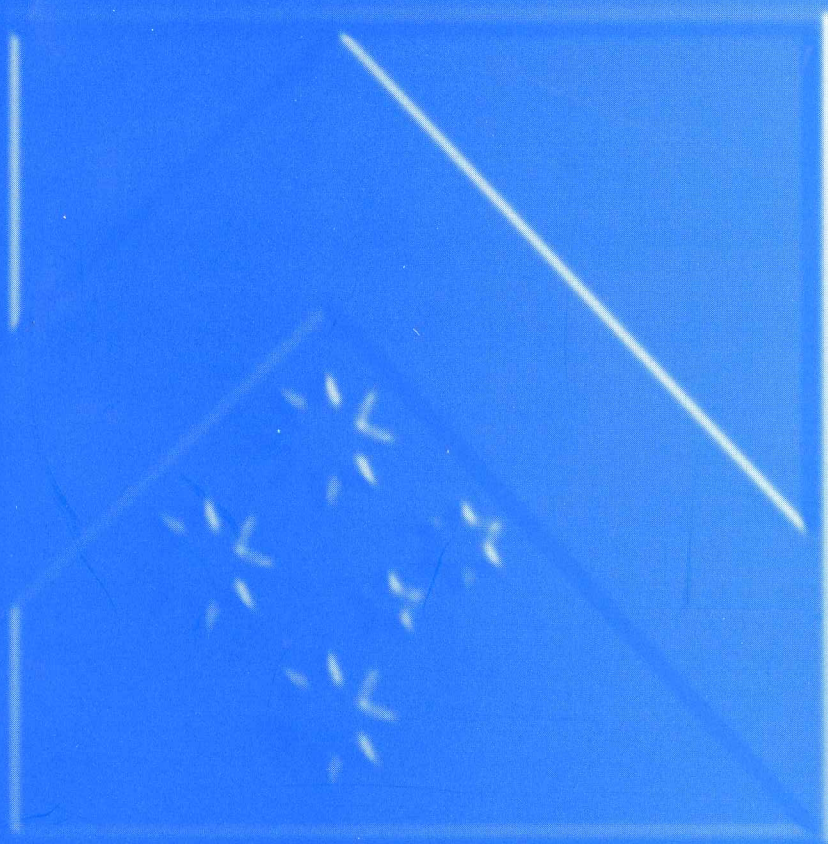


MONASH  
*university*

Annual Report 1998



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

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## Annual Report 1998

*For and on behalf of the Council*

*Jeremy Ellis  
Chancellor*

Monash University  
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## Vice-Chancellor's statement

When I took up my appointment at the start of 1997, I said that Monash must aim to be recognised as Australia's leading university. Appropriately, the document that is setting our direction as we move forward the next millennium is titled *Leading the Way*.

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

During 1998, the university's strategic planning continued to be informed by the three themes of innovation, engagement and internationalisation. Monash's staff and students have continued to enhance the university's widely regarded reputation for excellence. For example, Ms Angela Carbone from the Faculty of Information Technology received the Prime Minister's award as Australian University Teacher of the Year, and Ms Sanya Smith, a postgraduate student in the Faculty of Science, was named Victorian Rhodes Scholar. Professor Ismail Kola and his colleagues in the Institute of Reproduction and Development were also awarded a National Health and Medical Research Council Program Grant of \$4.4 million over five years.

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

Monash's responsibility is to educate scholars and professionals, to advance and apply knowledge, and to serve not merely its various local and national communities, but also its international communities. As 'Australia's international university', a great deal of work was done in 1998 on plans for further development of international activities. Monash has moved also to further internationalise its curriculum and to ensure more programs are made sufficiently flexible to be taken by students anywhere in the world. We opened our Sunway campus in Malaysia and made preparations for significant developments in Southern Africa.

