-Academic Staff Salary Related Costs	18	10,187	10,387
<u>226,597</u>	<u>230,895</u>	Total Salaries & Related Costs		<u>230,604</u>	<u>235,533</u>
7,230	7,230	Depreciation - Equipment		7,452	7,452
7,808	7,808	Depreciation - Buildings		8,534	8,534
93,740	102,782	Other Expenses		110,124	112,829
<u>335,375</u>	<u>348,715</u>			<u>356,714</u>	<u>364,348</u>
b) Libraries					
45	45	Academic Staff Salaries		3	3
10	10	Academic Staff Salary Related Costs	18	-	-
10,003	10,079	Non-Academic Staff Salaries		10,215	10,285
2,312	2,320	Non-Academic Staff Salary Related Costs	18	2,341	2,353
<u>12,370</u>	<u>12,454</u>	Total Salaries & Related Costs		<u>12,559</u>	<u>12,641</u>
235	235	Depreciation - Equipment		224	224
765	765	Depreciation - Buildings		833	833
2,392	2,392	Depreciation - Library		2,792	2,792
-	-	Depreciation - Software		119	119
3,115	3,222	Other Expenses		2,685	2,810
<u>18,877</u>	<u>19,068</u>			<u>19,212</u>	<u>19,419</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

17. EXPENSES BY FUNCTION (continued)

1998			1999	
Monash University \$000	Consolidated \$000	Notes	Monash University \$000	Consolidated \$000
c) Other Academic Support Services				
2,096	2,096		2,050	2,050
433	433		410	410
6,566	8,047	18	8,190	9,496
1,357	1,494		1,636	1,793
<u>10,452</u>	<u>12,070</u>		<u>12,286</u>	<u>13,749</u>
3,213	3,213		3,959	3,959
346	346		373	373
9,917	11,209		6,627	7,747
<u>23,928</u>	<u>26,838</u>		<u>23,245</u>	<u>25,828</u>
d) Student Services				
9,884	10,240		9,432	9,835
1,866	1,900		1,810	1,853
<u>11,750</u>	<u>12,140</u>	18	<u>11,242</u>	<u>11,688</u>
216	216		189	189
768	768		861	861
15,679	17,553		13,940	15,757
<u>28,413</u>	<u>30,677</u>		<u>26,232</u>	<u>28,495</u>
e) Public Services				
463	463		433	433
61	61		48	48
<u>524</u>	<u>524</u>	18	<u>481</u>	<u>481</u>
41	41		30	30
70	70		86	86
1,838	1,838		922	922
<u>2,473</u>	<u>2,473</u>		<u>1,519</u>	<u>1,519</u>
f) Buildings and Grounds				
5,630	5,630		6,343	6,343
1,352	1,352		1,474	1,474
<u>6,982</u>	<u>6,982</u>	18	<u>7,817</u>	<u>7,817</u>
212	212		179	179
162	162		184	184
13,350	13,683		12,623	12,963
<u>20,706</u>	<u>21,039</u>		<u>20,803</u>	<u>21,143</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

17. EXPENSES BY FUNCTION (continued)

1998			1999	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
		g) Administration and Other General Services		
		Administration		
4,670	4,670	Academic Staff Salaries	2,650	2,650
1,378	1,378	Academic Staff Salary Related Costs	18	462
29,051	37,606	Non-Academic Staff Salaries	29,949	39,846
8,183	9,518	Non-Academic Staff Salary Related Costs	18	12,066
<u>43,282</u>	<u>53,172</u>	Total Salaries & Related Costs	<u>45,127</u>	<u>56,619</u>
1,283	2,677	Depreciation - Equipment	737	2,257
3,721	3,908	Depreciation - Buildings	3,876	4,068
-	-	Depreciation - Software	741	741
<u>25,180</u>	<u>42,644</u>	Other Expenses	<u>29,380</u>	<u>52,858</u>
<u>73,466</u>	<u>102,401</u>		<u>79,861</u>	<u>116,543</u>
		Other General Services		
122	242	Audit Fees	220	343
2,076	2,323	Interest Expense	9(c)	2,521
205	250	Bad Debts Expense	542	611
2,835	3,753	Lease Expense	3,020	4,228
-	641	Directors Emoluments	-	710
6,237	6,367	Provision for Long Service Leave	1(b)	(752)
2,721	2,985	Provision for Recreation Leave	1(b)	897
705	776	Doubtful Debts Expense	327	349
<u>88,367</u>	<u>119,738</u>		<u>86,636</u>	<u>125,767</u>

18. SALARY RELATED EXPENSES

1998			1999	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
37,303	38,554	Superannuation	39,937	41,406
16,735	17,362	Payroll Tax	16,950	17,695
1,154	1,251	WorkCover	1,673	1,768
2,450	2,494	Annual Leave Loading	2,550	2,607
<u>57,642</u>	<u>59,661</u>		<u>61,110</u>	<u>63,476</u>

19. ACQUITTAL OF COMMONWEALTH GRANTS

(a) Amounts received pursuant to the Higher Education Funding Act 1988 and amounts expended:

1998 Monash University \$000		Notes	1999 Monash University \$000
	Operating Purposes		
15,924	Amount received in previous period:		
-	Advance payment received in previous period		15,021
15,924	Carry-over from previous period		-
	Sub-total received in previous period		<u>15,021</u>
198,787	Grant received in the reporting period		191,398
(15,021)	Less amount attributable to future period:		
-	Advance payment received in respect of next period		-
(15,021)	Under-expenditure in the reporting period	1(g)	(15,317)
	Sub-total amount attributable to future period		<u>(15,317)</u>
<u>199,690</u>	Amount expended in the reporting period		<u>191,102</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

19. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

(a) Amounts received pursuant to the Higher Education Funding Act 1988 and amounts expended:

(continued)

1998 Monash University \$000		1999 Monash University \$000
	Large Research Grants	
	Amount received in previous period:	
358	Advance payment received in previous period	372
1,490	Carry-over from previous period	1,954
1,848	Sub-total received in previous period	2,326
7,264	Grant received in the reporting period	6,751
	Less amount attributable to future period:	
(372)	Advance payment received in respect of next period	(390)
(1,954)	Under-expenditure in the reporting period	(2,124)
(2,326)	Sub-total amount attributable to future period	(2,514)
6,786	Amount expended in the reporting period	6,563
	Small Research Grants	
	Amount received in previous period:	
-	Advance payment received in previous period	-
556	Carry-over from previous period	619
556	Sub-total received in previous period	619
1,944	Grant received in the reporting period	1,823
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
(619)	Under-expenditure in the reporting period	(605)
(619)	Sub-total amount attributable to future period	(605)
1,881	Amount expended in the reporting period	1,837
	Collaborative Research Grants	
	Amount received in previous period:	
870	Advance payment received in previous period	-
345	Carry-over from previous period	472
1,215	Sub-total received in previous period	472
666	Grant received in the reporting period	479
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
(472)	Under-expenditure in the reporting period	-
(472)	Sub-total amount attributable to future period	-
1,409	Amount expended in the reporting period	951
	Research Infrastructure Grants	
	Amount received in previous period:	
100	Advance payment received in previous period	477
4,155	Carry-over from previous period	4,526
4,255	Sub-total received in previous period	5,003
8,133	Grant received in the reporting period	5,967
	Less amount attributable to future period:	
(477)	Advance payment received in respect of next period	-
(4,526)	Under-expenditure in the reporting period	(3,083)
(5,003)	Sub-total amount attributable to future period	(3,083)
7,385	Amount expended in the reporting period	7,887

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

19. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

(a) Amounts received pursuant to the Higher Education Funding Act 1988 and amounts expended: (continued)

1998 Monash University \$000		1999 Monash University \$000
	Special Research and Key Centres	
	Amount received in previous period:	
	Advance payment received in previous period	-
89	Carry-over from previous period	(2)
<u>89</u>	Sub-total received in previous period	<u>(2)</u>
	Grant received in the reporting period	-
	Less amount attributable to future period:	
	Advance payment received in respect of next period	-
2	Under-expenditure in the reporting period	-
<u>2</u>	Sub-total amount attributable to future period	<u>-</u>
<u>91</u>	Amount expended in the reporting period	<u>(2)</u>
	Research Fellowships	
	Amount received in previous period:	
44	Advance payment received in previous period	58
14	Carry-over from previous period	143
<u>58</u>	Sub-total received in previous period	<u>201</u>
994	Grant received in the reporting period	841
	Less amount attributable to future period:	
(58)	Advance payment received in respect of next period	(59)
(143)	Under-expenditure in the reporting period	(255)
<u>(201)</u>	Sub-total amount attributable to future period	<u>(314)</u>
<u>851</u>	Amount expended in the reporting period	<u>728</u>
	International Research Fellowships	
	Amount received in previous period:	
	Advance payment received in previous period	-
-	Carry-over from previous period	(5)
<u>-</u>	Sub-total received in previous period	<u>(5)</u>
16	Grant received in the reporting period	38
	Less amount attributable to future period:	
	Advance payment received in respect of next period	-
5	Under-expenditure in the reporting period	(23)
<u>5</u>	Sub-total amount attributable to future period	<u>(23)</u>
<u>21</u>	Amount expended in the reporting period	<u>10</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

19. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

(a) Amounts received pursuant to the Higher Education Funding Act 1988 and amounts expended:

(continued)

1998 Monash University \$000		1999 Monash University \$000
	Australian Postgraduate Awards	
	Amount received in previous period:	
	Advance payment received in previous period	-
-	Carry-over from previous period	259
<u>159</u>	Sub-total received in previous period	<u>259</u>
159		
5,994	Grant received in the reporting period	5,863
	Less amount attributable to future period:	
	Advance payment received in respect of next period	-
-	Under-expenditure in the reporting period	(350)
<u>(259)</u>	Sub-total amount attributable to future period	<u>(350)</u>
(259)		
<u>5,894</u>	Amount expended in the reporting period	<u>5,772</u>
	Australian Postgraduate Awards (Industry)	
	Amount received in previous period:	
	Advance payment received in previous period	-
33	Carry-over from previous period	271
<u>98</u>	Sub-total received in previous period	<u>271</u>
131		
744	Grant received in the reporting period	
	Less amount attributable to future period:	
	Advance payment received in respect of next period	-
-	Under-expenditure in the reporting period	-
<u>(271)</u>	Sub-total amount attributable to future period	<u>-</u>
(271)		
<u>604</u>	Amount expended in the reporting period	<u>271</u>
	Overseas Postgraduate Research Scholarships	
	Amount received in previous period:	
	Advance payment received in previous period	-
-	Carry-over from previous period	236
<u>222</u>	Sub-total received in previous period	<u>236</u>
222		
841	Grant received in the reporting period	837
	Less amount attributable to future period:	
	Advance payment received in respect of next period	-
-	Under-expenditure in the reporting period	(269)
<u>(236)</u>	Sub-total amount attributable to future period	<u>(269)</u>
(236)		
<u>827</u>	Amount expended in the reporting period	<u>804</u>
	International Projects	
	Amount received in previous period:	
	Advance payment received in previous period	-
-	Carry-over from previous period	-
<u>-</u>	Sub-total received in previous period	<u>-</u>
-		
7	Grant received in the reporting period	-
	Less amount attributable to future period:	
	Advance payment received in respect of next period	-
-	Under-expenditure in the reporting period	-
<u>-</u>	Sub-total amount attributable to future period	<u>-</u>
-		
<u>7</u>	Amount expended in the reporting period	<u>-</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

19. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

(a) Amounts received pursuant to the Higher Education Funding Act 1988 and amounts expended:

(continued)

1998 Monash University \$000		1999 Monash University \$000
	SPIRT	
	Amount received in previous period:	
-	Advance payment received in previous period	146
-	Carry-over from previous period	42
-	Sub-total received in previous period	188
295	Grant received in the reporting period	2,152
	Less amount attributable to future period:	
(146)	Advance payment received in respect of next period	(153)
(42)	Under-expenditure in the reporting period	(899)
(188)	Sub-total amount attributable to future period	(1,052)
107	Amount expended in the reporting period	1,288
	Teaching Hospitals	
	Amount received in previous period:	
41	Advance payment received in previous period	42
(1)	Carry-over from previous period	516
40	Sub-total received in previous period	558
518	Grant received in the reporting period	526
	Less amount attributable to future period:	
(42)	Advance payment received in respect of next period	(43)
(516)	Under-expenditure in the reporting period	(41)
(558)	Sub-total amount attributable to future period	(84)
-	Amount expended in the reporting period	1,000

(b) The following balances of Commonwealth Grants to the University were carried forward:

	1999 Monash University		Balance Carried Forward \$000
	Grant Available \$000	Amount Expended \$000	
Operating Purposes	206,419	191,102	15,317
HECS Trust Fund	85,867	79,710	6,157
Large Research Grants	8,687	6,563	2,124
Small Research Grants	2,442	1,837	605
Collaborative Research Grants	951	951	-
Research Infrastructure Grants	10,970	7,887	3,083
Special Research and Key Centres	(2)	(2)	-
Research Fellowships	983	728	255
International Research Fellowships	33	10	23
Australian Postgraduate Awards	6,122	5,772	350
Australian Postgraduate Awards (Industry)	271	271	-
Overseas Postgraduate Research Scholarships	1,073	804	269
International Projects	-	-	-
SPIRT	2,187	1,288	899
Teaching Hospitals	1,041	1,000	41
	327,044	297,921	29,123

Balances carried forward represent funds to be expended in 2000.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

19. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

(c) Higher Education Contribution Scheme

1998 Monash University \$000	Notes	1999 Monash University \$000
	(i) Amounts received pursuant to the Higher Education Funding Act 1988 from HECS Trust Fund and amounts expended:	
5,584	Amount received in previous period:	
-	Advance payment received in previous period	6,423
5,584	Carry-over from previous period	-
	Sub-total received in previous period	6,423
70,671	Grant received in the reporting period	79,444
	Less amount attributable to future period:	
(6,423)	Advance payment received in respect of next period	-
-	Under-expenditure in the reporting period	(6,157)
(6,423)	Sub-total amount attributable to future period	(6,157)
69,832	Amount expended in the reporting period	79,710
	(ii) HECS contributions actually received from students	13,004
12,420		
82,252	(iii) Total HECS Revenue	98,871

20. DIRECTORS' AND EXECUTIVES' REMUNERATION

(a) Directors' Remuneration

1998		1999	
Monash University \$000	Consolidated \$000	Monash University \$000	Consolidated \$000
784	1,936	832	2,178
123	226	146	266
907	2,162	978	2,444

The Hon. L Kosky is the responsible Minister for Post Compulsory Education, Training and Employment. The Hon. P Honeywood was the responsible minister until 19 October 1999. The names of members of Council of Monash University who held office during the financial year are shown here under. None of these persons received remuneration directly related to their duties as Council members.

L Adler
D I Allen
J Cameron
J K Ellis (from 15/2/99)
J M Hearn
J C Hutchinson
D Jeffree
G A Knights

J B Laurie
A W Lindsay
A Marcus
J M McPhee (until 31/12/99)
B R Parmenter
W Peter
F C Peck (until 1/4/99)
D R Pizzev AM

P H Ramler AM
D A Robinson
P K Rodan
D W Rogers AO (until 14/2/99)
K J Russell (until 31/12/99)
M A Schapper
A C Sherrie
T R Threadgold (until 30/6/99)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

20. DIRECTORS' AND EXECUTIVES' REMUNERATION (continued)

(a) Directors' Remuneration (continued)

1998		Remuneration (dollars)	1999	
Monash University	Consolidated		Monash University	Consolidated
-	13	0 - 10,000	-	9
-	10	10,001 - 20,000	-	11
-	5	20,001 - 30,000	-	4
-	2	30,001 - 40,000	-	2
-	1	40,001 - 50,000	-	1
-	1	50,001 - 60,000	-	2
1	1	80,001 - 90,000	-	-
1	1	90,001 - 100,000	-	-
1	1	100,001 - 110,000	-	-
-	-	140,001 - 150,000	1	1
-	-	150,001 - 160,000	-	1
1	1	230,001 - 240,000	-	-
-	-	240,001 - 250,000	1	1
-	1	290,001 - 300,000	-	-
-	1	300,001 - 310,000	-	-
-	-	350,001 - 360,000	-	1
-	-	370,001 - 380,000	-	1
1	1	380,001 - 390,000	-	-
-	-	400,001 - 410,000	1	1

All Monash University employees who are members of Council are included in the above table.

