

MONASH
UNIVERSITY

Annual Report

2000

MONASH

U N I V E R S I T Y

Annual Report 2000

For and on behalf of the Council



*Jeremy Ellis
Chancellor
Monday, 2 April 2001*

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Annual Report 2000
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Vice-Chancellor's Statement

In the rapidly changing policy, economic, and technological environment, universities around the world are facing diverse demands from governments as well as from students and their future employers.

Against this challenging background, Monash and its people continue to make their mark as leaders both in Australia and overseas.

During 2000 a number of key second tier planning documents were finalised to underpin *Leading the Way: Monash 2020*, which sets the strategic vision for the University to become a broad-based, global, and self-reliant institution. The *Global Development Framework*, the revised *Research and Research Training Management Plan* and the *Support Services Plan* were all adopted by Council, together with a number of key policies relating to intellectual property. The *Learning and Teaching Plan*, the remaining second tier document, will be reviewed and revised during 2001.

Council during 2000 decided to establish Monash Commercial in 2001 to ensure effective governance of the range of commercial entities arising out of core university endeavour.

Monash's responsibility is to educate scholars and professionals, advance and apply knowledge, and to serve its various local, national and 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, increasingly on-line.

The university collaborates closely with business and industry partners and has forged strong links with key research institutions around the world. Monash and the other Group of Eight major research universities continue to work together across a range of issues of common concern and the Melbourne–Monash Protocol provides the framework for a number of collaborative ventures in courseware development and shared infrastructure.

Among the wide range of high points and successes in 2000 have been:

- ◆ The opening of the Monash University Centre, in King's College London with Professor Richard White as pro vice-chancellor.
- ◆ Monash being the first university in Australia to sign an agreement with the Federal Government to reduce greenhouse gas emissions.
- ◆ Graphic Design student Ben Wundersitz winning the 36th international cover design competition for student designers run by the New York-based *PRINT* magazine.
- ◆ The launching of the Monash Institute of Public Health.
- ◆ The opening of two new world-class research and development facilities at Monash – the BHP–Monash Maintenance Technology Institute and the BHP Institute of Railway Technology.
- ◆ Sir James Gobbo becoming patron of the new Monash University centre in Prato, Italy.
- ◆ Dr Robert Nelson, associate dean, Faculty of Art and Design, winning the Pascell Prize for his work as a critic of visual art.
- ◆ Kim Little and Cathy Rossouw winning the World University Debating Championships, making it the first win for an all-female team and the first time any university has won the competition two years in a row.
- ◆ The publishing of Professor Simon Marginson's book *Monash – Remaking the University*.
- ◆ The launching of the new StudyAway UK program.

- ◆ The appointment of the Dean of Medicine, Nursing and Health Sciences, Professor Nick Saunders to the chair of the National Health and Medical Research Council.
- ◆ Industrial Design student Alvin Sitoh designing an award-winning compact golf kit which will soon be available commercially.
- ◆ Monash and CSIRO signing a revised Memorandum of Understanding to continue development of their common purposes.
- ◆ The Water Quality Study Team winning the 2000 award for Excellence for Public Health Research.
- ◆ Art and Design lecturer Kristin Headlam being awarded the \$100,000 Doug Moran Portrait Prize, the richest art prize in Australia.
- ◆ The launching of a new Centre for Ambulance and Paramedic Studies.
- ◆ Monash University Student Union winning the Australian Customer Service Award.
- ◆ Australian trade minister Mr Mark Vaile launching the Monash campus in South Africa.

At the end of 2000, deputy chancellor Dr Geoffrey Knights retired after twenty-five years of service to Monash University Council. Dr June Hearn was elected deputy chancellor in his place and Mr Paul Ramler was re-elected for a further three year term as deputy chancellor. Council appointed the Chancellor Mr Jeremy Ellis, for a further term of office 2002–2005.

On the basis of the university's activities and achievements in 2000, it is clear that Monash continues to be a highly regarded institution that attracts excellent people and has staff that teach well, generate ideas, apply knowledge and engage actively with the broader community. Monash is indeed a leader among universities.

Professor David Robinson
Vice-Chancellor and President

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. The responsible minister is the Minister for Post-Compulsory Education, Employment and Training.

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. Its subordinate standing committees, other boards and committees, the vice-chancellor and senior officers of the university, advises the Council.

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, and Parkville and internationally at campuses in Malaysia and South Africa. Faculties of the university are Arts; Art and Design; Business and Economics; Information Technology; Education; Engineering; Law; Medicine, Nursing and Health Sciences; Science; and the Victorian College of Pharmacy. Each provides undergraduate and postgraduate degrees and diplomas.

In addition to these faculties there are centres that 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 2000 to 31 December 2000 the following members constituted the University Council.

■ *Chancellor*

Jeremy Kitson Ellis MA *Oxon* HonDEng *C.Qld.* FTSE FAICD FAusIMM
Hon.FIEAustCPEng

■ *Vice-Chancellor and President*

David Antony Robinson BA PhD *Wales* FRSA(UK) FAIM

■ *Chairperson of the Academic Board*

Alan William Lindsay BSc DipEd MEd(Hons) *Syd.* PhD *Macq.*

■ *Three persons elected by and from the staff of the university prescribed by the statutes*

Professorial staff member

Brian Richard Parmenter BA *Nott* MA *Leic.* resigned 3 October 2000

Tam Sridar BTech ME PhD FISE FIEAust *from 3 October 2000*

Non-professorial academic staff member

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

General staff member

Dale Halstead BA BSocWork *Melb.* GradDipEdAdmin *HwthnInst*

■ *Two persons elected by and from the students enrolled at the university prescribed by the statutes*

Undergraduate member

Colleen Kenny

Postgraduate member

Darriel Jeffree BA(Hons) *Flin.*

■ *Six persons appointed by the Governor-in-Council*

John Charles Hutchinson DipMechEng ED FIEAust. MAICD MAIM

Wendy Peter BJuris LLB LLM *Cantab.*

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

Ann Caroline Sherry BA *Qld.* GradDipIndusRels *Qld.UT*

Dorothy Ruth Pizzey AM BA BEd *Melb.* FACE

Paul Henry Ramler AM DipBusMktg HonMBus *CIT* ACIT FAIM AFAMI

■ *One person appointed by the Minister*

(Donald) Ian Allen BCom BEd *Melb.* MA DEd *Calif.* FACE

■ *Six persons appointed by the Council*

June Margaret Hearn MA PhD *Melb.*

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

Geoffrey Alistair Knights MA PhD *Cantab.* FTSE

John B Laurie BE *Adel.* FICE FIEAust ACEAust AATSE

Glenn Barnes BAgrSc *Melb.* CPM FAMI FAICD FRSA

Penelope FE Hutchinson BA (Hons) CA AMUSA AICD *from 13 November 2000*

Membership of Audit Committee

Jeremy Kitson Ellis MA *Oxon* HonDEng *C.Qld.* FTSE FAICD FAusIMM

Hon.FIEAustCPEng

Wendy Peter BJuris LLB LLM *Cantab*

Graham Peirson MEc *Adel.* SCPA

David Antony Robinson BA PhD *Wales* FRSA (UK) FAIM

In attendance:

Alison Crook AO BA (Hons) *UNE* MBA *Qld.* DipLib *S.Aust.* DipEd *Adel.* FALIA
FRIPAA FAIM FAICD HonDUniv *S.Aust.* HonDLitt *Macq.*

Greg Connell – Executive Officer and Secretary

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* HonDEng *C.Qld.* FTSE FAICD FAusIMM
Hon.FIEAustCPEng

■ *Deputy chancellors*

Geoffrey Alistair Knights MA PhD *Cantab.* FTSE

Paul Henry Ramler AM DipBusMktg HonMbus *CIT* ACIT AFAIM

■ *Vice-Chancellor and President*

David Antony Robinson BA PhD *Wales* FRSA(UK) FAIM

■ *Deputy Vice-Chancellor*

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

■ *Deputy Vice-Chancellor*

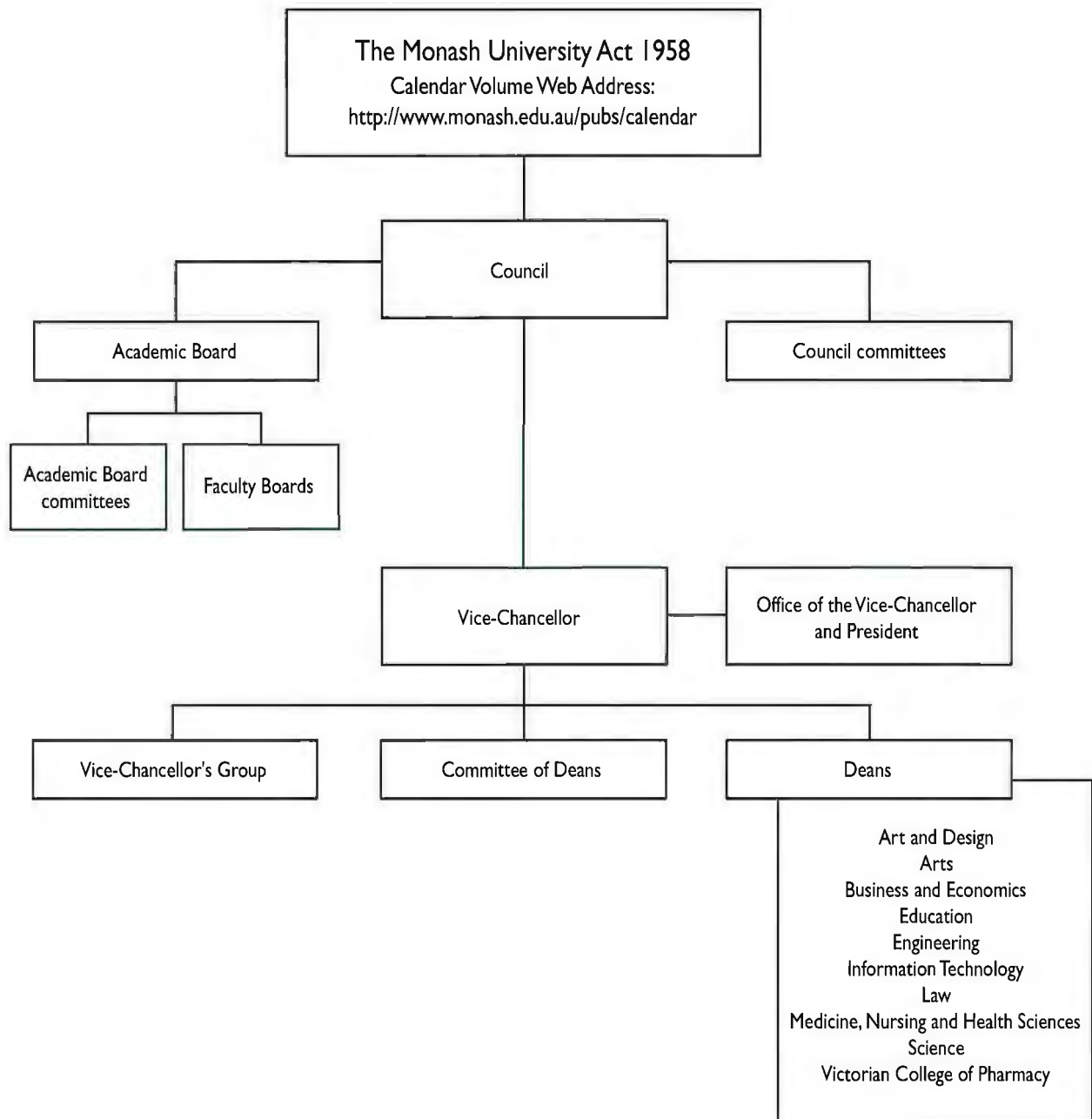
Alan William Lindsay BSc DipEd MEd(Hons) *Syd.* PhD *Macq.*

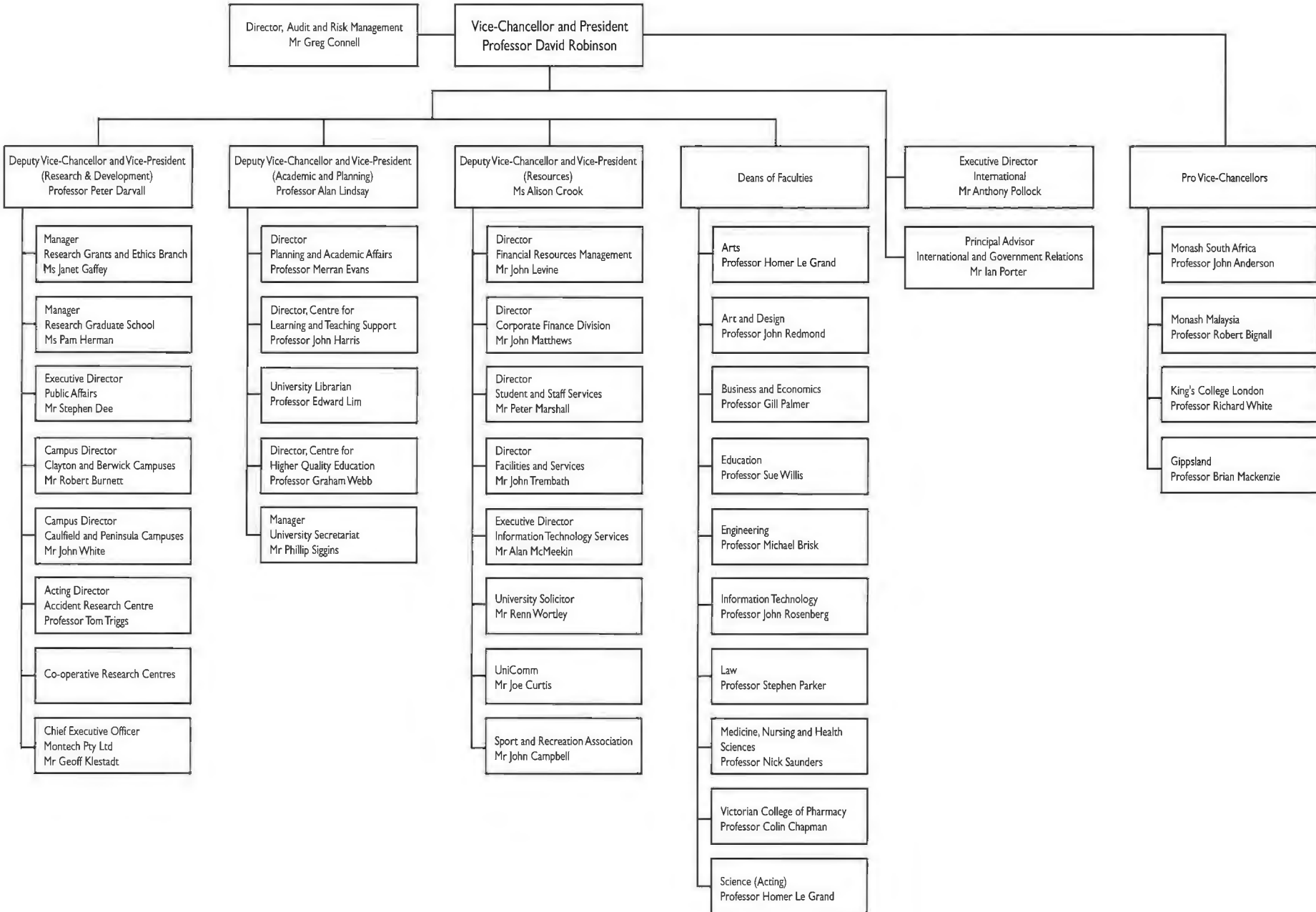
■ *Deputy Vice-Chancellor*

Ms A Crook AO BA (Hons) *UNE* MBA *Qld.* DipLib *S.Aust* DipEd *Adel.* FALIA
FRIPAA FAIM FAICD HonDUniv *S.Aust.* HonDLitt *Macq.*

Organisational charts

Overall governance and management





Monash University senior management

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 2000 with comparative results for the preceding four financial years.

Year	Surplus before abnormals \$000	Revenue \$000	Expenses \$000	Assets \$000	Liabilities \$000	Equity \$000
2000	35,149	677,404	642,255	1,315,135	295,967	1,019,168
1999	34,510	626,222	591,712	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

Operational Objectives and Initiatives

Leading the Way: Monash 2020 sets the overall strategic directions and priorities for Monash in the context of a developing vision for the university for the next twenty years. During 2000 Council adopted several key second tier planning documents. They included the *Global Development Framework*, the *Research and Research Training Management Plan*, and development of the *Support Services Plan*.

In 2000 academic development activities were focussed on the following areas:

- ◆ Allocation of thirteen grants totaling \$982,000 to support the development of innovative and flexible learning projects designed to enhance the quality of the learning environment by providing students with greater choice in terms of pace, place and style of learning. Allocation, in a special round, of a further four grants totaling \$328,000 to support the development of flexible learning programs at the Gippsland campus.
- ◆ Development and approval by Academic Board of a streamlined, integrated and devolved approach to academic and resource planning, supported by the development of an interactive computer-based system.
- ◆ Presentations by each faculty on individual 'lead site' learning and teaching activities to share best practice outcomes.
- ◆ Full-scale review of offshore courses involving a panel of international quality assurance experts and on-site visits.
- ◆ The release and ongoing development of the 'My Monash' portal – a student and staff intranet to provide easy and personalised access to flexible learning programs and resources, as well as university services. The portal will also support the delivery of innovative learning programs to Monash students around the world.
- ◆ Expansion of the Centre for Learning and Teaching Support to incorporate academic staff development activities and flexible learning design expertise and to incorporate within a comprehensive portfolio the capacity to provide academic support to students and staff.