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

Among the wide range of high points and successes in 1998 have been:

- ◆ the thoroughgoing review of Science at Monash, the modernisation of science courses and excellent results by the Faculty of Science in the 1999 Australian Research Council grants round;
- ◆ the development of the *Teaching and Learning Operational Plan* as a comprehensive and systematic means of enriching the educational environment and the experiences and outcomes of the students;
- ◆ the adoption of a Research Management plan for strategic enhancement of the university's research endeavour; and
- ◆ the conclusion of an enterprise agreement for academic and general staff with significant salary increases, productivity improvements and cost savings.

The Monash Mission is 'to be one of the finest and most innovative modern universities in the world and to lead the way in higher education in Australia'. On the basis of 1998, it is quite clear that Monash continues to be an institution that attracts the highest quality people, holds good teaching in high regard, and has staff who generate ideas, apply knowledge and engage actively with the broader community locally, national and internationally. Through the efforts of academic and general staff across all seven campuses, Monash is indeed a leader among universities.

Professor David Robinson  
Vice-Chancellor and President  
*January 1999*

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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.

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Guideline 9.1.3 (i) (b)

## Objectives, functions, powers and duties

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

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

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

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Guideline 9.1.3 (i) (c)

## Services

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

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

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Guideline 9.1.3 (i) (d) (i)

## Administrative structure

From 1 January 1998 to 31 December 1998 the following members constituted the University Council.

■ *Chancellor*

David William Rogers AO LLB *Melb.*

■ *Vice-Chancellor and President*

David Antony Robinson BA PhD *Wales* FRSA(U.K.) FAIM

■ *Chairperson of the Academic Board*

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

■ *3 persons elected by and from the staff of the University prescribed by the Statutes*

*Professorial Staff Member*

Terry Roslyn Threadgold MA *Syd*

*Non-Professorial Academic Staff Member*

Frank Robert Burden BSc(Hons)PhD *Lond.*

*General Staff Member*

Michael Douglas Watson MA *Prin.* BSc(Hons)

■ *2 persons elected by and from the students enrolled at the University prescribed by the Statutes*

*Undergraduate Member*

Jacqueline Cameron

*Postgraduate Member*

Jacqueline Dynon BA(Hons) resigned 21 September 1998



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

John Charles Hutchinson ED DipMechEng FIEAust. FAIMM

William Austin Krickler AM BSc(Hons)BE(Hons) *Syd.* MBA N.S.W. FAIM FAICD FIEAust

Sally McManamny RN BEd *LaTrobe* FRCNA

Joan Melville McPhee MCom *Melb.* ACTT

Dorothy Ruth Pizzey AM BA BEd *Melb.* FACE

Paul Henry Ramler AM DipBus HonMBus *Chisholm I.T.* ACIT AFAMI

■ *one person appointed by the Minister*

Francis Charles Peck BCom *Melb.* BEd *LaT.* ACAE FACE

■ *6 persons appointed by the Council*

June Margaret Hearn MA PhD *Melb.*

Maria Gwendolene Keys BA *Syd.* MACS

Geoffrey Alistair Knights MA PhD *Cantab.*

Jan Eric Kolm AO Ing.Chem *Prague Tech. Uni.* HonDSc *Melb.* FRACI FAIM FTS

Kay Christine Lesley Patterson BA(Hons) *Syd.* PhD DipEd MAPsP resigned 4 November 1998

Kenneth James Russell FCA FCIS FCIM FAICD FCPA

**Membership of the Audit Committee**

Mr D W Rogers – Chair

Mr K J Russell

Mrs J M McPhee

Professor C G Peirson

Professor D A Robinson

*In attendance:*

Mr P B Wade

Mr R G Connell – Executive Officer and Secretary

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Guideline 9.1.3 (i) (d) (ii)