(b) Executives' Remuneration

1998		Income received by employees whose remuneration, as defined below, exceeds \$100,000	1999	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
26,441	28,892		31,997	34,549

1998		Remuneration (dollars)	1999	
Monash University	Consolidated		Monash University	Consolidated
89	97	100,001 - 110,000	48	53
50	55	110,001 - 120,000	82	87
39	40	120,001 - 130,000	54	54
16	18	130,001 - 140,000	30	31
8	10	140,001 - 150,000	12	15
4	5	150,001 - 160,000	8	12
2	2	160,001 - 170,000	6	6
4	4	170,001 - 180,000	9	10
1	2	180,001 - 190,000	3	4
-	-	190,001 - 200,000	2	2
-	-	210,001 - 220,000	-	-
3	3	220,001 - 230,000	-	-
1	1	230,001 - 240,000	-	-
1	1	240,001 - 250,000	1	1
-	-	250,001 - 260,000	1	1
1	1	270,001 - 280,000	-	-

- Notes:
- (i) Remuneration detailed in this table includes salary, superannuation, payments for leave entitlements on retirement/departure and leave loading, and the private use component of other non-salary benefits.
 - (ii) The figures above exclude fringe benefits tax payable on non-salary benefits by the University.
 - (iii) Remuneration does not include lump sum payouts made pursuant to University early retirement/redundancy programs.
 - (iv) In relevant cases the remuneration includes payment for work undertaken in previous periods.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

21. CONTROLLED ENTITY DISCLOSURES

- (a) Balances between Monash University and its Controlled Entities are shown under accounts receivable (note 5), loans receivable (note 6), and accrued liabilities (note 8).
- (b) Transactions between Monash University and its Controlled entities are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

1998 Monash University \$000		1999 Monash University \$000
	Income received from:	
4,820	Monash International Pty Ltd	4,958
59	Monash IVF Pty Ltd	657
1,466	Monash Mt Eliza Graduate School of Business and Government Limited	1,809
6,600	Monash University Foundation	7,074
609	Montech Pty Ltd	553
347	Sir John Monash Business Centre Pty Ltd	92
13,901		15,143
	Expenditure paid to:	
6,591	Monash International Pty Ltd	6,735
9	Monash IVF Pty Ltd	20
229	Monash Mt Eliza Graduate School of Business and Government Limited	172
626	Monash University Foundation	906
674	Montech Pty Ltd	514
1,103	AMPASC Pty Ltd	-
374	Sir John Monash Business Centre Pty Ltd	215
9,606		8,562

22. EXPENDITURE COMMITMENTS

1998			1999	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
		Capital Works Projects:		
14,149	14,149	Not later than 1 year	1,842	1,842
5,000	5,000	Later than 1 year and not later than 5 years	15,050	15,050
6,870	6,870	Capital - Equipment Purchases	2,698	2,698
26,019	26,019		19,590	19,590

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

23. LEASE COMMITMENTS

(a) Leases are treated in the financial statements as either operating, or finance leases.

Assets acquired under finance leases are included under property, equipment and library books in the balance sheet. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased property. Where assets are acquired by means of finance leases, the present value of the minimum lease payments is recognised as an asset at the beginning of the lease term and amortised on a straight-line basis over the expected useful life of the leased asset. A corresponding liability is also established and each lease payment is allocated between the liability and the finance charge.

Other leases under which the risks and benefits of ownership remain with the lessor are classified as operating leases. Payments are expensed over the period of expected benefit.

1998	
Monash University \$000	Consolidated \$000
2,522	2,982
10,290	11,733
11,354	13,736
<u>24,166</u>	<u>28,451</u>

(b) Operating Lease Commitments:

Not later than 1 year
 Later than 1 year and not later than 5 years
 Later than 5 years

1999	
Monash University \$000	Consolidated \$000
4,099	5,131
13,907	17,367
8,509	9,967
<u>26,515</u>	<u>32,465</u>

An equitable mortgage exists between Monash University as mortgagor and National Australia Financial Management Ltd (NAFM) as mortgagee securing future rental payments amounting to \$15.765M (1998 \$17.466M) due to National Australia Financial Management Ltd, under the deed of sub-lease entered into between mortgagor and mortgagee dated 30 June, 1993. In 1997, the security has been reduced to \$14M in line with the present value of the University's outstanding commitments. This security amount will be maintained through Australian fixed interest and liquidity investments within the National Australia Asset Management Ltd portfolio (refer note 7(b)).

1998	
Monash University \$000	Consolidated \$000
-	148
-	40
-	188
-	(10)
<u>-</u>	<u>178</u>

(c) Finance Lease Commitments:

Not later than 1 year
 Later than 1 year and not later than 5 years
 Total Minimum Lease Payments
 Less: Future Finance Charges

1999	
Monash University \$000	Consolidated \$000
-	-
-	33
-	33
<u>-</u>	<u>66</u>

The finance lease liability is shown in the balance sheet as follows:

-	140
-	38
<u>-</u>	<u>178</u>

Current Liability
 Non-Current Liability
 Total Finance Lease Liability

-	-
-	32
<u>-</u>	<u>32</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

24. CONTINGENT LIABILITIES**Open Learning Agency of Australia Pty Ltd**

The shareholders of Open Learning Agency of Australia Pty Ltd (OLAA) guarantee the performance of the company under an agreement with the Commonwealth pursuant to S.22A of the Higher Education Funding Act 1988, in relation to an open learning initiative.

The Commonwealth, under its agreement with OLAA, has provided funding of \$30.2M as at 31 December 1999 (1998 \$30.2M).