- ◆ Establishment of a Centre for Higher Education Quality to provide support and specialist advice on quality assurance policy and practice to all areas of the university.
- ◆ Release of the Monash University Malaysia Academic Plan to underpin the development and expansion of the campus academic profile. The plan outlines current course offerings and future areas of growth, including the expansion of off-campus courses and the introduction of research degrees.
- ◆ Establishment of a course delivery framework to guide and regulate emerging forms of flexible delivery and partnership relationships while ensuring that appropriate academic standards and quality provision are maintained.
- ◆ Development of an off-campus directional statement that describes delivery models, highlights the potential for growth and identifies key challenges in developing Monash off-campus.

Guideline 9.1.3 (ii) (c)

Faculty of Art and Design

The Faculty of Art and Design focused on improving operational and budgetary efficiencies across a number of areas in 2000 with a particular emphasis on developing and maintaining high-quality education in the disciplines and professional practice of art and design, and providing a flexible and student-centred learning and teaching environment. The faculty has also worked towards enhancing its profile and consolidating its market positioning in an increasingly competitive environment.

The faculty achieved a 21% increase growth in first preferences in 2000. The Bachelor of Industrial Design became the course of first preference for Victorian applicants, Visual Communications' first preferences were up 25%, and the Bachelor of Interior Architecture ranked number two in Victoria in first preferences.

The Faculty Gallery enjoyed good visitation levels and continued to play an important role with strengthened programming generating numerous positive local and international press articles. Particular highlights were *The Good, The Bad and The Cuddly* (work by Applied Arts staff member Michael Doolan), *Le Risorse Del Caso* (work by Maurizio Bottarelli, visiting artist in residence from Italy) and *Arthur Boyd: sixty years of sleepless nights* (works from the Bundanon Trust).

Increased use of the Art and Design building by the design, cultural and corporate sectors promoted the faculty to these key stakeholders. Examples included a series of Design Institute of Australia (DIA) seminars, a Craft Victoria conference and a Bank of Melbourne *Women in Business* presentation.

Staff research activities and achievements attracted increased exposure over the year. The awarding of the \$100,000 *Doug Moran National Prize* (Australia's richest art award) to a member of the Fine Arts Department was one notable example. This received significant attention in the press and supported the faculty's positioning as a centre for perceptually based art. The awarding of the *Pascall Prize for Art Criticism* to Dr Robert Nelson, Associate Dean, Research and Graduate Studies, recognised his profile and status in the broader community.

A concerted effort was devoted towards raising the quality of student final year exhibitions. These showed a marked improvement from previous years with professional display techniques, marketing and opening functions managed by the students.

International – student enrolments and international activities

International applications rose by 70%, and acceptances for 2000 were ahead of target.

Memorandums of Understanding with Hoseo College, Korea and Shanghai Fine Arts College in the PRC underwent further development during the year. A program of study was developed for introduction at the Prato Centre in 2001.

Higher degrees by research

The Master of Fine Arts (MFA) and PhD courses were fully implemented with a pleasing increase in total enrolments. A targeted marketing campaign was introduced to highlight the unique attributes of these degrees and the high calibre teaching staff. The higher degree by research effective full-time student units (EFTSU) rose 24% in 2000.

Other postgraduate (OPG) courses and FFA enrolments

Approval for the introduction of a Master of Multimedia was achieved and a specialist marketing campaign delivered. Classes commence Semester One, 2001. The Bachelor of Design (Multimedia Design) was implemented. Development of a 96-credit point Master of Visual Arts Studies for delivery globally was undertaken. Further refinement of the course proposal is planned for early 2001.

Faculty of Arts

In 2000 the Faculty of Arts began implementing further strategies to strengthen the financial resource base of the faculty, including Integrated Academic and Resource Planning, Strategic Cost Management, a more equitable staff workload model, and the appointment of School Business Managers.

The performance-based budget model continued to be refined, including changes in response to the Commonwealth Government's White Paper on research.

Total revenue of \$37.3 million exceeded budgeted income of \$35.9 million. Actual expenditure for the year was \$35.9 million.

Courses were restructured to ensure consistency in requirements between single and double degrees. Tagged bachelor degrees were reviewed, focusing on student demand, enrolment trends over the last three years, retention rates, and campus differentiation. Six tagged degrees will be discontinued, together with their associated honours and double degrees. In addition, two tagged degrees are to be phased out as a result of the dissolution of the School of Public Policy and Social Work.

A Bachelor of Communication/Bachelor of Multimedia was introduced at Berwick and the Bachelor of Arts (International Communication)/Bachelor of Network Computing at Peninsula. The Bachelor of Arts/Bachelor of Business was redeveloped as the Bachelor of Arts (International Communication)/Bachelor of Business and Commerce at Peninsula.

Subject points was standardized at six points over the first three years of the academic program. This has required restructuring the majors and minors in all undergraduate degrees, and redesigning over 600 subjects in more than 40 disciplines.

A review of the honours program concluded that there was no need for significant changes in the nature or structure of the program, but that greater emphasis should be put on the broader advantages of the fourth year, eg further development of critical and analytical faculties, transferable research skills, and advanced organizational, verbal and written communication skills. Additionally, it concluded that a larger range of coursework Masters would provide a path for those students preferring more vocationally oriented programs. These will be developed during 2001.

In response to the release of the White Paper *Knowledge and Innovation* and concerns about the completion rate of the 1995 cohort of PhD students, the faculty developed and began implementation of a detailed candidature management plan that aims to bring about a fundamental change of culture in the studies and supervision of Higher Degree by Research students.

The faculty received five new ARC Large grants, two Strategic Monash University Research Fund (SMURF) grants and two ARC Research Infrastructure –Equipment and Facilities (RIEF) grants. The faculty also received its first ARC Indigenous Researchers Development Scheme (IRD) grant. A new internal grant scheme, the ‘Faculty of Arts Research Strength Support Scheme’ will use the SMURF 2 allocation from the university to provide grants of up to \$50,000 for major team endeavours in one or more of the faculty’s identified research strengths.

A coherent and resourced IT support structure was developed for the delivery of IT to students and staff and to address the serious shortfalls and backlog of problems. Cost-efficient solutions put in place included the leasing of new e-Vectra PCs and networked laser printers to progressively replace the current outdated PCs and printers. Student facilities being developed included network points on the landings of the Menzies Building, a new iBook Airport lab incorporating a pool of iBooks with Airport network cards (wireless networking) and an additional PC lab (30 workstations), and upgrading the existing students labs. The faculty’s web presence was enhanced and further training was provided to academic staff in the use of a web template for the presentation of course information and materials.

An external review of the School of Public Policy and Social Work was commissioned. The school was dissolved effective October 2000.

Faculty of Business and Economics

In 2000 the faculty initiated a number of measures to meet its operational and budgetary objectives.

Strategies were developed to generate increasing revenue from international students, local fee-paying students, undergraduate and graduate, as well as professional business education programs.

Following the arrival of a new dean in July, a ‘think tank’ comprising senior members of the university, external academics and leaders of business, was formed to provide strategic direction for the faculty in the area of postgraduate and professional business education. The context was the Separation Agreement between the university and Monash Mt Eliza Business School. The ‘think tank’ addressed the re-launch of the Monash MBA and the development and marketing of related products. Working parties were then established to recommend operational strategies to give the MBA and related courses appropriate facilities, the integrated support of the whole faculty, and support from other university faculties, particularly the Faculty of Information Technology.

The development of postgraduate and professional business education following the separation with Mt Eliza provides the university with a unique opportunity to recreate its MBA and related programs to suit the 21st century. This requires a range of postgraduate and professional business education programs which can draw on the extensive knowledge base of Australia’s largest university. Collaborative work across business disciplines and across faculties is seen as a priority. The potential to deliver in all Monash’s locations using new and appropriate delivery techniques is essential. To help implement this ambitious agenda, the new director of the MBA returns to the faculty after considerable experience as a senior manager in Monash’s Faculty of Information Technology.

In December the faculty established a Faculty Internationalisation Committee to review the many functions of a fully international university, such as recruitment of

overseas students to Australia; the development of internationally relevant curricula and courses; the development of Monash as a multi-campus university with overseas campuses; and business development with external partners overseas. Resources were used to improve marketing for international recruitment including the development of a website and sophisticated credit transfer software. In addition to the undergraduate programs the faculty is planning to introduce new postgraduate courses in the overseas campuses. It ran a research seminar in Malaysia in February 2000 to promote community contacts and research in the Malaysian campus. Contracts to teach with partners in Hong Kong, Singapore and Indonesia were carefully reviewed. The faculty is working to develop its internationalisation strategies together with the other agencies (like Monash International) responsible for these functions and policies.

In conjunction with the Government's White paper, *Knowledge and Innovation: A policy statement on research and research training*, the Faculty Research Committee undertook a review of the faculty's research activities, with particular reference to provision of faculty funding, research strengths, research training, and the role of specialised research centres. A Faculty Strategic Research Fund was introduced and applications called from groups "who can demonstrate that they have, or are developing, internationally recognised research strengths that can play a major role in supporting the faculty's broader strategies for scholarship and teaching." A new deputy dean was appointed who will overview faculty research activities, in conjunction with his role as director of the Monash Research Graduate School. An off-campus workshop was run for the most research-active staff to develop strategies to improve research funding, and special activities are planned for 2001 to promote industry-related research.

A review of administration across key functions of the faculty is underway, with a major objective to develop strategies associated with the appointment of a Director of Administration. The director will be responsible for achieving streamlined structural arrangements, greater efficiencies and a commitment to quality in implementing faculty goals across the faculty's administrative teams in all the campuses and departments. New policies to improve management of the faculty's information technology, marketing and business development, and the management of commercial contracts have already been approved.

Faculty of Education

The faculty's broad operational objectives continued to be:

- ◆ the pre-service education of teachers at early childhood, primary, secondary, and vocational and adult education levels;
- ◆ the development of undergraduate studies in sport and outdoor recreation;
- ◆ the provision of postgraduate award and non award professional and leadership studies for teachers and other professional in fields such as psychology, nursing, social research, community education and industry training;
- ◆ research training;
- ◆ research into a broad spectrum of educational questions;
- ◆ the provision of educational and consultancy services; and
- ◆ the fostering of public debate on important issues in education.

The range and flexibility of the faculty's courses enabled it to attract a wide range of students and to respond to and capitalise on changing patterns of applications. In 2000, the faculty's extensive pre-service teacher education programs raised entrance scores for undergraduates on all campuses. The biggest increase in equivalent national tertiary education rank (ENTER) scores was for the Faculty's Primary Teacher Education courses where ENTER scores rose by between 4 and 5 points. The

introduction of the state's only honours degree in pre-service teacher education should further enhance the quality of those entering teaching.

The faculty has put in place an evaluation policy that will ensure a three-year cyclical process for the quality maintenance and enhancement of all subjects and courses. Reviews will address the quality of the curriculum provided with regard particularly to:

- ◆ generic and specialist knowledge and skills and international perspective;
- ◆ the suitability and flexibility of learning opportunities;
- ◆ the quality of teaching;
- ◆ the use of student feedback; and
- ◆ the production quality of print and other media.

The faculty has developed models of flexible learning accessible to academics new to using the web or other digital media. It has appointed a flexible learning coordinator and a three-year plan is in place to ensure the professional development of all faculty members in the IT skills needed to make decisions about flexible learning strategies.

In 2000, the faculty completed the review and consolidation of a number of its courses resulting in greater coherence, consistency and efficiency of offerings. It rectified a series of articulation anomalies between levels of course. There are now clearly defined articulation pathways for students for nearly all courses, from undergraduate through to postgraduate and higher degree by research. At the masters level all specialisms now provide postgraduate certificate and postgraduate diploma pathways that fully articulate with their masters specialism. The faculty also disestablished a number of courses and subjects and revised the content and structures of those remaining to ensure consistency across and within campuses.

The faculty gained two of the total of seventeen large ARC grants in the division of education and one of the nineteen SPIRT grants. In addition, the Australian National Training Authority renewed the status of the Centre for the Economics of Education and Training as a designated centre for vocational education research. The implementation of a new workload formula policy, together with the review of courses, is expected to have two forms of positive impact on research performance: teaching loads will be more regularised and controlled, and specific research outcomes will be expected of all staff whose profile includes both teaching and research.

The faculty saw a modest increase in the number of international students enrolled in its award programs in 2000 and also provided short courses in TESOL for the Indonesian Ministry of Religious Affairs. For the first time there were also enrolments of Australian students on a full fee paying basis. It exceeded its targets in the provision of professional development and consultancy services to the education sector, eg it carried out 45 school reviews in 2000 as part of a contract to undertake 188 school reviews in the period 2000–2002, provided science and LOTE professional development under contract to DEET (Victoria) and LOTE programs under contract to the Independent Schools Association, special education courses for the Catholic Education Office, and leadership programs for three DEET regions.

Faculty of Engineering

The faculty's key objectives remained unchanged in 2000: to progressively increase our self-reliance by growing both fee income and research earnings whilst continuing to provide quality education at undergraduate and postgraduate levels.

We have made some encouraging progress with fee income rising in 2000 to 19.5% of recurrent income, 1.5% above the target figure for the year and 4.4% above the 1999 level. Much of this was due to growth in on-shore international student load, which has returned almost to the levels prior to the 1997/98 slump. To secure

these levels, and promote further growth, the faculty has diversified its marketing activities, targeting India and the Middle East in addition to our more traditional South-East Asian countries. We have also expanded the range of postgraduate coursework programs especially in telecommunications, biomedical and civil engineering fields relevant both to international and to Australian needs.

Whilst not directly relevant to income generation, it is pleasing to report a very successful growth in a student exchange and research collaboration program with Sweden (Luleå University) and a modest increase in other student exchanges with Singapore and North American universities. We have yet to achieve two-way exchanges with our Engineering School at the Monash Malaysia campus but 2000 saw the start of a significant transfer of students from the Malaysian School to Monash Australia.

Research activity also generated increased income, contributing 38% of the faculty's total earnings in 2000, a 1.5% increase on 1999. Whilst the exceptional success rate in ARC large grants of 1999 (17.5 grants) was not maintained, nine new large grants were received and the Australian Pulp and Paper Institute in the Department of Chemical Engineering won \$2m funding for a national printing laboratory under the Victorian Government's STI scheme. The faculty's staff continued their high level of research activity, recording 1.8 times the university average for the percentage of staff who publish in a priority category, the highest of all the faculties and producing 15% of the university's weighted publications.

A matter of ongoing concern has been our continued inability to increase higher degree by research student numbers above the 1998 levels. We introduced a strategic scholarship scheme for international postgraduate students in 2000 to seek an improvement.

Faculty of Information Technology

During 2000 the faculty was involved in developing a coordinated research ethos, engagement with industry, government and the community, developing new international markets and enhancing infrastructure, while maintaining high standards and continued innovative development in teaching programs.

Student load increased significantly in 2000 to a total of 4336 EFTSU. The most substantial growth area was international student enrolments at 2106 EFTSU, this was 535 EFTSU over planned load. The faculty attracted strong growth in undergraduate and coursework master degree enrolments in 2000. Enrolment in combined IT degree faculty courses also grew.

The faculty's research strength increased with established research groups growing from four to eight and the establishment of a collaborative research group with Medicine, Nursing and Health Sciences and Engineering in Bioinformatics. The faculty established seed funding for new research groups as a supplement to the Faculty of Information Technology Research Fund (FITR Fund) established in 1999.

The faculty was successful in gaining increased ARC funding for 2000 in particular one ARC large and two SMURF grants in order to establish a Centre for Bayesian Data Mining and a specialised Knowledge Management Laboratory aimed at Information Communities. The faculty developed the Recordkeeping Metadata Scheme with development funded by an ARC SPIRT grant and cooperation from the National Archives of Australia. The scheme has been adopted by Standards Australia as the basis for an Australian Recordkeeping Metadata Standard.

In an effort to simplify teaching of computer programming, Monash University has developed Blue J, an easy-to-use object oriented teaching environment that facilitates the teaching of modern computing technology in introductory courses. The Blue J project received considerable international attention from industry and

educational institutions. Sun Microsystems, a leading computing technology company, has joined the faculty as an industry partner.

During 2000 the faculty sought engagement opportunities with industry, business, government and the community. Monash Digital Media, trading as Mondo Studios, became fully operational in 2000 as a commercial enterprise to undertake professional work providing multimedia solutions to a wide variety of clients. Negotiations progressed towards the establishment of a development fund to provide seed funding for multimedia projects in an incubator.

The faculty received \$1.35m over three years from the federal government for a project entitled "Building the Internet Workforce". The project also involves the universities of Queensland and Sydney in collaboration with key Australian industry partners in the development of core teaching resources for the education of software, network, and application developers who will comprise the Internet workforce. The aim of the project is to place Australia in a position to provide the skilled Internet workforce that will be required by Australian industry over the next five years and beyond.

Faculty of Law

Faculty objectives

In 2000 the faculty continued to develop its 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 undergraduate program

The first-offer round cut-off score for VCE entry into Law increased from 98.5 in 1999 to 98.75, reflecting the continuing demand for places in law and the community perception that Monash offers an excellent undergraduate Bachelor of Law.

The special entry scheme for (fee-paying) mature-age entrants introduced in 1999 has been an unqualified success. Of the 92 students offered places for 2000 (compared with 32 in 1999) 72 students accepted the offers. Throughout the year, 19 students withdrew, deferred or discontinued their studies. Of the 53 students who completed, 100% passed their first year, 47% receiving at least a credit average or above. 7.5% of the students were allocated HECS places, following performance at a Distinction average across 48 credit points.

In 2000, the faculty introduced a scholarship scheme for fee-paying students. The scholarships are funded from faculty resources and money raised from alumni.