**Senior officers**

**Visitor**

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

**Chancellor**

David William Rogers AO LLB *Melb.*

**Deputy chancellors**

Geoffrey Alistair Knights MA PhD *Cantab.*

Paul Henry Ramler AM DipBus HonMBus C.I.T. ACIT AFAIM

**Vice-Chancellor and President**

David Antony Robinson BA PhD Wales FRSA(U.K.) FAIM

**Deputy Vice-Chancellor**

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

**Deputy Vice-Chancellor**

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

**Deputy Vice-Chancellor**

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

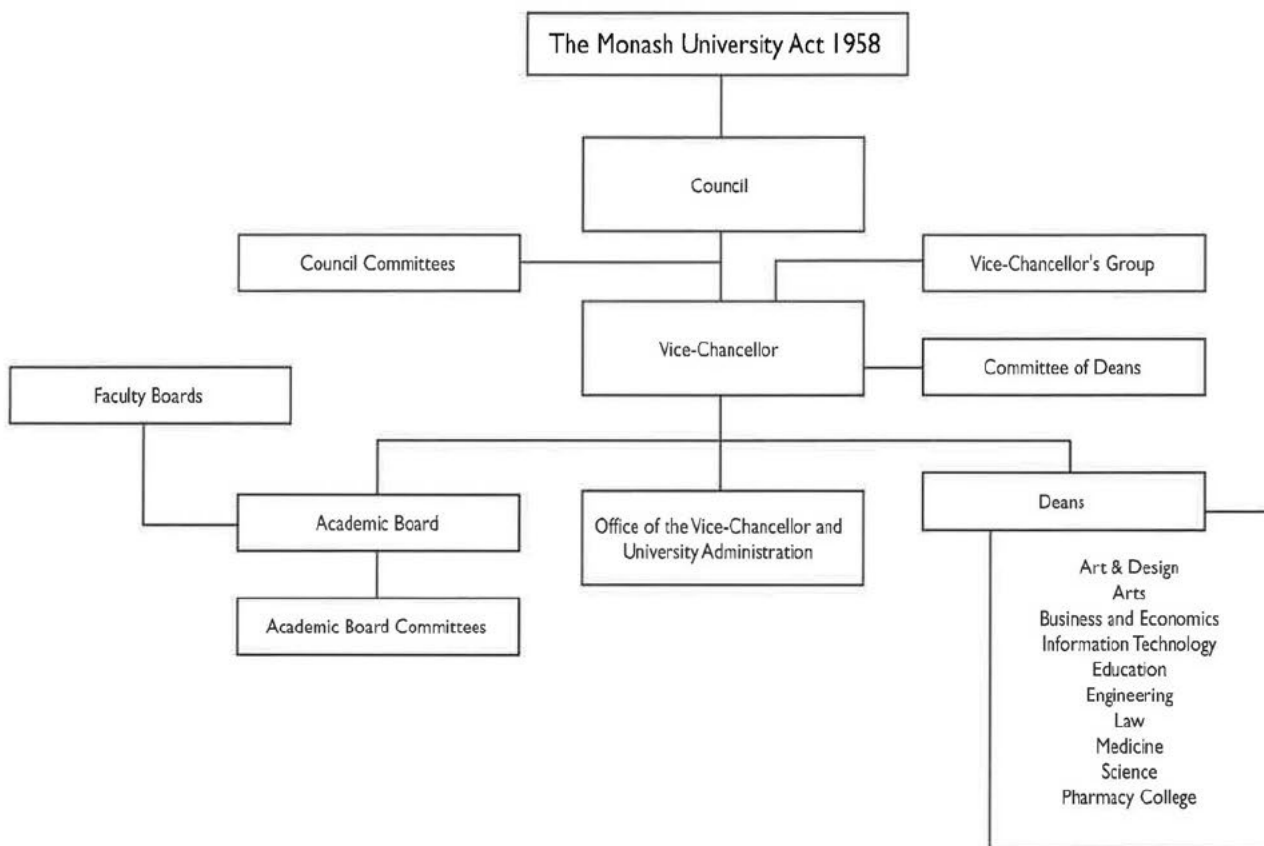
**General Manager**

Peter Brian Wade BCom(Hons) MA Melb. FCPA

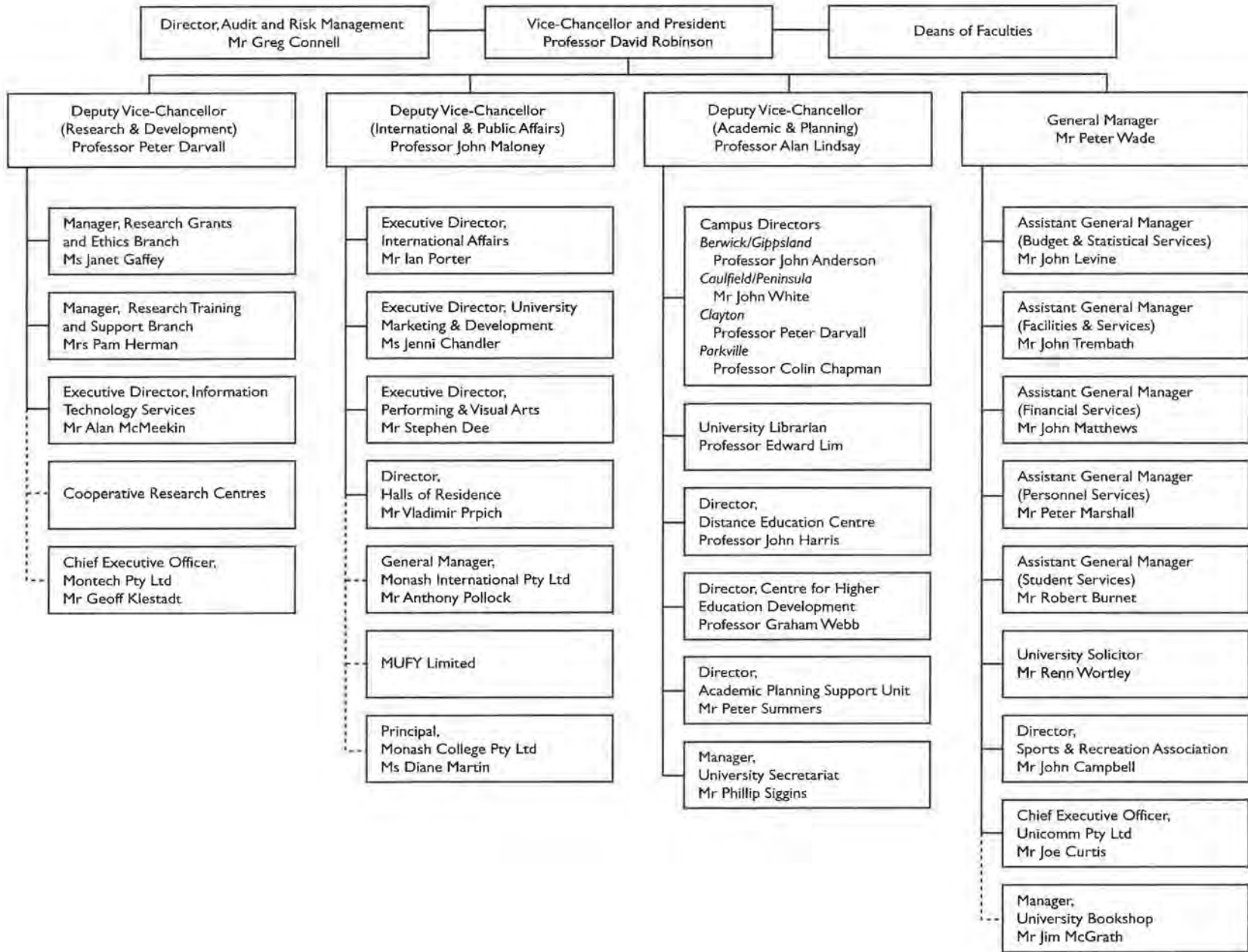
Guideline 9.1.3 (i) (d) (iii)

# Organisational charts

## Overall governance and management



Monash University Senior Management Structure



Guideline 9.1.3 (ii) (a)

## Major financial and performance statistics

The financial statements comprise a separate section of the report. The table below sets out a summary of the financial results for 1998 with comparative results for the preceding four financial years.