The University initially guarantees performance under a Deed of Performance Guarantee dated 20 January 1993. In 1996, OLAA issued further shares and as a result Monash University holds 12.5% of the issued capital as at 31 December 1999. In accordance with the share issue conditions, Monash University has a contingent liability of \$3,787,000 (1998 \$3,787,000) equivalent to 12.5% (1998 12.5%) of the funding provided.

25. SUPERANNUATION FUNDS

The University contributes to the following superannuation funds on behalf of employees:

(a) Superannuation Scheme for Australian Universities

This scheme is a defined benefit scheme and the University makes contributions at the rate of 14% of gross salary.

Employees contribute at the rate of 7% of gross salary.

The last actuarial review of the scheme was in December 1997 and indicated the fund was in a sound financial position, ie. the scheme has no unfunded liability. The total contributions by the University for the year ended 31 December 1999 were \$23,585,738. (1998 \$21,570,733)

(b) "M" Superannuation Scheme

This scheme is a defined benefit scheme and the University makes contributions at the rate of 12.6% of gross salary.

Employees contribute at the rate of 6.3% of gross salary.

The last actuarial review of the scheme was in December 1996 and indicated the fund was in a strong financial position, ie. The scheme has no unfunded liability. The total contributions by the University for the year ended 31 December 1999 were \$53,632 (1998 \$60,569).

(c) Superannuation Scheme (Previously "A" Scheme)

This scheme was introduced under Statute 3.6 of the Monash University Act and benefits are provided by an external insurer. The University makes contributions at the rate of 10% of gross salary.

Employees contribute at the rate of 5% of gross salary.

Total contributions by the University for the year ended 31 December 1999 were \$62,998 (1998 \$49,206).

(d) Monash University (Non - Academic) Superannuation Scheme (Previously "B" Scheme)

This scheme is an endowment assurance benefit scheme provided by an external insurer and the University makes contributions at the rate of 5% of gross salary.

Employees contribute at the rate of 5% of gross salary.

Total contributions by the University for the year ended 31 December 1999 were \$2,923 (1998 \$2,501)

(e) Tertiary Education Superannuation Scheme/Superannuation Guarantee Charge.

This scheme is a cash accumulation productivity scheme and the University makes contributions at a rate of 3% to 7% of gross salary. Employees have no requirement to contribute, and the scheme has no unfunded liability.

Total contributions by the University for the year ended 31 December 1999 were \$10,197,363 (1998 \$9,232,635).

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

25. SUPERANNUATION FUNDS (continued)

(f) State Superannuation Board of Victoria

Monash University has, in its staffing profile, a number of employees who are members of the State Superannuation Fund.

As at 30 June 1999, the State Superannuation Fund was carrying total liabilities for member benefits, in excess of the value of the scheme's assets. Hence, unfunded superannuation liabilities exist which are recognised in the financial statements of the scheme. The notional share of this public sector employee superannuation scheme's unfunded liabilities attributable to Monash University, as assessed by the scheme as at 30 June 1999, amounted to \$113,085,000 (1998 \$111,564,000).

In January 1999 the Victorian Department of Treasury and Finance issued Accounting and Financial Reporting Bulletin 23 under the Financial Management Act 1994, requiring Victorian Universities to recognise in their Financial Statements the unfunded superannuation liability.

The State Grants (General Purposes) Act 1994 section 14 provides for the Commonwealth and the State Governments to meet the costs of unfunded superannuation liabilities as they emerge. As stated in the Financial Statements for the State of Victoria 1997-98, based on a cost sharing arrangement with the Commonwealth, the State is only required to make contributions to the Commonwealth equivalent to approximately 28% of unfunded liabilities in relation to university employees. The remaining 72% is to be met by the Commonwealth. The State has reported its liability accordingly.

For the 1998 annual report, the Victorian Minister for Finance recommended that the financial statements were presented on the basis that both a liability and offsetting asset be recognised in respect of the unfunded superannuation obligations. The same presentation has been followed in 1999.

The basis for this treatment is:

- (a) The Commonwealth Government has provided funds for the unfunded superannuation liabilities of Universities since funding responsibility for higher education transferred to the Commonwealth 25 years ago. The Commonwealth has confirmed its intention to continue making these payments in the current triennium.
- (b) The Victorian Government Solicitor has advised that it is appropriate for Universities to recognise a receivable from the Commonwealth and State governments on the grounds they have a legal claim on the funding of their unfunded superannuation liabilities.

The Commonwealth Department of Education, Training and Youth Affairs' "Instructions for preparing Annual Financial Reports for the 1999 Reporting Period" also requires that the unfunded superannuation obligations are treated as a non-current asset and non-current liability.

The movement for the year of \$1.5M has been recorded as an abnormal item in the Operating Statement.

During the 1999 period, Monash University's contributions to the scheme totalled \$6,492,405 (1998 \$6,006,306). There were no outstanding employer contributions as at 31 December 1999.

The policy adopted for calculating employer contributions is based on the advice of the scheme's trustees, but generally the contribution rate represents 79.2% of pensions payable.

(g) Pharmaceutical Organisations (1975) Superannuation Fund.

Contributions are made by the University, on account of staff who were formerly employed by the Victoria College of Pharmacy (now part of the University), to Pharmaceutical Organizations (1975) Superannuation Fund, which is an employee contributory scheme. The last actuarial review of the scheme was in October 1997, and the scheme has no unfunded liability.

During the period 1/1/1999 to 31/12/1999, the contributions by the University totalled \$11,100 (1998 \$11,407).