The faculty's commitment to excellence in teaching was illustrated by the award of the Vice-Chancellor's Award for Distinguished Teaching to Mr Mark Davison, the ninth such award to a faculty member.

The graduate program

The highlight of the graduate program in 2000 was the first offering of the Postgraduate Diploma in Legal Practice, Ethics and Skills, an alternative to articles of clerkship as a means of admission to legal practice. The initial intake was 30 students. Other new graduate courses included a specialisation in Internet and Electronic Law, and the introduction of a new subject on Decision-making for Tribunal Members, which will be the foundation subject for a program relating to tribunals.

178 students were enrolled in the various Masters' degrees in 2000. PhD enrolments continued to increase, from 19 in 1999 to 32 at the end of 2000.

Research

The faculty won two ARC Large Grants (and a share in a third), two ARC SPIRT grants and one Criminology Research Council Grant. In addition, the faculty won a

Monash University grant to establish a Centre for Law in the Digital Economy. The faculty's new Castan Centre for Human Rights Law commenced operations in 2000, with an inaugural lecture by Justice Michael Kirby and a public forum led by Mr Alexander Downer, the Minister for Foreign Affairs and Trade.

Relationships with the community

The faculty provides legal services to the community through its Monash–Oakleigh Legal Service and its major involvement with the Springvale Monash Legal Service.

International links

In 2000, the faculty entered into a Memorandum of Understanding with the Oxford Institute of Legal Practice, a leading provider of the Legal Practice Course in the United Kingdom. Visiting Oxford Institute staff assisted with the faculty's first offering of the Postgraduate Diploma in Legal Practice, Skills and Ethics.

Faculty of Medicine, Nursing and Health Sciences

The Faculty of Medicine, Nursing and Health Sciences 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 has also developed professional continuing education programs and offered a number of these by distance education.

In 2000 the faculty:

- ◆ planned and commenced development of a new 5 year medical curriculum for implementation in 2002;
- ◆ established the Monash University Centre for Ambulance and Paramedic Studies with the associated implementation of the diploma, advanced diploma and degree programs;
- ◆ developed a submission to the Commonwealth Department of Health and Aged Care for the establishment for a School of Rural Health across three sites: Gippsland, Bendigo and Mildura;
- ◆ significantly increased enrolment of international students in the medical degree, and developed a special program of study for Malaysian students enrolled in the new medical curriculum in 2002; and
- ◆ increased enrolment of international students into postgraduate courses from targetted countries, particularly in the areas of Public Health and Family Medicine.

The Bachelor of Radiography and Medical Imaging will be into its fourth year in 2001, and the department has developed an innovative professional fourth year clinical placement program with private radiography service providers. During 2000, the Australian Institute of Radiography visited the department to accredit the new course.

Preliminary planning for a Monash Medical School in Malaysia continued in 2000 and the Food and Agriculture Organisation Centre of Excellence in Food Safety, Quality and Nutrition was established at Monash.

In conjunction with the George Washington University, a cross institutional Masters of Health Services Management course was developed to be offered from the Malaysian campus.

The School of Nursing developed a cross-institutional graduate course in Community Health Nursing with Deakin University (funded from the university's Strategic Innovation Fund); and introduced a nutrition and dietetics stream into the Bachelor of Biomedical Science degree.

Research continues to be a high priority, with the faculty successful in achieving two major NHMRC program grants and more than \$25 m was awarded to the faculty and its affiliates under the State Government Science and Technology Innovation Grant Scheme.

In 2000, the Faculty of Medicine, Nursing and Health Sciences was a major player in the establishment of Biocom International – a vehicle for the commercialisation of biomedical research. In addition, three ‘spin-off’ companies were established to commercially develop research projects.

During 2000, planning for, and construction of, the Alfred Medical Research and Education Precinct continued in collaboration with the Baker Institute for Medical Research, the Macfarlane Burnet Centre for Medical Research and the Alfred. In addition, the Monash Institute of Health Research precinct was established at Monash Medical Centre.

Faculty of Science

The faculty underwent significant changes in 2000 after the departure of the dean and several senior faculty administrators in December 1999. The interim dean initiated a comprehensive internal review, beginning with a three-day ‘Advance’ given the task of building a new vision for its future. This culminated in a new plan, *Science Forward*, with a set of realistic goals for reshaping the faculty to best serve our needs as well as those of our stakeholders. Hence 2000 was a transitional year for the faculty, devoted to stabilising its operations and improving morale, while commencing the implementation of a new structure and budget model.

The emerging structure strengthens our relationship with other faculties. From 2001 there will be two new interfaculty schools: Physics & Materials Engineering; and Psychology, Psychiatry & Psychological Medicine. Other key elements of *Science Forward* were proposals for a Science Precinct and a Centre for Excellence in Science Teaching. The precinct involves the four faculties engaged in teaching and research in the many branches of science and technology represented at Monash University. Detailed planning discussions with representatives of all four faculties commenced in late 2000 under the aegis of the Deputy Vice-Chancellor (Resources). The centre will support undergraduate science teaching and will involve cooperation with other faculties whose programs are integral to science courses. A director was appointed towards the end of the year and the early stages of planning for the centre began. A new dean was appointed in the second half of the year, to commence in 2001.

The year also saw the introduction of a performance-based income distribution model. The model is designed to encourage greater research activity, rewarding Higher Degree by Research (HDR) completions, publications and successful competitive and industry research grants. The model is being phased in over three years: the objective is a 70:30 distribution by 2002, with 70% of the operating grant income distributed on load numbers and 30% distributed on research performance (2000 had an 85:15 split and 2001 will have 80:20). The staged phasing will assist those departments that have been less research productive.

Some of the successes of 2000 were substantial grants for teaching and learning projects funded by the university’s Strategic Innovation Fund, and an increase in the number of ARC Large Grants (5 grants more than awarded in 1999, and 32% of the university’s Large Grants) and APA scholarships. Undergraduate enrolments exceeded targets and buffered difficulties in meeting HDR load. A number of new fee-paying postgraduate courses developed over 1999–2000 will commence in 2001.

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; and
- ◆ the management of all facets of the college's activities so that funds provided from several sources are expended according to established guidelines.

The following activities and achievements in 2000 are worthy of note:

- ◆ the first steps taken towards construction of a major new building on the vacant block on the Parkville campus;
- ◆ the first enrolments into the new Bachelor of Formulation Science course;
- ◆ the college, together with the School of Pharmacy at the University of South Australia, underwent an evaluation and reaccreditation process conducted by the newly established New Zealand and Australian Pharmacy Schools' Accreditation Committee (NAPSAC); and
- ◆ the first graduates of the extended four-year Bachelor of Pharmacy course.

Planning for a new eight-storey \$35 million building to relieve chronic space shortages is underway. The college expects to occupy up to four floors and sub-let the remaining floors to tenants engaged in compatible activities in the broad fields of pharmacy and the biomedical sciences. This rental revenue will offset the cost of construction and link in with the Victorian Government's 'Bio 21' program of concentrating the State's growing expertise in the biomedical sciences within the 'Parkville knowledge precinct'.

The first intake of students into the Bachelor of Formulation Science course brought to fruition two years of intensive planning and curriculum design since the university allocated 100 EFTSU of student load to the program in 1998. This program draws on the research strength in formulation science and the longstanding collaborative links with industry of the college's Department of Pharmaceutics and is the first of its type in Australia. It also marks a point of departure for pharmacy training only at the Parkville campus.

Extension of the Bachelor of Pharmacy course to four years was also the culmination of many years of effort; first in having the concept accepted by the profession and the community, second in having the increased load funded by the university, and thirdly in designing and developing the new curriculum. The college saw as its prime imperative the provision of practical training opportunities into the Bachelor of Pharmacy so the course can be validated in professional practice settings. The result was the Practical Experience Program with the Introductory and Advanced Practical Experiences (IPEs and APEs) in the revised third-year and new fourth-year curriculum. The first of the four-year graduates will complete their studies at the end of the year and move into the Pharmacy Board of Victoria's traineeship year.

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 2000, the university undertook a range of initiatives to ensure progress towards employment equity for women in the workplace. The Vice-Chancellor's Taskforce for the Advancement of Women met to discuss a series of options that would enhance employment equity for general staff women at Monash University. These options build on previous recommendations aimed at enhancing career opportunities for academic women. Implementation of the recommendations is in progress. A Recruitment and Appointment Kit was also developed which provides a clear and comprehensive guide to staff recruitment and selection. The kit provides guidelines for ensuring equal opportunity in the selection of staff and incorporates strategies such as search plans for senior women staff positions.

Training sessions for women staff were held and tailored career advice provided by the Women's Leadership and Advancement Scheme. The scheme also undertook a university-wide mentor program involving 14 academic staff pairs and 36 general staff pairs. The Senior Women's Forum (established in 1998) continued to meet throughout 2000 providing a forum for senior women to network and build professional relationships with each other and with other senior staff. The forum also enabled senior women at Monash to develop coherent and organised statements on the impact of decisions on women staff.

Other initiatives included a report which was tabled at the Committee of Associate Deans (Research) on strategies to increase the participation of women in research at Monash. Recommendations from the report are currently being explored. *Leading the Way in Employment Equity: A Resource Guide for Faculties on Employment Equity* was produced. The guide aims to enable individual faculties to establish and meet gender equity goals for staff. *The Work Life Strategy* was launched in November which promotes and extends policies and workplace practices to 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 Employment and Career Development Strategy. By December 2000, thirty-three of the target of forty training placements had been filled. During the placement, training is undertaken in a relevant qualification, which is recognized by the Australian National Training Authority. Twenty-four participants have been awarded either the Certificate Level 3 or Certificate Level 4. Of those twenty-four, ten are undertaking either Certificate Level 4 or Certificate Level 5 (Diploma Level). As at December 2000, eight successful participants have been appointed to continuing positions within the university.

A successful pilot program for a small group of indigenous and non-indigenous staff to undertake the Certificate Level 4 in Administration led to an extension of the program whereby work-based certificate training in administration was delivered to twenty-eight female staff at Monash. The success of this program has led to the university, in partnership with consultancy company, Career Brokers and Trainers, to deliver training to eighteen people in Certificate Level 5 (Diploma Level) in Administration. This program involves three indigenous staff, with all participants due to complete by the end of 2000.

An environment free from discrimination and harassment

Staff and Student Equity and Access Branch continued to offer training to meet wide-ranging needs:

- ◆ Ensuring advisers and conciliators appointed under the Discrimination and Harassment Grievance Procedures continue to maintain appropriate levels of knowledge and skills.
- ◆ Supporting managers and staff in their endeavours to achieve equity in their workplace.
- ◆ Informing various staff and student groups on equal opportunity law and University policies and procedures for the enhancement of equity in their specific environments.

Special courses were offered to student groups with particular needs. These included students in various residential environments, students whose courses involved placements of various kinds outside the university and senior students undertaking various roles of responsibility in the organisation and support of other students.

Additional discrimination and harassment grievance advisers were appointed across several campuses and their numbers will enhance the university's ability to respond fairly, promptly and confidentially to grievances that arise.

Workforce data

	1999			2000		
	<i>FT&FFT</i>	<i>Casual</i>	<i>Total</i>	<i>FT&FFT</i>	<i>Casual</i>	<i>Total</i>
Academic						
Female	761	163	924	802	136	938
Male	1333	183	1516	1335	183	1518
Total	2094	346	2440	2137	319	2456
General						
Female	1411	255	1666	1464	385	1849
Male	958	118	1076	978	230	1208
Total	2369	373	2742	2442	615	3057
All Staff						
Female	2172	418	2590	2266	521	2787
Male	2291	301	2592	2313	413	2726
Total	4463	719	5182	4579	934	5513

Public sector employment principles

Section 7(a) Compliance

The university ensures that employment decisions are based on merit by:

- ◆ the application of merit-based advertising, selection and appointment procedures as prescribed in the *Monash University Staff Handbook*;
- ◆ the provision of training in merit-based staff selection;
- ◆ the exclusion of staff members from selection panels where they have or had a close personal relationship with an applicant;
- ◆ the exclusion of staff members from any promotion, reclassification, evaluation or grievance procedures where they have or had a close personal relationship with the staff member concerned; and
- ◆ the identification of favouritism as a specific ground for the initiation of disciplinary action against a general staff member.

Section 7(b) Compliance

The university ensures that its staff members are treated fairly and reasonably by:

- ◆ complying with its statutory employment obligations;
- ◆ complying with its obligations under awards and certified agreements of the Australian Industrial Relations Commission;
- ◆ the application of grievance, dispute resolution, performance management, and disciplinary procedures as appropriate;
- ◆ regular consultative meetings with staff and union representatives;
- ◆ the maintenance of a dedicated Employee Relations and Consultancy Branch; and
- ◆ the maintenance of superior customer service standards in the delivery of all staff services.

Section 7(c) Compliance

The university ensures that equal employment opportunity is provided by:

- ◆ the maintenance of a dedicated Equal Employment Opportunity and Employment Equity Office;
- ◆ the maintenance of a dedicated Office of Indigenous Employment and Career Development in support of the University's Indigenous Employment Strategy;
- ◆ the application of merit-based advertising, selection and appointment procedures as prescribed in the *Monash University Staff Handbook*;
- ◆ access to paid adoption leave, maternity leave, and special family leave for all staff;
- ◆ access to paid paternity leave for both academic and general staff; and
- ◆ the prescription of the following equal employment opportunity policies in the *Monash University Staff Handbook* – Equal Opportunity in Employment; Affirmative Action Programs for Female Staff Members; Discrimination and Sexual Harassment Grievance Procedures; and Work, Study and Family Responsibilities.

Section 7(d) Compliance

The university ensures that staff members have a reasonable avenue of redress against unfair or unreasonable treatment by:

- ◆ the availability of formal grievance procedures for both academic and general staff contained in the *Monash University Staff Handbook*;

- ◆ the availability of dispute settling procedures for all staff under the Monash University Enterprise Agreement (Trades and Services General Staff) 1997 and the Monash University Enterprise Agreement (Academic and General Staff) 1998;
- ◆ regular consultative meetings with staff and union representatives; and
- ◆ the maintenance of a dedicated Employee Relations and Consultancy Branch.

Section 8 Compliance

The university seeks to ensure compliance with the prescribed public sector conduct principles by:

- ◆ compliance with sections 7(a) and 7(c) of the *Public Sector Management and Employment Act 1998*;
- ◆ the application of performance management provisions to all staff of the university as prescribed by certified agreement;
- ◆ the initiation of disciplinary proceedings where appropriate; and
- ◆ the continued development of guidelines for ethical staff behaviour and conduct.

Guideline 9.1.3 (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 to provide 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 2000.

<i>Name</i>	<i>\$</i>
CAP Gemini Ernst & Young	104,240
Macfarlane Burnet Centre for Medical Research	112,642
Phillips Curran Pty Ltd	121,302
Teilike Pty Ltd	135,469
Bradley Elms Consultants	141,711
Career Brokers and Trainers	142,047
Monash Medical Centre	160,230
Moore Stephens HF	324,726
AST Consulting	351,500
Equiset Pty Ltd	550,000
KPMG Consulting Pty Ltd	660,063
SAP Australia Pty Ltd	1,265,839
Sub-total (accounts >\$100,000)	4,069,769
786 consultancies at <\$100,000	6,989,729
Total consultants fees	11,059,498

Major Works

Caulfield campus

Alterations and refurbishments were carried out on Levels 5 and 6 of building F for the Departments of Psychology and Mathematics. These works costing \$2 million were completed in April 2000 and included air-conditioned offices, reception, teaching spaces and computer laboratories.

Clayton campus

Construction of the new Animal House commenced in September 2000. The 2120m² gross floor area project consists of air-conditioned animal holding rooms, a laboratory, preparation room, dispatch and service areas, together with food handling and storage spaces, with an adjacent undercover delivery enclosure on level one and a plant room on level two.

Extensive refurbishment of Medicine, Nursing and Health Sciences and Science faculties' buildings continued through the year including the Department of Chemistry chemical store, Centre for Green Chemistry laboratories, and the Medical Education Unit. The total cost of these three projects was \$2.5 million.

Design and documentation was completed during 2000 for the Monash University International Centre and the Monash Science Centre. The international centre is a project of 6400m² gross floor area costing \$12.5 million and Monash Science Centre 1444m² costing \$4.2 million. Construction of the international centre is planned to be completed before the start of the 2002 academic year and will accommodate the Monash International, Monash College and Language Centre, and the Office of International Affairs. The science centre will be completed in October 2001 and will provide facilities for science education and exhibitions.

Gippsland campus

\$2.4 million was spent on a number of refurbishment projects.

Parkville campus

Three major projects completed or commenced during 2000 were the refurbishment of the Department of Pharmacy Practice costing \$0.5 million, refurbishment of the Department of Pharmaceutics offices and laboratories costing \$0.84 million and upgrading lecture theatres 1, 2 and 3 costing \$0.75 million.

Peninsula campus

Refurbishment of building A commenced in 1999 and continued through 2000 with completion planned for the end of 2001. The work involves alterations to levels 2, 3 and 4 costing approximately \$5.5 million.

Alfred Medical Research and Education Precinct

Construction commenced in 1999 of a \$100 million complex 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 \$15 million share in the project that will provide four levels of laboratory and office accommodation and a share of the Animal House and Imaging Department. The building is scheduled for completion in September 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 that are exempt from the ten-year liability.

Guideline 9.1.1 (iv) (f)

Major research and development activities

The Australian Government's White Paper, *Knowledge and Innovation: a policy statement on research and research training* was published in December 1999. The White Paper identified the government's concerns in relation to postgraduate research education in Australia.