Year	Surplus (Deficit) \$000	Revenue \$000	Expenses \$000	Assets \$000	Liabilities \$000	Equity \$000
1998	29,436	597,984	568,548	1,138,672	366,204	772,468
1997	42,561	576,402	533,841	976,056	231,238	744,818
1996	27,273	576,493	549,220	925,227	227,952	697,275
1995	51,750	552,788	501,038	892,733	223,193	669,540
1994	25,770	509,835	484,065	953,566	220,163	733,403

Guideline 9.1.3 (ii) (c)

## Operational Objectives and Initiatives

Monash is a multi-campus university comprising of seven individually focused campuses networked together with state of the art video conferencing and tele-teaching facilities. Monash University operates in the belief that a university should be open to all appropriately qualified persons and is recognised as a leading provider of local and distance education throughout Australia and South East Asia.

### International Operations

In acknowledgement of the international and global commitments of the university and following a review of current resources employed in the pursuit of those commitments, Monash Global Board has been established as a new policy and budget unit of the university. Monash Global advises the Vice-Chancellor and is charged with the responsibility of ensuring that the international activities of the university serve the long-term interests of Monash in accordance with the Monash Plan. Monash International Pty Ltd continues as a service organisation charged with the responsibility of carrying out the directions and policies of Monash Global.

Despite 1998 being a year of economic crisis in the Asian region, demand for Monash courses in traditional Asian markets was maintained and growth was achieved through the diversification of regional markets and the targeting of specific opportunities within established markets. Undergraduate and postgraduate enrolment levels have been maintained but the growth rates experienced in recent years no longer apply.

### Monash University Sunway Campus Malaysia

After five years of planning, the university opened its first overseas campus in Malaysia in July 1998. In line with the Malaysian Government's commitment to make Malaysia a regional centre of excellence in education, Monash University and Sunway College Sdn Bhd, under a joint venture, were granted the first licence to operate a foreign university campus in Malaysia in February 1998.

The new campus, built by the Sungei Way Group, provides excellent facilities for teaching and research, and embodies the aspirations and achievements of the

respective partner institutions. The successful launch of the venture resulted in an initial intake of 450 students enrolled in four degree programs offered by two schools.

### **Monash College**

In 1998 Monash International undertook the development, accreditation and commissioning of Monash College as a provider of certificate and diploma level pathways for the entry of both international and local fee paying students into Monash University. Approximately 250 international students enrolled in Monash College courses in 1998.

### **Monash Abroad program**

Monash Abroad, a program aimed at providing the opportunity for all Monash students to undertake part of their studies for Monash credit in an international setting, was successfully launched in 1998. 400 Monash students have been assisted in this program by means of study and travel grants. It is planned that the number of students assisted per year will increase to 750.

## **Campus Development**

Monash University's commitment to internationalisation was assured when we opened our campus in Malaysia in July. The university is committed to expanding into South East Asia and in time, Southern Africa, and the opening of our first international campus in Kuala Lumpur (seventh overall) is a major step in that process.

The university has continued to expand and develop its onshore campuses. Some significant developments have been:

- ♦ the facilities at the Berwick Campus are progressing rapidly, the Stage 2 building is close to completion;
- ♦ opening of the new Centre for Rural Health, based at La Trobe Regional Hospital, Gippsland;
- ♦ opening of the new Gippsland campus library; and
- ♦ agreement to establish the Ambulance Officer Training Centre in conjunction with the Victorian Government at the Peninsula Campus.