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

26. CASH FLOW INFORMATION

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdraft. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

1998			1999	
Monash University	Consolidated		Monash University	Consolidated
\$000	\$000		\$000	\$000
4,875	12,219	Cash	6,204	17,998
(75)	(75)	Bank Overdraft	-	-
1,297	2,475	Short term investments	2,423	4,602
<u>6,097</u>	<u>14,619</u>		<u>8,627</u>	<u>22,600</u>

(b) Reconciliation of net cash used in operating activities to surplus for the year

23,445	29,436	Surplus for the year ended 31 December 1999 before abnormal items	23,213	34,510
705	747	Doubtful debts	327	325
28,462	30,223	Depreciation/amortisation	31,163	33,018
8,958	8,958	Long service leave and recreation leave	144	136
205	233	Bad debts	542	556
(10,645)	(17,615)	Gains on investments	(10,344)	(16,333)
(7,441)	(1,261)	Net income from Monash University Foundation	(6,411)	(1)
203	115	Other non - cash items	(626)	(1,856)
		Changes in assets and liabilities:		
686	(1,490)	(Increase)/Decrease in receivables and accrued income	(2,144)	(1,282)
57	204	(Increase)/Decrease in prepayments	2,234	2,278
(251)	(286)	(Increase)/Decrease in inventories	(151)	(260)
565	565	Increase/(Decrease) in other current assets	(9)	(9)
(1,323)	(1,529)	Increase/(Decrease) in creditors and accruals	(3,187)	(1,887)
(524)	(400)	Increase/(Decrease) in government grants received in advance	(364)	(364)
(788)	(697)	Increase/(Decrease) in student fees received in advance	942	2,216
78	132	Increase/(Decrease) in other income received in advance	62	65
(675)	(687)	Increase/(Decrease) in other current liabilities	(379)	(318)
-	-	Other changes	(3,295)	(3,295)
<u>41,717</u>	<u>46,648</u>	Net cash used in operating activities	<u>31,717</u>	<u>47,499</u>

(c) Financing Facilities

			Notes	
		Credit standby arrangements:		
-	1,000	Bank Overdraft Facility	-	1,000
-	-	Amount Used	-	-
<u>-</u>	<u>1,000</u>	Amount Unused	<u>-</u>	<u>1,000</u>
		Loan Facilities (external):		
43,280	46,780	Total Facility	80,430	83,930
15,450	16,950	Amount of facilities used	42,880	42,880
<u>27,830</u>	<u>29,830</u>	Amount of facilities unused	<u>37,550</u>	<u>41,050</u>

(d) Non-cash Investing Activities

Monash University Foundation's investing activities included a transfer of share script from a bequest totalling \$1.277M. This represents the market value at the date of transfer.

NOTES TO AND FORMING PART OF THE ACCOUNTS AS AT 31 DECEMBER 1999

27. FINANCIAL INSTRUMENTS DISCLOSURE

(a) Interest Rate Exposures

The Entity's exposure to the effect of future changes in prevailing interest rates and the effective interest rates on financial instruments at balance date are:

1999	Interest Rates	Floating Interest Rate \$000	Fixed Interest Rate Maturities			Non Interest Bearing \$000	Total \$000
			1 Year or less \$000	1 to 5 Years \$000	Over 5 Years \$000		
Consolidated							
Assets							
Cash at Bank - AUD	3.7%	14,233	-	-	-	138	14,371
Cash at Bank - ZAR	11.0%	3,627	-	-	-	-	3,627
Managed Cash	5.0%	11,157	-	-	-	-	11,157
Bank Call Deposits	2.7%	3,171	-	-	-	-	3,171
Discount Securities	6.0%	-	18,381	1,621	4,176	-	24,178
Shares	-	-	-	-	-	138,894	138,894
Managed Trusts	-	-	-	-	-	38,795	38,795
Managed Futures and Options	-	-	-	-	-	15,678	15,678
R&D Syndicated Deposits	-	-	-	-	-	59,305	59,305
Other Investments	-	-	-	-	-	43	43
Other Managed Assets	-	-	-	-	-	277	277
Receivables	-	-	-	-	-	18,608	18,608
Loans	-	-	-	-	-	107	107
Total Financial Assets		32,188	18,381	1,621	4,176	271,845	328,211
Liabilities							
Loans - Bank	6.92%	-	7,013	17,968	17,980	-	42,961
Loans - Other	8.59%	-	113	215	-	-	328
Lease Liabilities	7.60%	-	32	-	-	-	32
Managed Futures and Options	-	-	-	-	-	5,976	5,976
R&D Syndicated Deposits	-	-	-	-	-	59,305	59,305
Accounts Payable	-	-	-	-	-	12,504	12,504
Accrued Liabilities	-	-	-	-	-	16,541	16,541
Other Amounts Payable	-	-	-	-	-	556	556
Total Financial Liabilities		-	7,158	18,183	17,980	94,882	138,203
Net Financial Assets		32,188	11,223	(16,562)	(13,804)	176,963	190,008
1998							
Consolidated	Interest Rates	Floating Interest Rate \$000	Fixed Interest Rate Maturities			Non Interest Bearing \$000	Total \$000
			1 Year or less \$000	1 to 5 Years \$000	Over 5 Years \$000		
Assets							
Cash at Bank	7.2%	11,939	-	-	-	280	12,219
Managed Cash	4.0%	11,384	-	-	-	-	11,384
Bank Call Deposits	4.5%	2,475	-	-	-	-	2,475
Discount Securities	5.2%	-	44,602	9,084	11,705	-	65,391
Shares	-	-	-	-	-	128,591	128,591
Managed Trusts	-	-	-	-	-	22,085	22,085
R&D Syndicated Deposits	-	-	-	-	-	65,694	65,694
Other Investments	-	-	-	-	-	56	56
Other Managed Assets (Net)	-	-	-	-	-	561	561
Receivables	-	-	-	-	-	17,619	17,619
Loans	7.2%	-	18	6	-	275	299
Total Financial Assets		25,798	44,620	9,090	11,705	235,161	326,374
Liabilities							
Bank Overdraft	8.30%	75	-	-	-	-	75
Loans - Bank	7.24%	-	8,069	18,881	17,980	-	44,930
Loans - Other	8.59%	-	113	328	-	-	441
Lease Liabilities	7.50%	-	140	38	-	-	178
R&D Syndicated Deposits	-	-	-	-	-	65,694	65,694
Accounts Payable	-	-	-	-	-	6,091	6,091
Accrued Liabilities	-	-	-	-	-	26,497	26,497
Other Amounts Payable	-	-	-	-	-	588	588
Total Financial Liabilities		75	8,322	19,247	17,980	98,870	144,494
Net Financial Assets		25,723	36,298	(10,157)	(6,275)	136,291	181,880