In response to revised government funding policies, Monash, like other Australian institutions, must develop strategies to:

- ◆ improve completions;
- ◆ increase higher degree by research numbers, especially international student enrolments; and
- ◆ increase the level and diversity of research income.

At the institutional level, in 2000 the Monash Research Graduate School began collating data on several year cohorts as the basis for identifying those factors that encourage timely completion. Faculties are also reviewing current practice.

The Monash Research and Research Training Management Plan

The university's research management plan was last revised in mid 1998. A number of factors, including the Australian Government's *White Paper*, suggested a further revision should be a priority in 2000:

- ◆ Publication of *Leading the Way: Monash 2020* which is intended to set the framework for the long-term development of the university.
- ◆ Changes resulting from the *Health and Medical Research Strategic Review (the Wills Report)* which will include more money available for health and medical research; a greater focus on priority-driven research; greater expectations in relation to wealth creation from research findings through industry links and commercialisation.
- ◆ Other proposed policy changes, eg *Innovations: Unlocking the Future* (final report of the Innovation Summit Group) and *The Chance for Change* (Report of the Chief Scientist on Australia's Science Capability).

- ◆ Continued development of Monash campuses overseas and of strategic alliances with overseas institutions.
- ◆ Most recently the move to a 20% research component in the faculties' 2001 budget allocations and enhancement of the Research Services budget.

The review of the university's research and research training policies has been made in light of these developments. The review process involved a series of interviews with Associate Deans (Research) and other faculty representatives and an appraisal of the extent to which the objectives set in the 1998 document have been achieved.

Objectives achieved included:

- ◆ development of academic staff engagement profiles;
- ◆ targeting of internal funding programs such as Monash University Research Fund and Strategic Monash University Research Fund;
- ◆ allocation of Research Quantum through faculties to departments and centres contributing to the faculty's Research Quantum base;
- ◆ identification of main research strengths and priorities;
- ◆ re-evaluation of priorities and operating structures within Research Services;
- ◆ participation in research benchmarking/performance data with other Australian research universities;
- ◆ establishment of the Monash Research Graduate School;
- ◆ refurbishment of the Research Graduate Centre with conversion of open plan areas to student offices;
- ◆ expansion of the exPERT employment and research skills training program, now incorporating a statistical support scheme; and
- ◆ expansion of research award support, including a partial fee tuition scholarship scheme for international students (now the full-fee Monash International Postgraduate Research Scholarship scheme), 10 off-the-top Monash Graduate Scholarships for areas of research strength and priority, and teaching and research fellowship programs.

In the revised *Monash Research and Research Training Management Plan* endorsed by Council in November 2000, the following objectives were identified:

- ◆ To increase the quantity and quality of the university's research output by using existing funding more efficiently; seeking to increase external funding; supporting research strengths; ensuring staff are research active; and enhancing infrastructure and Research Services resources;
- ◆ To strengthen the university's research training program by enhancing the research training environment through the Monash Research Graduate School; attracting high quality students to Monash's research training programs; improving research completion rates and times; ensuring continuous improvement in supervision and the research training environment; and extending the range of research degree programs; and expanding research training collaboration between universities and external bodies;
- ◆ To develop research activities which support the university's off-shore campuses and strategic alliances by ensuring research and research training are key elements at Monash's off-shore campuses; and strengthening collaborations with strategic alliance partners;
- ◆ To promote public awareness of the university's research achievements through promotional activities; and
- ◆ To strengthen the university's research links with other research organisations, nationally and internationally, and with industry and other users of research by encouraging strategic research collaboration; maximising research spin-offs associated with these activities; and developing industry collaboration policies.

Research applications and funding

During 2000 Monash researchers submitted 1141 applications to 203 separate granting bodies and schemes, a reduction both in number of applications and schemes compared with 1999. Of these applications for support 331 were successful, representing a success rate of 29 %, lower than for 1999. Funding for the first year of these successful grants which, depending on the scheme, could be either 2000 or 2001, totalled \$15,389,000, which is less than for 1999, but is in proportion to the number of applications submitted.

In relation to new awards, the university continued its commitment to using its own resources to support postgraduate research training by providing 100 Monash Graduate Scholarships, compared with 112 government-funded Australian Postgraduate Awards.

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.

Australian Research Council (ARC)

Large grants

Monash University was awarded 50 new ARC Large Grants out of 215 applications for funding commencing in 2001, four more than for the 1999 round, and a success rate of 23.3%. Monash continues to be ranked fifth in Australia on the basis of the first year of funding for new grants and the number of Large Grants awarded.

Special research centres

The Centre for Green Chemistry commenced in 2000, with funding of some \$1m annually for up to nine years. This is the first Special Research Centre awarded to Monash University.

Small grants

Monash was allocated \$1,793,498 for competitive allocation under the Small Grants Scheme for projects to commence in 2000. Monash ranked fifth nationally in terms of the size of its Small Grants allocation. The allocation enabled support to be provided for 169 one-year research projects.

Fellowships

As a result of the 2000 selection for fellowships to commence in 2001, Monash University was awarded three ARC Fellowships (2 Australian/Queen Elizabeth II, 1 Postdoctoral) out of 38 applications (11 Australian/Queen Elizabeth II, 24 Postdoctoral, 3 Senior). This was a success rate of 7.9% which is below the national average, and is fewer fellowships than were awarded to Monash in the 1999 selection round.

Infrastructure block grants

Monash University was allocated \$ 5,798,171 in 2000 for Research Infrastructure Block Grants, with a slight reduction on the allocation of \$5,966,720 for 1999. Of this sum 15% was distributed to the library, while the remainder was distributed to faculties based on the proportion of National Competitive Grant funds obtained.

Research infrastructure equipment and facilities program

In the 2000 selection round for projects to be supported in 2001, Monash University was the lead institution for five successful projects, with total funding of \$1.395m. Monash will be involved in a further fourteen projects as a collaborating institution; participating in other institutions' bids is a cost-effective means of funding and 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 APAI or a postdoctoral fellow. Monash submitted 54 SPIRT applications in 2000 for funding commencing in 2001, and was awarded funding for 19, a success rate of 35.2%. This is an increase of four grants on the 1999 selection round. Within these 19 successful SPIRT grants were nine project grants, 13 APAIs and one Postdoctoral Fellow (Industry).

International Researcher Exchange (IREX)

Monash gained nine IREX grants out of 26 applications, a success rate of 34.6%. This number of successful grants to Monash is an increase on the 2000 round and together with the funding allocated rank Monash fourth in Australia for allocations under the ARC IREX scheme. The nine grants awarded to Monash consist of eight IREX awards (out of 24 applications, success rate 33.3%), and one IREX fellowship (out of two applications, success rate 50%).

National Health and Medical Research Council (NHMRC)

Project and equipment grants

In the 2000 selection round, Monash was awarded 39 new project grants from 141 applications, a success rate of 27.6%. This success rate is higher than the national average, but is less than that for the 1999 round. On the number and value of grants for funding commencing in 2001, Monash ranks fifth in Australia. Within these 39 new NHMRC Project grants were four fellowship project grants (project grant plus fellowship awarded), three New Investigator grants and two Grants-in-Aid. The Monash share of funding for new grants was 8.2% of the national allocation, and totals \$3.9 million for 2001.

Fellowships and awards

Monash was awarded three NHMRC Training Awards and Fellowships out of 11 applications across four fellowship types, an overall success rate of 27.2%. These three awards comprised two R D Wright Fellowships and one Australian Part-time Research Fellowship. Monash also submitted two applications for Peter Doherty Fellowships and two for Public Health Postdoctoral Fellowships that were unsuccessful.

Monash submitted and was successful with one new NHMRC Program Grant worth \$5.075 million over five years. Ten project grants, four continuing grants and six new grants for 2001, have been subsumed into this grant.

Monash also received ten new NHMRC postgraduate research scholarships for 2000, compared with eight in 1999.

Monash Research Fund

In 2000, 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 and postdoctoral fellowships in areas of research strength, with the intention of positioning researchers to obtain funds from external sources. Funds were also applied in support of 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.

Some \$5 million was transferred from general funds to create the Strategic 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 2000 Monash University collected data on 5004 research publications that were published by Monash staff and students in 1999. 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 2367 publications under four publication categories to the Department of Education, Training and Youth affairs as part of the 2000 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 are normally awarded each year. It is also possible to have other Fellowships (eg ARC and NHMRC) supplemented with allowances from the Logan Fellowship fund, enabling recognition of both the external award and the earlier offer of a Logan Research Fellowship. For the 2000 round the awardees, their departments and commencement dates are as follows:

- ◆ Dr Simone Schoenwaelder, Department of Medicine, Box Hill Hospital (31 December 2000) (also awarded an NHMRC Fellowship).
- ◆ Dr John Magee, School of Geography and Environmental Sciences (19 January 2001).
- ◆ Dr Wei Dong Guo, Department of Civil Engineering (1 September 2000) (also awarded an ARC Fellowship).
- ◆ Dr Evan Robertson, Department of Chemistry (11 December 2000) (also awarded an ARC Fellowship).
- ◆ Dr Stephen Bottomley, Department of Biochemistry and Molecular Biology (1 January 2001).

Monash Research Graduate School

A number of key initiatives marked the first year of the school's operation.

A twice yearly forum at which postgraduate research coordinators meet to discuss policy issues of common concern and to share examples of good research practice, remains a focus of the Research Graduate School's activities.

The school has also overseen the re-establishment of a much stronger Statistical Consulting Service for research students. The program has three elements – a lunchtime drop-in centre; one-to-one tutoring and a workshop series under the auspices of the exPERT employment and research skills program.

A major new tuition fees award program for international students, the Monash International Postgraduate Research Scholarship scheme (MIPRS), supported by a 3% levy on international student fees, is the linchpin of the university's endeavours to attract more high calibre international postgraduates to its wide range of research programs.

A further significant initiative has been the refurbishment of the Research Graduate Centre and conversion of much of the open plan space to student offices.

Postgraduate research scholarships and awards

In the 1999–2000 selection round, 763 applications were received for the 87 Monash Graduate Scholarships (MGS) and 112 Australian Postgraduate Awards (APA)

available. Only four Australian universities received a larger allocation of APA than Monash.

While overall 49% of applications were from females, when only Australian applicants are considered the figure rises to 55% (for international students the figure falls to 34%). Of the APA-eligible applicants only 8.8% 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 on 56% of applicants (427) were deemed to hold either first class honours or an equivalent qualification. Nearly 25% (106) of these applicants had been favourably assessed by one of the university-wide H1 equivalence panels, which met in late November 1999 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. About 27% of applications submitted to these panels were not successful.

While 58.8% of all eligible applicants received offers, 176 applicants holding first class honours qualifications or their equivalent failed to receive an offer for any award, 7 less than in the previous selection round. Of all the stipend scholarship offers made 43.4% were made to applicants who held non-Monash qualifications. This compares with 40.2% in the previous year. The number of MGS or institutional awards taken up by international students increased from 41% in 1998 to 47% in 2000.

In 2000, a further ten Monash Graduate Scholarships in addition to the central main round allocation of 87 were offered to faculty nominated areas of research strength and priority from the 28 nominations received.

There was no mid-year round in 2000 as the 26% over-offer resulted in all available awards being accepted in the main round. As 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, the percentage of over-offers for the subsequent 2000–2001 round was reduced.

Under the auspices of the Strategic Partnerships with Industry – Research Training scheme (SPIRT), Monash received for commencement in 2000 11 APAI awards, two less than in the previous year. This represented a success rate of 33.3%.

The university received a quota of 16 International Postgraduate Research Scholarships (IPRS) for 2000. This year the Monash University International Postgraduate Research Partial Tuition Scholarships program was phased out and the first full-fee Monash International Postgraduate Research Scholarships (MIPRS) will be taken up in the 2001 academic year.

The university's MGS budget remained stable at \$4.93m in 2000. Overall, total expenditure in 2000 for MGS, APA, APAI, IPRS and partial scholarships was in the order of \$12.5m, with about 1,000 postgraduate researchers in receipt of stipend scholarships and approximately 100 on fee-paying awards.

The Monash Postgraduate Travel Grant budget of \$180,000 was maintained in 2000. Presently, successful applicants are still required to pay the first \$150 of the fare themselves. In 2000, 230 students were supported by the scheme, compared with 234 awardees in 1999.

In 2000 the Conference Organisers' Grants scheme continued to provide financial support to postgraduate researchers who intend to plan and run a Monash, state, national or international conference, seminar or workshop. Six grants totalling \$4,350 were made in 2000.

The Postgraduate Publications Grant program maintained its budget of \$110,000 in 2000. It assists approximately 24 doctoral or research masters students under examination, to write up papers based on their research. Tenure is for up to three 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.

The Monash University Postgraduate Teaching and Research Fellowship schemes 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 has met 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. Fourteen teaching fellowships were offered in 2000, while six appointments have been made under the research fellowship program. Funding of \$95,000 supported these schemes in 2000. Administrative procedures have been streamlined for 2001.

A further initiative has been 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. A second round of awards was made in 2000.

In 2000 Monash University was allocated 1,619 EFTSU of HECS exemptions, 47 (EFTSU-equivalent) less 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. From 2002, with 2001 being a transition year, the current HECS exemption program will be replaced by the Research Training Scheme (RTS), with funded places determined on a formula comprised of three elements – 50% research completions, 40% research income and 10% on publications. Funding will be reduced from five years to four years for doctoral candidates and three years to two for research masters.

Expenditure on all postgraduate research scholarships, awards and grants amounted to approximately \$23m in 2000. A further \$30,000 was allocated for ten awards for honours students under the Vice-Chancellor's Undergraduate Research (Honours) scholarship scheme.

An annual grant-in-aid program of \$130,000, which has hitherto been apportioned among academic departments in accordance with the relative size of each unit's research load (EFTSU), was discontinued in 2000 with the funding diverted to the Initiatives Fund of the Director of the Monash Research Graduate School. Major grants have been made to the new Statistical Consulting Service for Research Students (\$50,000) and for the leasing of the Research Graduate Centre computers (\$30,000).

It is proposed that the university continue to review its strategies for attracting external monies for its scholarship programs through a Monash Research Graduate School Foundation.

Doctoral candidature and examinations

A total of 2,693 students were enrolled for research higher degrees at Monash in 2000, of which 1,922 were doctoral candidates. A total of 693 new research enrolees commenced their programs in 2000. In 2000 two new doctoral programs, a PhD in the speciality of Visual Arts (to be examined by exhibition) and a Doctorate of Public Health, were approved. Several 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 100% increase in international research admissions by 2005. Ninety-five international postgraduate research students commenced their studies in

2000, compared with 81 in 1999. International students currently represent approximately 9.4% of all postgraduate research enrolments.

Two hundred and fifty-six (256) candidates submitted doctoral theses for examination in 2000, compared with 283 in 1999. While in 1994 only 36% of all doctoral thesis submissions were from female candidates, by 2000 this had increased to 48.4%. In 2000, 282 students were awarded a doctoral degree, compared with 258 in 1999. The average submission time for doctoral theses is currently 50.2 full-time equivalent months or a median of 49 months. A target of the Monash Research and Research Training Management Plan is to reduce the average doctoral completion time by three months by the year 2003. The average age of doctoral students awarded the degree ranges from approximately 32 years in Engineering, Medicine, Nursing and Health Sciences, Pharmacy and Science to 43 and 48 for Art and Design and Education respectively. Australian citizens or permanent residents make approximately 60% of all submissions. The average length of examination is 6.6 months, or a median of 5.5 months. 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 2000 the university received thirty-three requests under the *Freedom of Information Act 1982*. Of these:

- ◆ 24 were granted access in full or partial access was granted;
- ◆ 10 proceeded to Victorian Civil Administrative Tribunal (VCAT) after the university denied access to all or some documents. VCAT is currently considering the university's decisions on these applications.

The university 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.

Departments within central administration maintain most vital records relating to institutional policy and 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 am to 6 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

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 9 am to 1 pm and 2 pm to 5 pm Monday to Friday.

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

A range of publications that provide information on specific aspects of the university's key functions supports the handbooks. These include the annual *Monash University Undergraduate Courses*, *Monash University Postgraduate Courses*, a guide to the university for international students, and various publications on research and research outcomes. The university also produced a large range of 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 that 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 (<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
PO Box 3A, Monash University
Victoria 3800

National Competition Policy

During 2000 the university maintained a vigilant approach to National Competition Policy compliance. 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.

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 (Cwth) 1974*.

The university's newly developed course costing model in conjunction with the existing pricing policy underpins our commitment to compliance with the requirements of the Government policy statement *Competitive Neutrality: A Statement of Victorian Government Policy*.

The university is pleased to report that it was not the subject of any National Competition Policy actions and it received only two requests for clarification.

Statement on compulsory non-academic fees

Allocation of compulsory non-academic fees is controlled by the university's Student Amenities Council to ensure it complies with the *Tertiary Education Act 1993*.

The new requirement of the Act, as amended November 2000 is to publish the relevant detailed statement on the fees in the Annual Report. The amendment has occurred late in the year, after the students had finished their activities for the year, and during the examination period. As the university has seven independent student organisations, who have to provide these reports, it has not been possible to arrange for all the student organisations to finalise their financial and related statements without unduly delaying the publishing of the Annual Report.

However, to the best of the university's knowledge, the compulsory non-academic student fees have been allocated and spent in compliance with the *Tertiary Education Act 1993*.

The required information will be provided separately to the director of the Office of Employment, Training and Tertiary Education and will be freely available to current and prospective students.