## **Enterprise Bargaining**

After completing enterprise bargaining negotiations with trades and services unions in November 1997, a major priority for the university was to complete negotiations with the NTEU for academic and general staff. This task was completed in March with the agreement being certified in June, thus finalising the second round of Enterprise Bargaining agreements for all Monash staff.

Both agreements delivered significant pay rises and gave staff the opportunity to benefit from other initiatives such as salary packaging. The university has benefited with workplace productivity improvements and increased staff flexibility and performance accountability.

Following a decision handed down by the Australian Industrial Relations Commission, the conditions under which the university can employ fixed term staff have been changed. The decision has restricted the university from employing staff on fixed term contracts unless their positions meet specific criteria. This has meant that all fixed term positions have had to be reviewed as their contract expiry date approaches. Inevitably, this was a priority in late 1998 and has taken significant man-hours to manage and implement.

## Faculty Reviews

The Faculty of Science review was completed early in 1998 and a major re-invigoration program is now in progress. Following an exhaustive review of the subjects and degrees offered; the process of attracting students; and the allocation of its resources, the faculty, with the aid of the University Administration, has been able to refocus its operations. The result has been a new Bachelor of Science degree, which is proving more popular with students, and a revitalised faculty. A review of the Faculty of Arts, with similar aims, has recently been completed resulting in a streamlined school-based structure being implemented with improved benefits to students and both the academic and administrative areas within the faculty.

## Learning and Teaching Operational Plan

The Learning and Teaching Operational Plan was developed through an extensive consultation process as a further development of the three-year rolling process in support of the Monash Plan. The plan provided a comprehensive and systematic framework for enhancing the academic environment for students and staff. Through a focus on student-centred flexible learning, the plan seeks to enrich the learning experiences and outcomes of Monash's increasingly diverse student population. The plan is organised around the six key objectives for learning and teaching: improving the curriculum, student learning, the teaching environment, the governance of academic programs, quality and standards and strategic program development.

## Office of Performing and Visual Arts

This office was established in late 1997 to take responsibility for vision setting and broad policy development for the performing and visual arts at Monash. Its primary focus is the formulation, implementation and marketing of a cultural program; maintaining and developing internal communications between campuses, faculties and the student body in matters relating to the arts; identifying and building strategic external partnerships in the arts; managing university artistic assets and providing artistic services to the university and to the community.

During 1998, a University policy was established for the Performing and Visual Arts. The policy creates a framework that is intended to serve the following purposes:

- ◆ to enrich the culture of Monash by ensuring that performing and visual arts activities are integrated in the university's everyday life;
- ◆ to enhance the positioning of Monash, locally, nationally and globally as a university that is strongly committed to the arts, so increasing its attractiveness to prospective students and staff; and
- ◆ to contribute to cultural development in Australia and elsewhere.

The policy established the Monash Cultural Program, which has the following objectives:

- ◆ to engage with and support the university's academic priorities;
- ◆ to enhance the creative opportunities of Monash students and staff to engage intellectually and emotionally with the arts;
- ◆ to foster opportunities for innovation in arts theory and practice;
- ◆ to cultivate excellence in both traditional and innovative arts practice;
- ◆ to showcase the university's quality arts and cultural products through performances and exhibitions;
- ◆ to foster opportunities for dialogue and debate about the arts, on and off-campus and in the media;
- ◆ to foster opportunities to enhance education about the arts, for students and staff, for professional arts practitioners and for the public;
- ◆ to assist in building cohesion and enhancing integration between campuses; and

- ◆ to create and maintain international cultural links and exchanges, particularly for Monash students and staff.