NOTES TO AND FORMING PART OF THE ACCOUNTS AS AT 31 DECEMBER 1999

27. FINANCIAL INSTRUMENTS DISCLOSURE (continued)

Reconciliation of Net Financial Assets with Net Assets as per Consolidated Balance Sheet

	1999 \$000	1998 \$000
Net Financial Assets as above	190,008	181,880
Add Non Financial Assets		
Inventories	3,309	3,052
Payments in Advance	10,750	13,026
Property, Equipment & Library Books	681,192	655,578
Monash University Foundation Investment Property	28,500	25,950
Leasehold Improvements	4,361	3,128
Government Superannuation Contributions	113,085	111,564
	<u>841,197</u>	<u>812,298</u>
Less Non Financial Liabilities		
Prepaid Rental	(5,368)	(6,084)
Student Fees Paid in Advance	(7,914)	(5,876)
Government Grants Received in Advance	(1,798)	(23,388)
Provision for Long Service Leave and Recreation Leave	(74,983)	(74,798)
Deferred Employee Benefits for Superannuation	(113,085)	(111,564)
	<u>(203,148)</u>	<u>(221,710)</u>
Net Assets per Balance Sheet	<u>828,057</u>	<u>772,468</u>

(b) Significant accounting policies, terms and conditions

(i) Financial Assets

Investments [Note 7]

Investments on hand mainly comprise investments in managed funds, bank deposits, and money market securities. These financial instruments are traded in an organised financial market.

With exception of Monash University Foundation, investments are brought to account at cost or directors' valuation. The carrying amount of investments is reviewed annually to ensure it is not in excess of the recoverable amount of these investments.

Monash University Foundation investment gains and losses realised from sale of investments and unrealised market value adjustments are reflected in the consolidated operating statement.

In respect to managed funds, where the manager considers it in the interests of prudent support, management, protection or enhancement of any existing or proposed investment, the manager may enter into futures, options, hedging or interest or currency swaps or arrangements. Under no circumstances can an external fund manager or internal treasury staff enter into such a financial arrangement unless there is sufficient assets (or liabilities) to support the transaction. There are no internal derivative transactions at balance date.

Managed funds include investments in various pooled funds, including overseas investments. The foreign currency and other risks are managed for the pool by the fund manager.

Management of Monash University and Monash University Foundation review the managed portfolios monthly and both report to Council and the Board, respectively at least quarterly as to the monitoring of treasury policies in place.

The R & D Syndicated deposits are held in trust by Montech Pty Ltd on behalf of investors and therefore a corresponding liability is shown in the balance sheet. Interest is capitalised and there is no impact on the profit and loss account. The interest rates are not shown in this table as they have no impact on Montech's financial position.

Receivables [Note 5]

Trade debtors and student loans are carried at nominal amounts due. Collectibility of these debts is assessed and a provision for doubtful debts is raised. Trade debtors are generally required to be settled within 30 days. The interest rate charged on student loans is up to 6% for long term loans.

Amounts receivable from related entities result from commercial dealings and are made on commercial terms and conditions.

NOTES TO AND FORMING PART OF THE ACCOUNTS AS AT 31 DECEMBER 1999

27. FINANCIAL INSTRUMENTS DISCLOSURE (continued)

(b) Significant accounting policies, terms and conditions (continued)

(ii) Financial Liabilities

Loans - Bank [Note 9]

The bank loans are drawn on a commercial bill facility and are carried at the principal amounts. Interest is charged at a fixed rate, repayable quarterly, and expensed as it accrues.

R & D Syndicated Deposits [Note 10(b)]

The R & D Syndicated deposits are held in trust by Montech Pty Ltd on behalf of investors and this is the corresponding liability shown in the balance sheet.

Accounts Payable, and Accrued Liabilities [Note 8]

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the economic entity. Trade accounts payable are normally settled within 30 days from month of billing.

(c) Fair Values

The carrying amounts of all financial assets and liabilities approximate fair values, with the exception of investments.

In accordance with accounting standards, investments are shown at cost, with the exception of the funds of Monash University Foundation which are at net fair value. Market values of managed funds of Monash University are disclosed below:

Market Value	1999 \$000	1998 \$000
Managed Funds:		
Westpac Investment Management Pty Ltd, at cost	13,556	33,926
National Australia Asset Management Ltd	89,039	81,491
Integrated Equity Pty Ltd	11,425	10,138
Common Fund:		
Westpac Investment Management Pty Ltd	20,417	18,037

Net fair value of financial instruments held by Monash University Foundation are determined on the following bases:

- Investments in managed funds are included in the accounts on the basis of statements from investment managers and are valued at closing market prices, adjusted for any transaction costs necessary to realise the asset. The money market securities are valued at net realisable market prices.
- Discount securities are recorded at net fair values and bank call deposits are stated at cost.