Statutes made and/or amended during 2000

Statute 2.3 – The faculties (Amendment No. 1 2000)

Statute 2.7 – Student amenities and organisations (Amendment No.1 2000)

Statute 8.1 – The seal of the University (Amendment No. 1 2000)

Statute 3.1 – The chancellor and the deputy chancellor (Amendment No. 1 2000)

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
PO Box 3A, Monash University
Victoria 3800
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)

Compliance index

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STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2000

1999			2000		
Monash University \$'000	Consolidated \$'000	Notes	Monash University \$'000	Consolidated \$'000	
Current Assets					
7,561	21,168	Cash	3	3,562	14,572
15,222	18,608	Receivables	4	37,484	30,435
49	-	Loans	6(a)	250	-
24,043	36,049	Investments	7(a)	51,638	52,026
2,769	3,309	Inventories	5	2,854	3,086
10,235	10,750	Payments in Advance		5,292	5,508
<u>59,879</u>	<u>89,884</u>	Total Current Assets		<u>101,080</u>	<u>105,627</u>
Non-Current Assets					
729	107	Loans	6(b)	480	186
103,197	274,803	Investments	7(b)	97,916	225,504
668,232	681,192	Property, Equipment, Software and Library Books	8	843,452	852,026
4,049	4,361	Leasehold Improvements	9	10,957	11,101
113,085	113,085	Government Superannuation Contributions		120,691	120,691
<u>889,292</u>	<u>1,073,548</u>	Total Non-Current Assets		<u>1,073,496</u>	<u>1,209,508</u>
<u>949,171</u>	<u>1,163,432</u>	Total Assets		<u>1,174,576</u>	<u>1,315,135</u>
Current Liabilities					
10,071	12,504	Accounts Payable		20,253	20,935
7,131	7,157	Borrowings	11(a)	5,427	5,427
-	716	Prepaid Rental		-	716
9,649	14,801	Accrued Liabilities	10	7,274	12,727
3,372	7,914	Student Fees Paid in Advance		5,225	8,697
1,798	1,798	Government Grants Received in Advance		-	-
1,740	2,081	Other Amounts Payable	12(a)	2,560	2,560
31,836	32,933	Provision for Employee Entitlements	13(a)	30,236	30,945
<u>65,597</u>	<u>79,904</u>	Total Current Liabilities		<u>70,975</u>	<u>82,007</u>
Non-Current Liabilities					
36,164	36,164	Borrowings	11(b)	40,736	40,736
-	4,652	Prepaid Rental		-	3,936
-	59,520	Other Amounts Payable	12(b)	-	-
41,549	42,050	Provision for Employee Entitlements	13(b)	48,041	48,597
113,085	113,085	Deferred Employee Benefits for Superannuation		120,691	120,691
<u>190,798</u>	<u>255,471</u>	Total Non-Current Liabilities		<u>209,468</u>	<u>213,960</u>
<u>256,395</u>	<u>335,375</u>	Total Liabilities		<u>280,443</u>	<u>295,967</u>
<u>692,776</u>	<u>828,057</u>	Net Assets		<u>894,133</u>	<u>1,019,168</u>
Equity					
83,102	122,667	Capital	14(a)iv)	83,102	113,354
403,085	403,851	Reserves	14(b)iii)	569,298	569,391
206,589	301,539	Retained Surplus		241,733	334,429
-	-	Outside equity interest in controlled entities	14(c)	-	1,994
<u>692,776</u>	<u>828,057</u>	Total Equity		<u>894,133</u>	<u>1,019,168</u>

The accompanying Notes form part of these financial statements.

STATEMENT OF FINANCIAL OPERATIONS FOR THE YEAR ENDED 31 DECEMBER 2000

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
		Operating Revenue		
217,078	217,078	Commonwealth Government Grants	16	224,156
92,448	92,448	Higher Education Contribution Scheme	17	90,430
6,922	6,922	Other Commonwealth Government Funding	18	9,979
7,570	7,570	Victorian Government Funding	19	16,268
43,589	43,014	Other Research Grants and Contracts	20	39,281
357	357	Scholarships and Prizes		826
8,873	11,790	Donations and Bequests	21	12,432
10,480	22,074	Investment Income	7(c)	13,093
107,894	145,645	Fees and Charges	22	120,470
67,556	79,324	Other Revenue	23	82,656
562,767	626,222			809,591
		Less:		
		Operating Expenses		
356,714	364,348	Academic Activities	24	373,756
19,212	19,419	Libraries	24	20,577
23,245	25,828	Other Academic Support Services	24	31,081
26,232	28,495	Student Services	24	28,533
1,519	1,519	Public Services	24	2,091
20,803	21,143	Buildings and Grounds	24	25,524
91,829	130,960	Administration and Other General Services	24	102,517
539,554	591,712			584,079
23,213	34,510	Surplus for the year ended 31 December 2000 before abnormal items		25,512
-	-	Net Loss attributable to outside equity interest		-
1,521	1,521	Abnormal Items		
(1,521)	(1,521)	Government Superannuation Contributions	26(a)	7,606
-	-	Deferred Benefits for Superannuation	26(a)	(7,606)
-	-	Contribution from Monash University Foundation	26(b)	10,000
-	-	Gain on Transfer of Theatre Business	26(c)	482
-	-	Loss of subsidiary	2(h)	(650)
23,213	34,510	Surplus for the year ended 31 December 2000 after abnormal items		35,344
162,297	246,374	Retained Surplus at 1 January 2000		206,589
21,486	21,486	Prior Period Adjustments		
206,996	302,370	Commonwealth Government Grants		-
(407)	(407)	Funds Available for Appropriation		241,933
-	(387)	Dividends Paid		(200)
-	(37)	Transfers (to)/from Reserves:		
		Transfer to Funds held in Perpetuity		-
		Transfer to General Reserve		(687)
206,589	301,539	Retained Surplus at 31 December 2000		241,733
				334,429

The accompanying Notes form part of these financial statements.

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2000

1999			2000	
Monash University \$000	Consolidated \$000	Notes	Monash University \$000	Consolidated \$000
CASHFLOWS FROM OPERATING ACTIVITIES				
Inflows				
217,148	217,148	Commonwealth Government Grants	223,142	223,142
4,442	4,442	State Government Grants	9,799	9,799
		Higher Education Contribution Scheme:		
79,445	79,445	- Higher Education Trust Fund	77,020	77,020
13,004	13,004	- Student payments	13,410	13,410
244,835	301,098	Receipts from student fees and other customers	293,979	358,464
129	8,621	Investment income received	196	7,757
Outflows				
(524,634)	(573,076)	Payments to creditors and employees	(569,512)	(628,838)
-	(435)	Grant to Monash Alumni Association Inc	-	(324)
(2,652)	(2,748)	Interest paid	(3,412)	(3,442)
<u>31,717</u>	<u>47,499</u>	Net cash inflows from operating activities	<u>44,622</u>	<u>56,988</u>
		34(b)		
CASHFLOWS FROM INVESTING ACTIVITIES				
Inflows				
1,151	1,357	Proceeds from sale of property, plant and equipment	6,414	6,863
285,724	371,567	Proceeds from investment sale and redemption	305,963	428,662
-	-	Prepaid rent and other receipts	-	2,000
Outflows				
(58,233)	(60,318)	Payments for property, plant and equipment	(40,606)	(45,473)
(263,100)	(349,294)	Payments for investments	(331,438)	(455,683)
(188)	(188)	Other payments	(1,509)	(1,509)
<u>(34,646)</u>	<u>(36,876)</u>	Net cash inflows/(outflows) from investing activities	<u>(61,176)</u>	<u>(65,140)</u>
CASHFLOWS FROM FINANCING ACTIVITIES				
Inflows				
13,641	13,975	Proceeds from borrowings	31,064	31,381
-	-	Other	-	18,171
Outflows				
(8,182)	(16,220)	Repayment of borrowings	(19,377)	(28,106)
-	-	Other Payments	-	(16,717)
<u>5,459</u>	<u>(2,245)</u>	Net cash inflows/(outflows) from financing activities	<u>11,687</u>	<u>4,729</u>
2,530	8,378	Net increase/(decrease) in cash held	(4,867)	(3,423)
-	(397)	Effects of exchange rate changes on cash	-	140
6,097	14,619	Cash at 1 January 2000	8,627	22,600
-	-	Disposal of subsidiary	-	(4,547)
-	-	Disposal of business unit	(198)	(198)
<u>8,627</u>	<u>22,600</u>	Cash at 31 December 2000	<u>3,562</u>	<u>14,572</u>
		34(a)		

The accompanying Notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

1. STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Preparation

The general purpose accounts have been prepared in accordance with:

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

The accounts use historical cost as the basis of valuation unless otherwise stated.

Comparative information is reclassified where appropriate to enhance comparability.

The accounts have been consolidated on the basis of the University's controlling and beneficial interest in controlled entities as per AAS24.

All values in these accounts are expressed in rounded thousands with the exception of directors and executives remuneration.

All transactions and balances between associated entities have been eliminated on consolidation.

At balance date, there were no investments in associated entities where the university is deemed to have significant influence over the entity, which would result in the use of equity accounting under AAS 14.

(b) Revenue Recognition

Commonwealth Government operating grants received in respect of future periods are treated as income in the period they are received.

Revenues received from other Government sources in respect of future periods are treated as income in the period they are received where the grant is considered non-reciprocal in nature.

Scholarships, prizes, donations and bequests are recognised when the right to receive the funds has been established.

Revenue from rendering a service or sale of goods is recognised upon delivery to the customer.

Interest revenue is recognised on a proportional basis taking into account the interest rates appropriate to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

(c) Taxation

The University and its controlled entities are exempt from income tax under the provisions of the Income Tax Assessment Act.

(d) Classification of assets and liabilities

Assets and liabilities are classified as current and non current. Current assets are those assets where there is a reasonable expectation that the value of the asset will be realised as cash or cash equivalent within the next 12 months. Current liabilities are where there is a reasonable expectation of a requirement to use cash or cash equivalents to satisfy these liabilities within the next 12 months.

(e) Inventories

Only materials which are purchased and controlled centrally have been reported in the statement of financial position. Materials purchased by the University for departmental use and held under the control of individual departments are expensed at the time of purchase.

Perpetual stock records were maintained for centrally controlled stock.

Stocktakes of centrally controlled stock were completed at 31 December 2000.

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(f) Foreign Currency Transactions

Foreign currency transactions are converted to Australian dollars at the date of the transaction using the rate of exchange applicable on that day.

(g) Receivables

Receivables represent debts on behalf of invoiced student fee income, sundry and student loan debtors.

Refer also note 35(i) Financial Instruments.

(h) Investments

Investment are valued at cost. Where appropriate market values are provided for comparative purposes.

Monash University Foundation, as an investment entity, has used market values.

Refer also note 35(i) Financial Instruments.

(i) Property, Equipment, Software and Library Books

Acquisitions

Assets are initially recorded at cost to the economic entity. Software development, constructed building and equipment values include labour, materials and borrowing costs.

Revaluations

Land and buildings are subject to independent valuation every five years on an existing basis.

The statement of financial position reflects the latest valuation at 31 December 2000. The valuation increment has been taken to the Asset Revaluation Reserve.

Borrowing Costs

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 not capitalised are expensed in the period in which they are incurred.

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 5.83%.

Depreciation/Amortisation

Depreciation on equipment, buildings and library books is included in the statement of financial operations as an expense item. Depreciation is computed on the straight line method over the useful life of the asset to the economic entity. Rates are outlined in each of the following asset categories.

Property

The total value of land and buildings was established by formal valuation by certified practising valuers of Edward Rushton Australia Pty Ltd as at 31 December 2000. The property has been valued using a depreciated replacement cost approach utilising the reducing balance method. The land has been valued on the basis of market value for a large scale residential property development sale. Work in progress is valued at cost.

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.

In 2000, property includes capitalised borrowing costs of \$0.354M (1999, \$0.350M).

Equipment

Equipment is capitalised where the cost is greater than \$5,000. Items less than this threshold are expensed. Useful lives to the economic entity of equipment range from 2 years to 100 years.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Software Development

Internal use software is capitalised and amortised where the expected useful life is three years or greater and the costs to be capitalised exceed \$0.5M. Where costs do not exceed \$0.5M, they will be expensed as incurred. Software capitalised to date has a useful life of 7 years.

In 2000, software development includes capitalised borrowing costs of \$0.092M (1999, \$0.262M).

Library Books

Library books are valued at cost and depreciated over their estimated useful life. Library books have useful lives ranging from 5 years to 50 years. Rare books are not depreciated as they appreciate in value.

Leased Assets

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 statement of financial position. Financial 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 are classified as operating leases as the risks and benefits of ownership remain with the lessor. Payments are expensed over the period of expected benefit.

(j) Leasehold Improvements

Leasehold improvements are carried at cost or formal valuation and amortised over the useful lives of the improvements, which is 10 years or over the term of the lease whichever is the shorter.

(k) Interest in Cooperative Research Centres

The University has an interest in 12 Cooperative Research Centres. The University has provided funding to the Cooperative Research Centres through cash contributions of \$6,426M (1999, \$5,299M) and the provision of research resources (in-kind support). The value of the in-kind support of \$49,277M (1999, \$40,720M) has been established using Commonwealth Government guidelines.

(l) Financial Instrument Disclosures

Accounting policy and other disclosures under Australian Accounting Standard AAS 33 related to financial assets and liabilities are shown in note 35.

(m) Employee Entitlements

Annual Leave

Annual leave has been calculated on an individual liability basis at undiscounted amounts based on current salary rates and includes related on-costs.

Long Service Leave

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the balance date.

Provisions for employee entitlements which are not expected to be settled within twelve months are discounted using Commonwealth government securities notes at balance date, which most closely match the terms of maturity of the related liabilities.

In determining the provision for employee entitlements, consideration has been given to future increases in wage and salary rates, and the consolidated entity's experience with staff departures. Related on-costs have also been included in the liability.

(n) Cash Flow

For the purposes of the statement of cash flows, cash includes cash on hand, in banks, at call deposits and net of bank overdrafts. Cash at the end of the financial year is shown in the statement of cash flows and is reconciled to the related items in the statement of financial position.

2. 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 entities (listed under 2(a))
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
Monash Southern Africa Pty Ltd
Monash University South Africa.

Further Details:

(a) Montech Pty Ltd, and controlled entities

The company was incorporated on 1 December 1986.

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

At 31 December 2000, the University owned 100% of the shares in the company.

During the financial year, Montech Pty Ltd held 100% of the share capital of Montech Medical Developments Pty Ltd and acquired the following entities for nil consideration:

Dealdrum Pty Ltd;
ACN 056 641 420 Pty Ltd;
Rinal Pty Ltd;
Southwal Pty Ltd;
Rondole Pty Ltd;
Kerbridge Pty Ltd;
Montores Pty Ltd;
Dentire Pty Ltd.

All companies had been used as investment vehicles by parties unrelated to Montech Pty Ltd for investments in syndicated research and development projects in joint venture with Montech Pty Ltd. The companies were transferred to Montech Pty Ltd, including all rights to technology arising from investments in joint venture activities.

Given doubt over the future cashflows arising from the rights to the technology transferred to Montech Pty Ltd, such rights were valued at \$nil within the entities. As there were no other assets or liabilities, the value of the net assets acquired was \$ NIL, and the investment has therefore not been recorded in the books and records of Montech Pty Ltd. In each case, there has been no activity from the dates of transfer to 31 December 2000.

During the financial year the company purchased a controlling interest in the following entities that were incorporated for specific purposes:

Monash Digital Media Pty Ltd;
Maccine Pty Ltd;
Copyrat Pty Ltd.

A further entity, Prostate Diagnostics Pty Ltd which was incorporated in the previous financial year, began operations by issuing new share capital.

The consolidated operating loss of Montech Pty Ltd for the year was \$0.118M (1999 \$0.014M profit).

The total consolidated assets of the company at 31 December 2000 amounted to \$3.237M (1999 \$60.010M).

The total consolidated liabilities of the company at 31 December 2000 amounted to \$1.192M (1999 \$59.841M).

During the financial year the joint venture projects ceased and the equity was expensed through the statement of financial operations because there were no assets of value to transfer to Montech Pty Ltd. The decrease in the assets and liabilities relates to the deposits (1999 \$59.305M) held on behalf of the research syndicates that have now ceased.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

2. PRINCIPLES OF CONSOLIDATION (continued)

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

The company was incorporated on 24 March 1988.

The principal activity of the company was the provision of infertility medical services.

At 31 December 2000, the University owned 100% of the shares in the company.

The consolidated operating profit of the company for the year was \$1.096M (1999 \$0.214M) after contributing \$0.568M in research funding to the Monash University's Institute of Reproduction and Development (1999 \$0.57M). No income tax expense was charged, or benefit recognised.

The total consolidated assets of the company at 31 December 2000 amounted to \$4.294M (1999 \$3.850M).

The total consolidated liabilities of the company at 31 December 2000 amounted to \$2.850M (1999 \$2.504M).

(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 1999 or 2000.

(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 1999 or 2000.

(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 \$8.901M from the Foundation in 2000 (1999 \$6.411M). In addition the trust returned the original capital of \$10.0M to the University to fund the South African Campus Development.

The surplus of the trust for the year before abnormal items was \$5.845M (1999 \$7.867M).

The total assets of the trust at 31 December 2000 amounted to \$132.338M (1999 \$133.717M).

The total liabilities of the trust at 31 December 2000 amounted to \$9.905M (1999 \$7.127M).

(f) Monash Unicomm Pty Ltd

The company was incorporated on 28 June 1991 and on 23 October 1997 the company name was changed to 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.

At 31 December, 2000 the University owned 80% of the shares in the new company.

The operating profit for 31 December 2000 amounted to Nil (1999 \$0.027M).

The total assets of the company at 31 December 2000 amounted to \$0.003M (1999 \$0.003M).

The company has no liabilities at 31 December 2000 (1999 Nil).

(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 2000, the University owned 100% of the shares in the company.

The consolidated operating profit of the company for the year was \$1.142M (1999 \$1.029M).

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

2. PRINCIPLES OF CONSOLIDATION (continued)

The total consolidated assets of the company at 31 December 2000 amounted to \$10.802M (1999 \$6.713M).

The total consolidated liabilities of the company at 31 December 2000 amounted to \$8.119M (1999 \$5.072M).

(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 to provide management development and training programs and postgraduate courses in management.

Following a review of the relationship with the school, the company and the University have agreed to separate on 29 December 2000. Settlement was finished by that date, and the company has been deconsolidated. The impact of the deconsolidation is reflected in the following summary figures.

The operating profit of the company for the year was \$3.385M (1999 \$2.345M).

The total assets of the company at separation amounted to \$20.609M (1999 \$17.113M).

The total liabilities of the company at separation amounted to \$7.682M (1999 \$7.206M).

The accumulated surplus of \$11.754M at separation is disclosed as an abnormal loss in the statement of financial operations.

(i) **Sir John Monash Business Centre Pty Ltd**

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

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 \$0.135M (1999 \$0.002M).

The total assets of the company at 31 December 2000 amounted to \$0.822M (1999 \$0.800M).

The total liabilities of the company at 31 December 2000 amounted to \$0.543M (1999 \$0.656M).

(j) **Monash University Foundation Year Ltd**

The company, incorporated on 30 April 1992, is dormant and did not trade in 2000.

At balance date, the Company has no assets or liabilities.

(k) **AMPASC Pty Ltd**

The company, incorporated on 24 July 1997, is dormant and did not trade in 2000.

At balance date, the Company has no assets or liabilities.

(l) **Monash Southern Africa Pty Ltd**

The company was incorporated on 26 October 1999 and registered in South Africa as an 'external company'.

The principal activity is to own, and progressively develop, the campus land in Roodeport, Johannesburg on behalf of its shareholders, Monash University and the Monash University Foundation. In 2001, the developed property is to be leased to Monash University South Africa, the operating company responsible for the management of the campus. A branch of the company has been registered in South Africa as a requirement of the South African Government. The leasing arrangements will be administered through this branch.

The operating loss of the company for the year was \$0.022M (1999 Nil).

The total assets of the company at 31 December 2000 amounted to \$6.468M (1999 Nil).

The total liabilities of the company at 31 December 2000 amounted to \$6.490M (1999 Nil).

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

2. PRINCIPLES OF CONSOLIDATION (continued)

(m) Monash University South Africa

The company was incorporated in South Africa on 30 September 1999 as a 'not for profit' association, a 'company limited by guarantee'. The name of the company was changed by special resolution dated 21 October 1999 to Monash University Southern Africa (Association Incorporated under S21). On 11 September 2000 a further resolution was passed to change the name to Monash University South Africa.

The principal activity is to operate Monash University's South African campus at Roodepoort, Johannesburg.

The operating loss of the company for the year was \$2.497M (1999 Nil).

The total assets of the company at 31 December 2000 amounted to \$1.039M (1999 Nil).

The total liabilities of the company at 31 December 2000 amounted to \$3.536M (1999 Nil).

3. CASH

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
6,204	17,998	Cash at Bank and on hand	3,562	11,462
1,357	3,170	Deposits at call	-	3,110
<u>7,561</u>	<u>21,168</u>		<u>3,562</u>	<u>14,572</u>

4. RECEIVABLES

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
11,758	15,083	Sundry Debtors (see below)	21,772	25,142
464	464	Student Loan Debtors (see below)	379	379
565	-	Monash International Pty Ltd	465	-
21	-	Monash I.V.F. Pty Ltd	-	-
199	-	Monash Mt Eliza Graduate School of Business & Government Ltd	-	-
79	-	Monash University Foundation	3,677	-
151	-	Montech Pty Ltd	-	-
-	-	Sir John Monash Business Centre Pty Ltd	8	-
-	-	Monash English Language Centre Pty Ltd	134	-
-	-	Monash South Africa Pty Ltd	5,251	-
-	-	Monash University South Africa	3,355	-
1,985	3,061	Other Amounts Receivable	2,443	4,914
<u>15,222</u>	<u>18,608</u>		<u>37,484</u>	<u>30,435</u>
12,387	15,859	Sundry Debtors	22,462	26,006
(629)	(776)	Provision for Doubtful Debts	(690)	(864)
<u>11,758</u>	<u>15,083</u>	Net value at 31 December 2000	<u>21,772</u>	<u>25,142</u>
537	537	Student Loan Debtors	399	399
(73)	(73)	Provision for Doubtful Debts	(20)	(20)
<u>464</u>	<u>464</u>	Net value at 31 December 2000.	<u>379</u>	<u>379</u>

5. INVENTORIES

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
1,887	1,887	Bookshop	2,018	2,018
288	288	Union and Sports & Recreation	268	268
195	195	Central Building Maintenance Store	309	309
165	439	Stationery Store	161	161
224	490	Academic Services	92	92
10	10	Other	6	238
<u>2,769</u>	<u>3,309</u>		<u>2,854</u>	<u>3,086</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

6. LOANS

1999			2000	
Monash University \$ 000	Consolidated \$ 000		Monash University \$ 000	Consolidated \$ 000
		a) Current		
		Loans Unsecured:		
49	-	Monash IVF Pty Ltd	-	-
-	-	Monash Digital Media Pty Ltd	250	-
<u>49</u>	<u>-</u>		<u>250</u>	<u>-</u>
		b) Non-Current		
		Loans Unsecured:		
430	-	Sir John Monash Business Centre Pty Ltd	380	-
299	-	Monash IVF Pty Ltd	-	-
-	107	Other Loans	100	186
<u>729</u>	<u>107</u>		<u>480</u>	<u>186</u>

7. INVESTMENTS

1999			2000	
Monash University \$ 000	Consolidated \$ 000		Monash University \$ 000	Consolidated \$ 000
		a) Current		
		Managed Funds:		
13,538	13,538	Westpac Investment Management Pty Ltd, at cost	40,696	40,696
8,954	8,954	National Asset Management Ltd, at cost	10,646	10,646
556	556	Integrated Equity Pty Ltd, at cost	-	-
<u>23,048</u>	<u>23,048</u>		<u>51,342</u>	<u>51,342</u>
		Monash University Foundation:		
-	12,006	Westpac Investment Management Pty Ltd, at market value	-	311
<u>-</u>	<u>12,006</u>		<u>-</u>	<u>311</u>
		Common Fund:		
995	995	Westpac Investment Management Pty Ltd, at cost	296	296
<u>995</u>	<u>995</u>		<u>296</u>	<u>296</u>
		Other:		
-	-	Other Investments	-	77
<u>-</u>	<u>-</u>		<u>-</u>	<u>77</u>
<u>24,043</u>	<u>36,049</u>	Total Current Investments	<u>51,638</u>	<u>52,026</u>
		b) Non-Current		
		Managed Funds:		
71,502	71,502	National Asset Management Ltd	75,418	75,418
9,757	9,757	Integrated Equity Pty Ltd, at cost	-	-
<u>81,259</u>	<u>81,259</u>		<u>75,418</u>	<u>75,418</u>
		Monash University Foundation:		
-	83,648	Westpac Investment Management Pty Ltd, at market value	-	96,328
-	28,500	Property at valuation by independent valuer as at 31 December 2000	-	32,500
<u>-</u>	<u>112,148</u>		<u>-</u>	<u>128,828</u>
		Common Fund:		
17,495	17,495	Westpac Investment Management Pty Ltd, at cost	18,806	18,806
<u>17,495</u>	<u>17,495</u>		<u>18,806</u>	<u>18,806</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

7. INVESTMENTS (continued)

1999			2000	
Monash University \$ 000	Consolidated \$ 000	Notes	Monash University \$ 000	Consolidated \$ 000
		Other:		
500	-	500,000 Ordinary Shares in Monash International Pty Ltd, at cost	500	-
250	-	250,100 Ordinary Shares in Monash IVF Pty Ltd, at cost	250	-
650	-	650,220 Ordinary Shares in Monash Mt Eliza School of Business and Government Pty Ltd, at cost	-	-
235	-	235,000 Ordinary Shares in Montech Pty Ltd, at cost	235	-
200	200	200,000 Ordinary Shares in Open Learning Agency of Australia Pty Ltd, at cost	200	200
340	-	600,000 Ordinary Shares in Sir John Monash Business Centre Pty Ltd, at cost	340	-
503	503	1,200,000 Ordinary Shares in Monash Sunway Campus Malaysia SDN BHD, at cost	503	503
-	59,305	R & D Syndicated Investment Bank Deposits	-	-
1,765	3,893	Other Investments	1,664	1,749
4,443	63,901		3,692	2,452
103,197	274,803	Total Non-Current Investments	97,916	225,504

c) Investment Income

4,111	9,793	Dividends	106	6,080
3,801	6,628	Interest	11,956	13,475
2,568	4,633	Realised Profit/(Loss)	1,031	6,619
-	1,020	Unrealised Profit/(Loss)	-	1,702
10,480	22,074	Total Investment Income	13,093	27,876

8. PROPERTY, EQUIPMENT, SOFTWARE AND LIBRARY BOOKS

i) Equipment

1999			2000	
Monash University \$ 000	Consolidated \$ 000		Monash University \$ 000	Consolidated \$ 000
153,655	165,229	Equipment:		
-	47	At Cost	155,023	163,496
(99,254)	(106,317)	Under Finance Lease	-	-
54,401	58,959	Provision for Depreciation/Amortisation	(100,563)	(106,092)
		Net Value at 31 December 2000	54,460	57,404

ii) Software Development

9,828	9,828	Software Development at Cost	17,130	17,130
3,703	3,703	Software - Work in Progress, at Cost	1,398	1,398
(741)	(741)	Provision for Amortisation	(2,809)	(2,809)
12,790	12,790	Net Value at 31 December 2000	15,719	15,719

iii) Library Books

113,148	113,286	Library Books at Cost	121,676	121,676
(26,012)	(26,012)	Provision for Depreciation	(27,335)	(27,335)
87,136	87,274	Net Value at 31 December 2000	94,341	94,341

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

8. PROPERTY, EQUIPMENT, SOFTWARE AND LIBRARY BOOKS (continued)

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
		iv) Property		
62,449	64,649	Land at valuation as at 31 December 2000	107,223	107,223
401,815	407,615	Buildings at valuation as at 31 December 2000	560,391	560,391
3,069	3,069	Land, at cost	-	1,199
93,154	94,173	Buildings, at cost	7,813	12,244
5,901	6,158	Buildings - Work in Progress, at cost	3,970	3,970
(52,483)	(53,495)	Provision for Depreciation	(465)	(465)
<u>513,905</u>	<u>522,169</u>	Net Value at 31 December 2000	<u>678,932</u>	<u>684,562</u>
<u>668,232</u>	<u>681,192</u>	Total Property, Equipment and Library Books	<u>843,452</u>	<u>852,026</u>

9. LEASEHOLD IMPROVEMENTS

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
2,360	3,306	Leasehold Improvements at cost	396	396
-	-	Leasehold improvements at valuation as at 31 December 2000	2,527	3,383
2,240	2,240	Leasehold Improvements - Work in Progress	8,734	8,734
(551)	(1,185)	Provision for Amortisation	(700)	(1,412)
<u>4,049</u>	<u>4,361</u>	Net Value at 31 December 2000	<u>10,957</u>	<u>11,101</u>

10. ACCRUED LIABILITIES

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
6,401	9,881	Accrued Charges	2,528	5,591
-	246	Group Tax	-	44
-	-	Montech Pty Ltd	76	-
31	-	Sir John Monash Business Centre Pty Ltd.	-	-
<u>3,217</u>	<u>4,674</u>	Other	<u>4,670</u>	<u>7,092</u>
<u>9,649</u>	<u>14,801</u>	Total Accrued Liabilities	<u>7,274</u>	<u>12,727</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

11. BORROWINGS

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
		a) Current		
-	32	Finance Lease Liability	-	-
13	13	Loans from Banks secured by mortgage against the revenues of the University	15	15
7,000	7,000	Loan from Bank - Commercial Bills	5,300	5,300
		Loans from Treasury Corporation of Victoria secured by guarantee	-	-
118	112	Other Loans, unsecured	112	112
<u>7,131</u>	<u>7,157</u>	Total Current Loans	<u>5,427</u>	<u>5,427</u>
		b) Non - Current		
-	-	Finance Lease Liability	-	-
17,900	17,900	Loan from Bank - Commercial Bills:		
		Repayable 1-5 years	12,600	12,600
17,980	17,980	Repayable over 5 years	27,980	27,980
		Loans from Banks secured by mortgage against the revenues of the University:		
68	68	Repayable 1-5 years	53	53
		Other Loans, unsecured:		
216	216	Repayable 1-5 years	103	103
<u>36,164</u>	<u>36,164</u>	Total Non-Current Loans	<u>40,736</u>	<u>40,736</u>
		c) Interest Expense		
		Attributable to:		
2,521	2,633	Loans from Banks and Other Sources	3,205	3,225
-	7	Finance Charges from Finance Leases	-	3
<u>2,521</u>	<u>2,640</u>	Total Interest Expense	<u>3,205</u>	<u>3,228</u>

12. OTHER AMOUNTS PAYABLE

1999			2000	
Monash University \$000	Consolidated \$000	Notes	Monash University \$000	Consolidated \$000
		a) Current		
-	-	Monash University Foundation	-	-
1,740	2,081	Other	2,560	2,560
<u>1,740</u>	<u>2,081</u>		<u>2,560</u>	<u>2,560</u>
		b) Non - Current		
-	59,305	Montech Pty Ltd - R & D Syndicated Deposits	-	-
-	215	Other	-	-
<u>-</u>	<u>59,520</u>		<u>-</u>	<u>-</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

13. PROVISION FOR EMPLOYEE ENTITLEMENTS

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
a) Current				
5,156	5,238	Provision for Long Service Leave	5,490	5,517
26,680	27,695	Provision for Recreation Leave	24,746	25,428
<u>31,836</u>	<u>32,933</u>		<u>30,236</u>	<u>30,945</u>
b) Non-Current				
41,549	42,050	Provision for Long Service Leave	48,041	48,597
<u>41,549</u>	<u>42,050</u>		<u>48,041</u>	<u>48,597</u>

14. CAPITAL

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
(a) Capital:				
i) Funds Held in Perpetuity:				
-	39,303	Monash University Foundation	-	29,990
<u>-</u>	<u>39,303</u>		<u>-</u>	<u>29,990</u>
ii) Contributed Capital :				
83,102	83,102	Commonwealth Government and State Grant	83,102	83,102
-	2	Contributions to Capital Works and Land	-	2
<u>83,102</u>	<u>83,104</u>	Other	<u>83,102</u>	<u>83,104</u>
iii) Other				
-	260	Premium arising on consolidation of controlled entity Sir John Monash Business Centre Pty Ltd	-	260
<u>83,102</u>	<u>122,667</u>	iv) Total Capital	<u>83,102</u>	<u>113,354</u>
(b) Reserves:				
51,708	51,935	i) General Reserve	51,108	51,108
351,377	351,916	ii) Asset Revaluation Reserve	518,190	518,283
<u>403,085</u>	<u>403,851</u>	iii) Total Reserves	<u>569,298</u>	<u>569,391</u>
(c) Outside Equity Interests in Controlled Entities				
-	-	Interest in :	-	2,009
-	-	Share Capital	-	(15)
<u>-</u>	<u>-</u>	Retained profits	<u>-</u>	<u>1,994</u>

MONASH UNIVERSITY

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

15. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2000

	Capital and Equity \$000	Funds Held in Perpetuity \$000	General Reserve \$000	Asset Revaluation Reserve \$000	Retained Surplus \$000	2000 Total \$000	1999 Total \$000
Balance at 1 January 2000	83,364	39,303	51,935	351,916	301,539	828,057	772,468
Surplus for the period	-	-	-	-	33,882	33,882	34,510
Prior period adjustment	-	-	-	-	-	-	21,486
Dividends Paid	-	-	-	-	(200)	(200)	(407)
Transfers from Retained Surplus to:							
Funds held in Perpetuity	-	(9,313)	-	-	(687)	(10,000)	-
General Reserve	-	-	(827)	(446)	(105)	(1,378)	-
Revaluation of Land & Buildings				166,813		166,813	
Balance at 31 December 2000	83,364	29,990	51,108	518,283	334,429	1,017,174	828,057

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

16. COMMONWEALTH GOVERNMENT GRANTS

1999			2000	
Monash University \$000	Consolidated \$000	Notes	Monash University \$000	Consolidated \$000
191,351	191,351			
		Pursuant to the Higher Education Funding Act 1988:		
		Operating Purposes	196,025	196,025
		Special Research Assistance:		
6,733	6,733	Large Research Grants	7,282	7,282
1,823	1,823	Small Research Grants	1,795	1,795
2,624	2,624	SPIRT Research Grants	2,734	2,734
6,444	6,444	Research Infrastructure Grants	6,950	6,950
-	-	Special Research and Key Centres	1,192	1,192
840	840	Research Fellowships	940	940
38	38	International Research Exchange	124	124
5,863	5,863	Australian Postgraduate Awards	5,682	5,682
837	837	Overseas Postgraduate Research Scholarships	839	839
-	-	Indigenous Researchers Development Scheme	15	15
525	525	Teaching Hospitals	578	578
<u>217,078</u>	<u>217,078</u>		<u>224,156</u>	<u>224,156</u>
<u>217,078</u>	<u>217,078</u>		<u>224,156</u>	<u>224,156</u>