The balance of Monash University Foundation investments also includes direct property holdings which are shown at valuations advised annually by qualified independent valuers.

(d) Credit Risk

The economic entity's maximum exposure to credit risk is represented by the carrying amounts of financial assets included in the consolidated balance sheet.

(e) Foreign Exchange Risk

Monash University Foundation Trust holds funds in a South African Rand account for strategic purposes [refer Note 27(a)]. Managed funds include international investments and the foreign currency risk is managed by the fund managers.

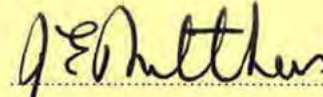
MONASH UNIVERSITY
ACCOUNTS FOR THE YEAR 1999

Statement by Principal Accounting Officer

In my opinion:

- (a) the financial statements of Monash University present fairly the financial transactions of the University during the financial year ended 31 December 1999 and the financial position of its operations for the year ended on that date, and
- (b) the financial statements of the body have been prepared in accordance with The Financial Management Act 1994.

In addition, I am not aware at the date of signing these statements of any circumstances which would render any particulars included in the statements to be misleading or inaccurate.



J. E. MATTHEWS
Principal Accounting Officer

6 March 2000

Statement by the Vice-Chancellor and the Deputy Vice-Chancellor (Resources)

In our opinion:

- (a) the financial statements of Monash University present fairly the financial transactions of the University during the financial year ended 31 December 1999, and the financial position of its operations for the year ended on that date, and
- (b) the financial statements of the body have been prepared in accordance with The Financial Management Act 1994.

In addition, we are not aware at the date of signing these statements of any circumstances which would render any particulars included in the statements to be misleading or inaccurate.



PROFESSOR D. A. ROBINSON
Vice-Chancellor and President

6 March 2000



A. L. CROOK AO
*Deputy Vice-Chancellor and
Vice-President (Resources)*

6 March 2000



**VICTORIAN
AUDITOR-
GENERAL'S
OFFICE**

*Auditing in the
Public Interest*

AUDITOR-GENERAL'S REPORT

To the Members of the Parliament of Victoria, the responsible Ministers and the Members of the Council of Monash University

Audit Scope

The accompanying financial report of Monash University for the financial year ended 31 December 1999, comprising an operating statement, balance sheet, statement of cash flows and notes to the financial statements, has been audited. The financial report includes the consolidated financial statements of the economic entity, comprising Monash University and the entities it controlled at the year's end or from time to time during the financial year as disclosed in note 3 to the financial statements. The Members of the University's Council are responsible for the preparation and presentation of the financial report and the information it contains. An independent audit of the financial report has been carried out in order to express an opinion on it to the Members of the Parliament of Victoria, the responsible Ministers and the Members of the Council of Monash University as required by the *Audit Act 1994*.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and complies with the requirements of the *Financial Management Act 1994* so as to present a view which is consistent with my understanding of the University's and the economic entity's financial position, and the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Qualification

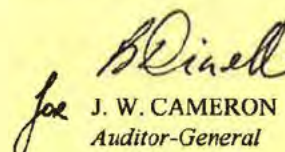
As disclosed in note 25(f) to the financial statements, the Commonwealth Government has undertaken to reimburse the University in respect of the cost of the annual pension payments paid by the University into the State Superannuation Fund in relation to former higher education employees. The University's future call on Commonwealth funding has been recognised as an asset in its balance sheet as at 31 December 1999 and has been valued at \$113 million, which equates with the amount of the University's unfunded superannuation liability.

In my opinion, as the University does not exercise control over the future Commonwealth Government funding associated with the unfunded superannuation liability of the University as at 31 December 1999, a right to these funds should not have been recognised as an asset in the University's balance sheet. Accordingly, the reported assets of the University have been overstated by \$113 million and the retained surplus has been overstated by a similar amount.

Qualified Audit Opinion

In my opinion, except for the effect on the financial report of the matter referred to above, the financial report presents fairly the financial position of Monash University and the economic entity as at 31 December 1999 and the results of their operations and their cash flows for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and complies with the requirements of the *Financial Management Act 1994*.

MELBOURNE
17/3/2000


J. W. CAMERON
Auditor-General



**Minister for Finance
Assistant Treasurer**

1 Treasury Place
GPO Box 4379QQ
Melbourne Victoria 3001
Telephone: (03) 9651 6255
Facsimile: (03) 9651 0759
DX 210759

Our Ref: 27 APR 2000

Dear Reader

The Victorian Auditor-General has decided to qualify the University's financial statements on the grounds that he is unable to confirm, as an asset, the receivable from the Commonwealth Government in settlement of the unfunded superannuation liability.

The position adopted by the Auditor-General is technically correct, however the substance of long-standing arrangements between the parties can reasonably lead to a conclusion that a receivable should be recognised. I look forward to the substance of these transactions forming the basis of future audit consideration of the financial statements of Universities.

I am critical of the Commonwealth Government in its inability to satisfactorily resolve this matter. A year ago both the Commonwealth Ministers for Finance and Higher Education were asked to resolve this matter. They have chosen not to act or provide any leadership on the issue.

It is of great concern to me that the Commonwealth has placed the University in the difficult position of having its financial statements qualified because of the unsatisfactory position it has maintained. Financial institutions and other readers of the report should view the qualification in this light and not as a reflection on the administration of the University.

I will of course pursue the matter with the Commonwealth Government in an attempt to avert qualifications in future.

Yours faithfully

**JOHN BRUMBY MP
Minister for Finance
Assistant Treasurer**

MONASH
UNIVERSITY

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