17. HIGHER EDUCATION CONTRIBUTION SCHEME

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
79,444	79,444	Received from Higher Education Trust Fund	77,020	77,020
13,004	13,004	Received from Students	13,410	13,410
<u>92,448</u>	<u>92,448</u>		<u>90,430</u>	<u>90,430</u>

18. OTHER COMMONWEALTH GOVERNMENT FUNDING

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
5,836	5,836	Research Funding	8,228	8,228
<u>1,086</u>	<u>1,086</u>	Non Research Funding	<u>1,751</u>	<u>1,751</u>
<u>6,922</u>	<u>6,922</u>		<u>9,979</u>	<u>9,979</u>

19. VICTORIAN GOVERNMENT FUNDING

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
<u>7,570</u>	<u>7,570</u>	Earmarked Grants	<u>16,268</u>	<u>16,268</u>

20. OTHER RESEARCH GRANTS & CONTRACTS

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
14,924	14,924	NH&MRC	14,647	14,647
<u>28,665</u>	<u>28,090</u>	Other Research Grants & Contracts	<u>24,634</u>	<u>24,634</u>
<u>43,589</u>	<u>43,014</u>		<u>39,281</u>	<u>39,281</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

21. DONATIONS & BEQUESTS

1999			2000	
Monash University \$ 000	Consolidated \$ 000		Monash University \$ 000	Consolidated \$ 000
1,200	1,200	Research Related	5,475	5,475
7,673	10,590	Non Research Related	6,957	6,957
<u>8,873</u>	<u>11,790</u>		<u>12,432</u>	<u>12,432</u>

22. FEES AND CHARGES

1999			2000	
Monash University \$ 000	Consolidated \$ 000	Notes	Monash University \$ 000	Consolidated \$ 000
62,042	65,598	Fee-paying Overseas Students	73,774	77,958
10,741	13,963	Fee-paying Non-overseas Postgraduate Students	11,386	15,201
3,969	3,969	Fee-paying Non-overseas Undergraduate Students	6,809	6,809
1,942	11,692	Non-Award Course Fees	2,309	13,849
6,214	6,214	Short Course Fees	4,222	4,222
9,677	9,677	External Programs	10,136	10,136
5,102	5,102	Student Amenities Fees	4,704	4,704
2,330	2,330	Halls of Residence	3,655	3,655
1,146	1,146	Parking Fees	1,270	1,270
4,731	25,954	Other Fees and Charges	2,205	21,608
<u>107,894</u>	<u>145,645</u>		<u>120,470</u>	<u>159,412</u>

23. OTHER REVENUE

1999			2000	
Monash University \$ 000	Consolidated \$ 000		Monash University \$ 000	Consolidated \$ 000
6,411	-	Monash University Foundation	8,901	-
17,297	22,068	Commercial Operations	22,477	25,886
10,154	6,947	Rentals & Hirings	11,136	11,569
6,228	6,228	Consulting	11,216	11,216
2,020	2,020	Non-Research Grants	3,228	3,228
5,983	5,983	Sales of Goods & Services	7,021	7,021
4,528	4,626	Proceeds on Disposal of Fixed Assets	6,369	6,495
14,935	31,452	Other Income	12,308	31,329
<u>67,556</u>	<u>79,324</u>		<u>82,656</u>	<u>96,744</u>

24. EXPENSES BY FUNCTION

1999			2000	
Monash University \$ 000	Consolidated \$ 000		Monash University \$ 000	Consolidated \$ 000
a) <u>Academic Activities</u>				
142,351	145,308	Academic Staff Salaries	149,502	152,486
30,676	31,035	Academic Staff Salary Related Costs	32,172	32,562
47,390	48,803	Non-Academic Staff Salaries	48,655	50,536
10,187	10,387	Non-Academic Staff Salary Related Costs	10,619	10,858
<u>230,604</u>	<u>235,533</u>	Total Salaries & Related Costs	<u>240,948</u>	<u>246,442</u>
7,452	7,452	Depreciation - Equipment	7,442	7,442
8,534	8,534	Depreciation - Buildings	8,920	8,920
110,124	112,829	Other Expenses	116,446	126,340
<u>356,714</u>	<u>364,348</u>		<u>373,756</u>	<u>389,144</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

24. EXPENSES BY FUNCTION (continued)

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
b) Libraries				
10,218	10,288	Non-Academic Staff Salaries	10,023	10,122
2,341	2,353	Non-Academic Staff Salary Related Costs	2,362	2,377
12,559	12,641	Total Salaries & Related Costs	12,385	12,499
224	224	Depreciation - Equipment	139	139
833	833	Depreciation - Buildings	878	878
2,792	2,792	Depreciation - Library	2,962	2,962
119	119	Amortisation - Software Development	141	141
2,685	2,810	Other Expenses	4,072	4,206
19,212	19,419		20,577	20,825
c) Other Academic Support Services				
2,050	2,050	Academic Staff Salaries	2,073	2,073
410	410	Academic Staff Salary Related Costs	426	426
8,190	9,496	Non-Academic Staff Salaries	10,139	11,603
1,636	1,793	Non-Academic Staff Salary Related Costs	2,197	2,373
12,286	13,749	Total Salaries & Related Costs	14,835	16,475
3,959	3,959	Depreciation - Equipment	4,523	4,523
373	373	Depreciation - Buildings	397	397
6,627	7,747	Other Expenses	11,326	12,367
23,245	25,828		31,081	33,762
d) Student Services				
9,432	9,835	Non-Academic Staff Salaries	9,999	10,560
1,810	1,853	Non-Academic Staff Salary Related Costs	1,898	1,959
11,242	11,688	Total Salaries & Related Costs	11,897	12,519
189	189	Depreciation - Equipment	196	196
861	861	Depreciation - Buildings	882	882
13,940	15,757	Other Expenses	15,558	17,106
26,232	28,495		28,533	30,703
e) Public Services				
433	433	Non-Academic Staff Salaries	852	852
48	48	Non-Academic Staff Salary Related Costs	157	157
481	481	Total Salaries & Related Costs	1,009	1,009
30	30	Depreciation - Equipment	32	32
86	86	Depreciation - Buildings	80	80
922	922	Other Expenses	970	970
1,519	1,519		2,091	2,091
f) Buildings and Grounds				
6,343	6,343	Non-Academic Staff Salaries	6,535	6,535
1,474	1,474	Non-Academic Staff Salary Related Costs	1,514	1,514
7,817	7,817	Total Salaries & Related Costs	8,049	8,049
179	179	Depreciation - Equipment	173	173
184	184	Depreciation - Buildings	213	213
12,623	12,963	Other Expenses	17,089	17,584
20,803	21,143		25,524	26,019

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

24. EXPENSES BY FUNCTION (continued)

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
g) Administration and Other General Services				
Administration				
2,650	2,650	Academic Staff Salaries	2,308	2,308
462	462	Academic Staff Salary Related Costs	25	543
29,949	39,846	Non-Academic Staff Salaries	35,832	48,722
12,066	13,661	Non-Academic Staff Salary Related Costs	25	6,273
45,127	56,619	Total Salaries & Related Costs	44,956	59,838
737	2,257	Depreciation - Equipment	614	2,125
3,876	4,068	Depreciation - Buildings	4,284	4,468
741	741	Amortisation - Software Development	1,926	1,926
-	-	Amortisation - Leasehold Improvements	-	187
34,573	58,051	Other Expenses	34,403	52,360
85,054	121,736		86,183	120,904
Other General Services				
220	343	Audit Fees	248	377
2,521	2,640	Interest Expense	11(c)	3,205
542	611	Bad Debts Expense	308	377
3,020	4,228	Lease Expense	7,419	6,946
-	710	Directors Emoluments	-	175
(752)	(854)	Long Service Leave Provision	1(m)	6,855
897	1,197	Recreation Leave Provision	1(m)	(1,899)
327	349	Doubtful Debts Provision	10	18
-	-	Dividends	188	188
91,829	130,960		102,517	139,711

25. SALARY RELATED EXPENSES

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
39,937	41,406	Superannuation	35,478	37,278
16,950	17,695	Payroll Tax	17,076	17,949
1,673	1,768	WorkCover	2,970	3,086
2,550	2,607	Annual Leave Loading	2,637	2,721
61,110	63,476		58,161	61,034

26. ABNORMAL ITEMS

(a) 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 statement of financial position since 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.

1999 Monash University \$000		2000 Monash University \$000
	Movements for the year are as follows:	
1,521	Government Superannuation Contributions - Asset	7,606
(1,521)	Deferred Benefits for Superannuation - Liability	(7,606)
-		-

Note 33(f) provides full details of the accounting treatment in the Financial Statements.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

26. ABNORMAL ITEMS (continued)

(b) During 2000 Monash University Foundation contributed \$10 million to support the development of a campus in South Africa.

(c) Effective 31 December 1999, the affiliation of Playbox Theatre and Monash University was terminated. The operations and assets of Playbox Theatre were transferred to Playbox Theatre Company Limited on 1 January 2000 resulting in a gain of \$0.482M.

27. ACQUITTAL OF COMMONWEALTH GRANTS

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

1999 Monash University \$000		2000 Monash University \$000
	Operating Purposes	
	Amount received in previous period:	
-	Advance payment received in previous period	-
15,021	Carry-over from previous period	15,317
<u>15,021</u>	Sub-total received in previous period	<u>15,317</u>
191,398	Grant received in the reporting period	194,750
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
(15,317)	Under-expenditure in the reporting period	(15,456)
<u>(15,317)</u>	Sub-total amount attributable to future period	<u>(15,456)</u>
<u>191,102</u>	Amount expended in the reporting period	<u>194,611</u>
	Large Research Grants	
	Amount received in previous period:	
372	Advance payment received in previous period	390
1,954	Carry-over from previous period	2,124
<u>2,326</u>	Sub-total received in previous period	<u>2,514</u>
6,751	Grant received in the reporting period	6,805
	Less amount attributable to future period:	
(390)	Advance payment received in respect of next period	-
(2,124)	Under-expenditure in the reporting period	(2,342)
<u>(2,514)</u>	Sub-total amount attributable to future period	<u>(2,342)</u>
<u>6,563</u>	Amount expended in the reporting period	<u>6,977</u>
	Small Research Grants	
	Amount received in previous period:	
-	Advance payment received in previous period	-
619	Carry-over from previous period	605
<u>619</u>	Sub-total received in previous period	<u>605</u>
1,823	Grant received in the reporting period	1,781
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
(605)	Under-expenditure in the reporting period	(678)
<u>(605)</u>	Sub-total amount attributable to future period	<u>(678)</u>
<u>1,837</u>	Amount expended in the reporting period	<u>1,708</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

27. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

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

1999 Monash University \$000		2000 Monash University \$000
	SPIRT Research Grants	
	Amount received in previous period:	
146	Advance payment received in previous period	153
514	Carry-over from previous period	899
<u>660</u>	Sub-total received in previous period	<u>1,052</u>
2,631	Grant received in the reporting period	2,554
	Less amount attributable to future period:	
(153)	Advance payment received in respect of next period	-
(899)	Under-expenditure in the reporting period	(1,080)
<u>(1,052)</u>	Sub-total amount attributable to future period	<u>(1,080)</u>
<u>2,239</u>	Amount expended in the reporting period	<u>2,526</u>
	Research Infrastructure Grants	
	Amount received in previous period:	
477	Advance payment received in previous period	-
4,526	Carry-over from previous period	3,083
<u>5,003</u>	Sub-total received in previous period	<u>3,083</u>
5,967	Grant received in the reporting period	6,459
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
(3,083)	Under-expenditure in the reporting period	(2,023)
<u>(3,083)</u>	Sub-total amount attributable to future period	<u>(2,023)</u>
<u>7,887</u>	Amount expended in the reporting period	<u>7,519</u>
	Special Research and Key Centres	
	Amount received in previous period:	
-	Advance payment received in previous period	-
(2)	Carry-over from previous period	-
<u>(2)</u>	Sub-total received in previous period	<u>-</u>
-	Grant received in the reporting period	1,192
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
-	Under-expenditure in the reporting period	(700)
<u>-</u>	Sub-total amount attributable to future period	<u>(700)</u>
<u>(2)</u>	Amount expended in the reporting period	<u>492</u>
	Research Fellowships	
	Amount received in previous period:	
58	Advance payment received in previous period	59
143	Carry-over from previous period	255
<u>201</u>	Sub-total received in previous period	<u>314</u>
841	Grant received in the reporting period	820
	Less amount attributable to future period:	
(59)	Advance payment received in respect of next period	-
(255)	Under-expenditure in the reporting period	(164)
<u>(314)</u>	Sub-total amount attributable to future period	<u>(164)</u>
<u>728</u>	Amount expended in the reporting period	<u>970</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

27. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

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

1999 Monash University \$000		2000 Monash University \$000
	International Research Exchange	
	Amount received in previous period:	
	Advance payment received in previous period	-
-	Carry-over from previous period	23
<u>(5)</u>	Sub-total received in previous period	<u>23</u>
38	Grant received in the reporting period	124
	Less amount attributable to future period:	
	Advance payment received in respect of next period	-
-	Under-expenditure in the reporting period	(46)
<u>(23)</u>	Sub-total amount attributable to future period	<u>(46)</u>
<u>10</u>	Amount expended in the reporting period	<u>101</u>
	Australian Postgraduate Awards	
	Amount received in previous period:	
	Advance payment received in previous period	-
259	Carry-over from previous period	350
<u>259</u>	Sub-total received in previous period	<u>350</u>
5,863	Grant received in the reporting period	5,674
	Less amount attributable to future period:	
	Advance payment received in respect of next period	-
-	Under-expenditure in the reporting period	(197)
<u>(350)</u>	Sub-total amount attributable to future period	<u>(197)</u>
<u>5,772</u>	Amount expended in the reporting period	<u>5,827</u>
	Overseas Postgraduate Research Scholarships	
	Amount received in previous period:	
	Advance payment received in previous period	-
236	Carry-over from previous period	269
<u>236</u>	Sub-total received in previous period	<u>269</u>
837	Grant received in the reporting period	779
	Less amount attributable to future period:	
	Advance payment received in respect of next period	-
-	Under-expenditure in the reporting period	(225)
<u>(269)</u>	Sub-total amount attributable to future period	<u>(225)</u>
<u>804</u>	Amount expended in the reporting period	<u>823</u>
	Indigenous Researchers Development Scheme	
	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>
-	Grant received in the reporting period	15
	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>-</u>	Amount expended in the reporting period	<u>15</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

27. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

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

1999 Monash University \$000		2000 Monash University \$000
	Teaching Hospitals	
	Amount received in previous period:	
42	Advance payment received in previous period	43
516	Carry-over from previous period	41
558	Sub-total received in previous period	84
	Grant received in the reporting period	534
	Less amount attributable to future period:	
(43)	Advance payment received in respect of next period	-
(41)	Under-expenditure in the reporting period	(50)
(84)	Sub-total amount attributable to future period	(50)
1,000	Amount expended in the reporting period	568

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

	2000 Monash University		Balance Carried Forward
	Grant Available \$000	Amount Expended \$000	\$000
Operating Purposes	210,067	194,611	15,456
Large Research Grants	9,319	6,977	2,342
Small Research Grants	2,386	1,708	678
SPIRT Research Grants	3,606	2,526	1,080
Research Infrastructure Grants	9,542	7,519	2,023
Special Research and Key Centres	1,192	492	700
Research Fellowships	1,134	970	164
International Research Exchange	147	101	46
Australian Postgraduate Awards	6,024	5,827	197
Overseas Postgraduate Research Scholarships	1,048	823	225
Indigenous Researchers Development Scheme	15	15	-
Teaching Hospitals	618	568	50
	245,098	222,137	22,961

Balances carried forward represent funds to be expended in 2001.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

27. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

(c) Higher Education Contribution Scheme

1999 Monash University \$000		2000 Monash University \$000
	(i) Amounts received pursuant to the Higher Education Funding Act 1988 from HECS Trust Fund and amounts expended:	
	Amount received in previous period:	
-	Advance payment received in previous period	-
6,423	Carry-over from previous period	6,157
<u>6,423</u>	Sub-total received in previous period	<u>6,157</u>
79,444	Grant received in the reporting period	77,020
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
<u>(6,157)</u>	Under-expenditure in the reporting period	<u>(6,537)</u>
<u>(6,157)</u>	Sub-total amount attributable to future period	<u>(6,537)</u>
<u>79,710</u>	Amount expended in the reporting period	<u>76,640</u>
13,004	(ii) HECS contributions actually received from students	13,410
<u>92,448</u>	(iii) Total HECS Revenue	<u>90,430</u>

28. DIRECTORS' AND EXECUTIVES' REMUNERATION

(a) Directors' Remuneration

1999		2000	
Monash University \$000	Consolidated \$000	Monash University \$000	Consolidated \$000
832	2,178	909	1,876
146	266	147	261
<u>978</u>	<u>2,444</u>	<u>1,056</u>	<u>2,137</u>

The Hon. L Kosky is the responsible Minister for Post Compulsory Education, Training and Employment. The names of members of Council of Monash University who held office during the financial year are shown below. None of these persons received remuneration directly related to their duties as Council members.

L Adler
(D) I Allen
G Barnes
W P Bjuris
J K Ellis
D Halstead
J M Hearn

J C Hutchinson
D Jeffree
C Kenny
G A Knights
J B Laurie
A W Lindsay
A Markus

B R Parmenter (until 03/10/2000)
D R Pizzey AM
P H Ramler AM
D A Robinson
M A Schapper
A C Sherry
T Sridar (from 03/10/2000)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

28. DIRECTORS' AND EXECUTIVES' REMUNERATION (continued)

1999			2000		
Monash University	Consolidated	Remuneration (dollars)	Monash University	Consolidated	
-	9	0 - 10,000	-	18	
-	11	10,001 - 20,000	-	11	
-	4	20,001 - 30,000	-	2	
-	2	30,001 - 40,000	-	3	
-	1	40,001 - 50,000	-	2	
-	2	50,001 - 60,000	1	1	
-	-	90,001 - 100,000	1	1	
-	-	100,001 - 110,000	-	-	
-	-	120,001 - 130,000	1	1	
1	1	140,001 - 150,000	-	-	
-	1	150,001 - 160,000	-	1	
1	1	240,001 - 250,000	-	-	
-	-	280,001 - 290,000	1	1	
-	-	300,001 - 310,000	-	-	
-	1	350,001 - 360,000	-	-	
-	1	370,001 - 380,000	-	-	
1	1	400,001 - 410,000	-	-	
-	-	420,001 - 430,000	-	1	
-	-	490,001 - 500,000	1	1	

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

(b) Executives' Remuneration

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
31,997	34,549	Income received by employees whose remuneration, as defined below, exceeds \$100,000	35,316	39,499

1999			2000		
Monash University	Consolidated	Remuneration (dollars)	Monash University	Consolidated	
48	53	100,001 - 110,000	94	101	
82	87	110,001 - 120,000	51	53	
54	54	120,001 - 130,000	49	49	
30	31	130,001 - 140,000	40	43	
12	15	140,001 - 150,000	10	13	
8	12	150,001 - 160,000	9	12	
6	6	160,001 - 170,000	8	14	
9	10	170,001 - 180,000	6	8	
3	4	180,001 - 190,000	5	6	
2	2	190,001 - 200,000	-	-	
-	-	200,001 - 210,000	1	1	
-	-	220,001 - 230,000	3	3	
-	-	230,001 - 240,000	1	1	
1	1	240,001 - 250,000	-	-	
1	1	250,001 - 260,000	1	1	
-	-	270,001 - 280,000	1	1	
-	-	300,001 - 310,000	1	1	

- 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 2000

29. CONTROLLED ENTITY DISCLOSURES

- (a) Balances between Monash University and its Controlled Entities are shown under accounts receivable (note 4), loans receivable (note 6), and accrued liabilities (note 10).
- (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.

1999 Monash University \$000		2000 Monash University \$000
	Income received from:	
4,958	Monash International Pty Ltd	5,460
657	Monash IVF Pty Ltd	599
	Monash Mt Eliza Graduate School of Business and Government Limited	-
1,809		2,166
7,074	Monash University Foundation	22,595
553	Montech Pty Ltd	307
92	Sir John Monash Business Centre Pty Ltd	150
15,143		31,277
	Expenditure paid to:	
6,735	Monash International Pty Ltd	6,459
20	Monash IVF Pty Ltd	-
	Monash Mt Eliza Graduate School of Business and Government Limited	591
172		732
906	Monash University Foundation	671
514	Montech Pty Ltd	33
215	Sir John Monash Business Centre Pty Ltd	8,486
8,562		8,486

30. EXPENDITURE COMMITMENTS

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
		Capital Works Projects:		
1,842	1,842	Not later than 1 year	22,918	22,918
15,050	15,050	Later than 1 year and not later than 5 years	840	840
2,698	2,698	Capital - Equipment Purchases	464	3,464
19,590	19,590	3	27,222	27,222

31. LEASE COMMITMENTS

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
		(a) Operating Lease Commitments:		
4,099	5,131	Not later than 1 year	5,978	7,644
13,907	17,367	Later than 1 year and not later than 5 years	13,077	17,389
8,509	9,967	Later than 5 years	3,035	4,149
26,515	32,465		22,090	29,182

An equitable mortgage exists between Monash University as mortgagor and National Australia Financial Management Ltd (NAFM) as mortgagee securing future rental payments amounting to \$13.522M (1999 \$15.765M) 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 was 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 Asset Management Ltd portfolio (refer note 7(b)).

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

31. LEASE COMMITMENTS (continued)

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
(b) Finance Lease Commitments:				
-	-	Not later than 1 year	-	-
-	33	Later than 1 year and not later than 5 years	-	-
-	33	Total Minimum Lease Payments	-	-
-	(1)	Less: Future Finance Charges	-	-
<u>-</u>	<u>32</u>		<u>-</u>	<u>-</u>
The finance lease liability is shown in the statement of financial position as follows:				
-	32	Current Liability	-	-
-	-	Non-Current Liability	-	-
<u>-</u>	<u>32</u>	Total Finance Lease Liability	<u>-</u>	<u>-</u>

32. 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 2000 (1999 \$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 2000. In accordance with the share issue conditions, Monash University has a contingent liability of \$3,787,000 (1999 \$3,787,000) equivalent to 12.5% (1999 12.5%) of the funding provided.

33. 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 1999 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 2000 were \$24,198,546 (1999 \$23,585,738).

(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 1998 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 2000 were \$49,794 (1999 \$53,632).

(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.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

33. SUPERANNUATION FUNDS (continued)

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

Total contributions by the University for the year ended 31 December 2000 were \$44,429 (1999 \$62,998).

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

There are no longer any members in this scheme.

Total contributions for the year ended 31 December 2000 were nil (1999 \$2,923).

(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 2000 were \$10,560,025 (1999 \$10,197,363).

(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, which is a defined benefits scheme.

As at 30 June 2000, 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 2000, amounted to \$120,691,000 (1999 \$113,085,000).

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 and 2000.

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 in 1974. 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 2000 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 \$7.606M (1999 \$1,521M) has been recorded as an abnormal item in the Statement of Financial Operations.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

33. SUPERANNUATION FUNDS (continued)

During the 2000 period, Monash University's contributions to the scheme totalled \$7,335,665 (1999 \$6,492,405).

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) MLC Members Choice Pharmaceutical Organisations 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 MLC Choice Pharmaceutical Organisations Fund, which is an employee contributory scheme.

Employees contribute at the rate of 5% of gross salary. The University makes contributions at 10% of gross salary.

Total contributions by the University for the year ended 31 December 2000 totalled \$11,290 (1999 \$11,100).

34. CASH FLOW INFORMATION

(a) Reconciliation of cash

1999			2000	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
7,561	19,355	Cash	3,562	11,462
1,066	3,245	Short term investments	-	3,110
<u>8,627</u>	<u>22,600</u>		<u>3,562</u>	<u>14,572</u>

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

23,213	34,510	Surplus for the year to 31 December 2000 before abnormal items	25,512	35,149
327	325	Doubtful debts	13	41
31,163	33,018	Depreciation/amortisation	33,802	35,684
144	136	Long service leave and recreation leave	4,957	5,161
542	556	Bad debts	308	308
(10,344)	(16,333)	Gains on investments	(12,903)	(20,591)
(6,411)	(1)	Net income from Monash University Foundation	(8,901)	-
(626)	(1,856)	Other non - cash items	558	(2,619)
		Changes in assets and liabilities:		
(2,144)	(1,282)	(Increase)/Decrease in receivables and accrued income	(12,753)	(17,374)
2,234	2,278	(Increase)/Decrease in prepayments	4,792	4,822
(151)	(260)	(Increase)/Decrease in inventories	(103)	(223)
(9)	(9)	Increase/(Decrease) in other current assets	-	-
(3,187)	(1,887)	Increase/(Decrease) in creditors and accruals	9,121	14,775
(364)	(364)	Increase/(Decrease) in government grants received in advance	(1,468)	(1,468)
942	2,216	Increase/(Decrease) in student fees received in advance	1,853	3,486
62	65	Increase/(Decrease) in other income received in advance	-	3
(379)	(318)	Increase/(Decrease) in other current liabilities	-	-
(3,295)	(3,295)	Other changes	(166)	(166)
<u>31,717</u>	<u>47,499</u>	Net cash used in operating activities	<u>44,622</u>	<u>56,988</u>

(c) Financing Facilities

			<u>Notes</u>	
		Credit standby arrangements:		
-	1,000	Bank Overdraft Facility	-	1,020
-	-	Amount Used	-	-
-	1,000	Amount Unused	-	1,020
		Loan Facilities (external):		
80,430	83,930	Total Facility	69,282	73,035
42,880	42,880	Amount of facilities used	46,163	46,796
37,550	41,050	Amount of facilities unused	23,119	26,239

NOTES TO AND FORMING PART OF THE ACCOUNTS AS AT 31 DECEMBER 2000

35. 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:

2000		Interest Rates	Floating Interest Rate \$000	Fixed Interest Rate Maturities			Non Interest Bearing \$000	Total \$000
Consolidated				1 Year or less \$000	1 to 5 Years \$000	Over 5 Years \$000		
Assets								
Cash at Bank - AUD	3.1%	11,364				98	11,462	
Managed Cash	6.0%	10,537					10,537	
Bank Call Deposits	6.1%	3,110					3,110	
Discount Securities	6.4%		41,981	1,577	4,177		47,735	
Shares						117,178	117,178	
Managed Trusts						70,353	70,353	
Managed Futures and Options						4,410	4,410	
Other Investments						76	76	
Other Managed Assets						2,930	2,930	
Receivables						30,415	30,415	
Total Financial Assets			25,011	41,981	1,577	4,177	225,460	298,206
Liabilities								
Loans - Bank	6.97%	-	5,315	12,653	27,980	-	45,948	
Loans - Other	8.59%		113	103	-	-	216	
Managed Futures and Options			-	-	-	7,982	7,982	
Accounts Payable						20,935	20,935	
Accrued Liabilities						12,727	12,727	
Other Amounts Payable						2,560	2,560	
Total Financial Liabilities			-	5,428	12,756	27,980	44,204	90,368
Net Financial Assets			25,011	36,553	(11,179)	(23,803)	181,256	207,838
1999								
Consolidated		Interest Rates	Floating Interest Rate \$000	1 Year or less \$000	1 to 5 Years \$000	Over 5 Years \$000	Non Interest Bearing \$000	Total \$000
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

35. FINANCIAL INSTRUMENTS DISCLOSURE (continued)

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

	2000 \$000	1999 \$000
Net Financial Assets as above	207,838	190,008
Add Non Financial Assets		
Inventories	3,086	3,309
Payments in Advance	5,508	10,750
Property, Equipment, Software & Library Books	852,026	681,192
Monash University Foundation Investment Property	32,500	28,500
Leasehold Improvements	11,101	4,361
Government Superannuation Contributions	120,691	113,085
	<u>1,024,912</u>	<u>841,197</u>
Less Non Financial Liabilities		
Prepaid Rental	(4,652)	(5,368)
Student Fees Paid in Advance	(8,697)	(7,914)
Government Grants Received in Advance	-	(1,798)
Provision for Employee Entitlements	(79,542)	(74,983)
Deferred Employee Benefits for Superannuation	(120,691)	(113,085)
	<u>(213,582)</u>	<u>(203,148)</u>
Net Assets per Balance Sheet	<u>1,019,168</u>	<u>828,057</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 the exception of Monash University Foundation, investments are brought to account at cost. 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 previously held in trust by Montech Pty Ltd on behalf of investors have been returned.

Receivables [Note 4]

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 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.

35. FINANCIAL INSTRUMENTS DISCLOSURE (continued)

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

(ii) Financial Liabilities

Loans - Bank [Note 6]

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 7]

The R & D Syndicated deposits previously held in trust by Montech Pty Ltd on behalf of investors have been returned.

Accounts Payable, and Accrued Liabilities [Note 10]

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:

	2000 \$000	1999 \$000
Market Value		
Managed Funds:		
Westpac Investment Management Pty Ltd	40,846	13,556
National Australia Asset Management Ltd	91,631	89,039
Integrated Equity Pty Ltd	-	11,425
Common Fund:		
Westpac Investment Management Pty Ltd	20,139	20,417

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 statement of financial position.

(e) Foreign Exchange Risk

Monash University and Monash University Foundation Trust have invested in the development of a campus in South Africa (Note 2(l) & 2(m)). Managed funds include international investments and the foreign currency risk is managed by the fund managers.

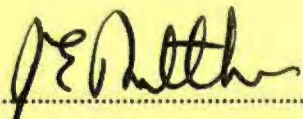
MONASH UNIVERSITY
ACCOUNTS FOR THE YEAR 2000

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 2000 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

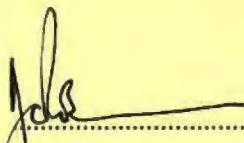
5 March 2001

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

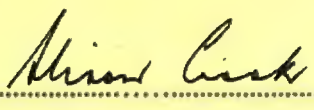
In our opinion:

- (a) the financial statements of Monash University present fairly the financial transactions of the University during the financial year ended 31 December 2000, 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

5 March 2001


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

5 March 2001



AUDITOR GENERAL
VICTORIA

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 2000, comprising a statement of financial operations, statement of financial position, 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 Australian 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 33 (f) to the financial statements, the Commonwealth Government has undertaken to reimburse the University in respect of the cost of annual pension payments paid by the University to 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 statement of financial position as at 31 December 2000 and has been valued at \$120.7 million (\$113.1 million as at 31 December 1999), which equates with the amount of the University's unfunded superannuation liability. The corresponding adjustment in the value of this asset of \$7.6 million was recorded as revenue in the statement of financial operations for the year ended 31 December 2000 (\$1.5 million as at 31 December 1999). 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 2000, a right to these funds should not have been recognised as an asset in the University's statement of financial position. Accordingly, the reported assets of the University have been overstated by \$120.7 million (\$113.1 million as at 31 December 1999) and the retained surplus has been overstated by a similar amount. In addition, the associated revenue and the operating surplus for the year ended 31 December 2000 have been overstated by \$7.6 million (\$1.5 million as at 31 December 1999).

Qualified Audit Opinion

In my opinion, except for the effect on the financial report of the matters referred to above, the financial report presents fairly the financial position of Monash University and the economic entity as at 31 December 2000 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

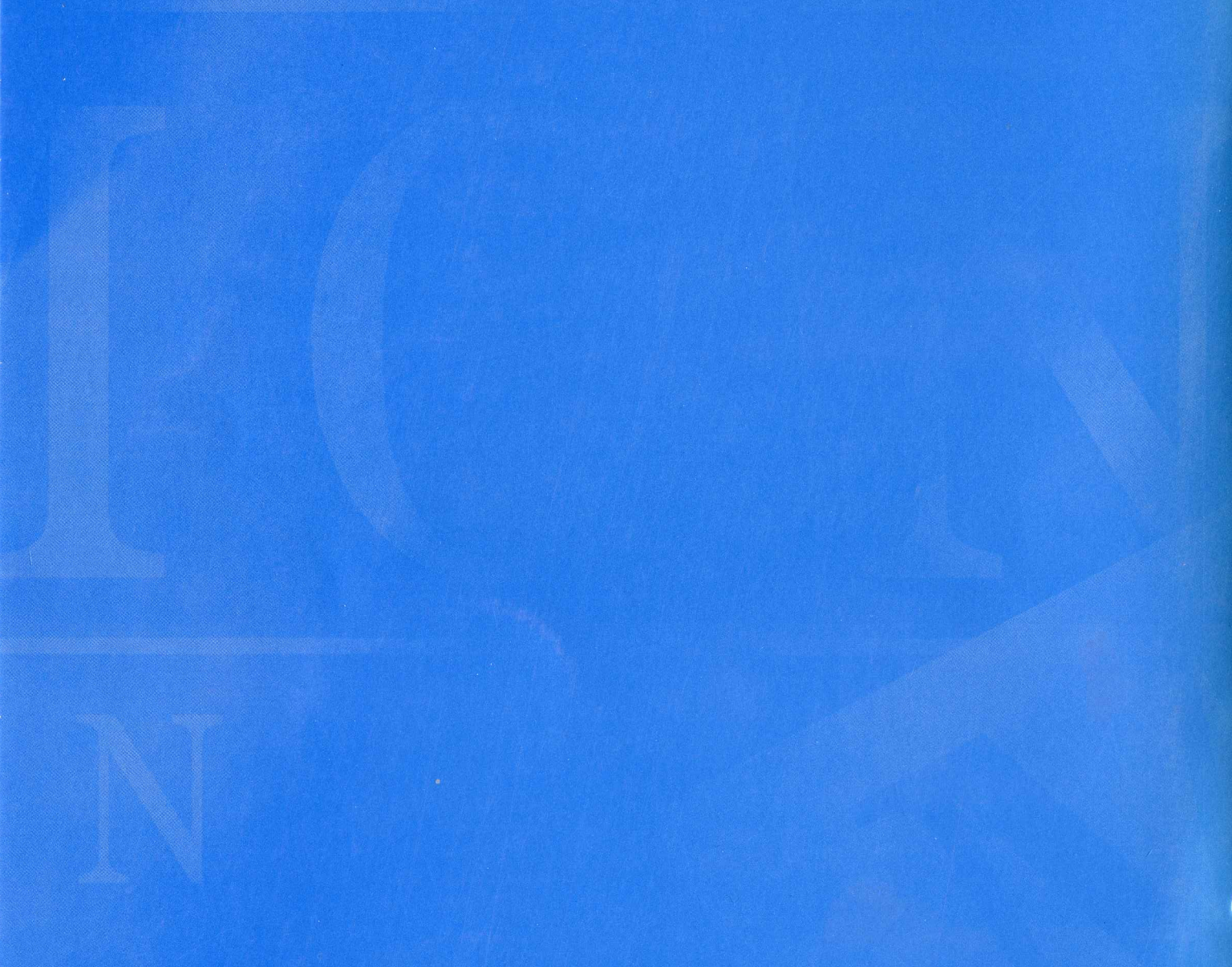
1 May 2001

Ian W. CAMERON

Auditor-General

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Auditing in the Public Interest



MONASH
UNIVERSITY