### 1998 Cultural activities

The Office of Performing and Visual Arts managed the following projects in 1998:

- ◆ in collaboration with the Department of Music, a program of 56 concerts (lunchtime and evening) in six venues spread over four campuses. Many of these concerts were performances by Monash University ensembles;
- ◆ the four-week artistic residency at the Gippsland campus of Dadang Christanto, prominent Indonesian sculptor and performance artist. Mr Christanto worked with students from the Faculty of Art and Design and gave presentations to students at the Caulfield and Clayton campuses. He also presented a performance art exhibition at the Switchback Gallery, located at the Gippsland campus;
- ◆ sponsorship of a short-term sculptural 'apprenticeship' for four young graduates of the Faculty of Art and Design. These artists trained with Clive Murray-White, a Monash teacher who is artist in residence for Loy Yang Power. The sculptors assisted Mr Murray-White in the creation of a large public sculpture for the people of Traralgon. The artists also created an exhibition of stone sculpture, which was exhibited at the Cowwarr Art Space in September and October;
- ◆ establishment of a project to develop a proposal for the establishment at Monash of a Centre for Contemporary Asian Performance Development;
- ◆ establishment of a monthly radio program on 3MBS-FM promoting the musical activities taking place at Monash. It is intended that this program will become student-operated in 1999;
- ◆ sponsorship of a CD recording of the New Monash Orchestra performing works by Beethoven and Shostakovich; and
- ◆ Playbox Education Program. As part of university's affiliation with Playbox, the Office of Performing and Visual Arts sponsored the Playbox Education Program. This program was designed to provide a range of seminars and workshops to secondary students at year 10 and VCE levels, and for secondary school drama teachers. The program also provided background notes on Playbox productions and special performances for secondary students. In 1998 the program engaged 33 artists for 51 student sessions attended by more than 1500 students. A further 5,000 students attended Playbox productions as a result of the program.

The Office of Performing and Visual Arts also operates the various performing venues owned by Monash, including the Robert Blackwood Hall, the Alexander Theatre, the Music Auditorium, and the Drama Theatre (all located at the Clayton campus) and the George Jenkins Theatre (located at the Peninsula Campus). These venues all operated successfully during the year, with a satisfactory level of hiring activity. Venue highlights included:

- ◆ the 'Active For Life' Monash Theatre Season, comprising nine plays and an opera season, playing to a total audience of over 20,000;
- ◆ the Saturday Club, a program designed to introduce young people to theatre and music; and
- ◆ the Schools Drama Festival, in which students from 16 secondary schools from Metropolitan Melbourne and regional Victoria created short plays and performed them in competition at Monash.

The Director of the Monash Performing Arts Precinct, Mr Phil A'Vard AM retired at the end of 1998 after 30 years of service.

### Monash University Gallery

The Monash University Gallery's operational objectives focused on the provision of a diverse program of timely exhibitions and related educational activities which

contributed to the cultural life of the university and the community at large; and the effective management of the university's significant art collection including acquisitions.

The Exhibition Program comprised eight exhibitions, which were primarily self-initiated. Two were selected from the university collection and one was an international artist's project. There were also related events including talks by curators and artists and a public forum. Good attendance was achieved along with substantial media coverage in press and radio.

Curatorial staff initiated the international exhibition tour of Close Quarters – Contemporary Art from Australia and New Zealand to five venues over 1999-2000, and regional gallery tour of The Banksias – watercolours by Celia Rosser through 1999. Project assistance during the year from external bodies included significant support and funding from the City of Melbourne and Arts Victoria toward touring the exhibition earthwork, and Rosemary Laing to the National Museum of Art, Osaka. This exhibition project in Osaka is part of the Sydney Olympic Festival banner, Reaching the World 1999. The gallery also contributed two events to the Visual Arts Program of the Melbourne Festival.

New acquisitions of twenty-four artworks for the Monash University Collection were purchased while twenty-six works were generously donated to the Monash University Collection by private collectors under the Taxation Incentives Scheme. Eighteen works from the Monash Collection were loaned to external exhibitions and one hundred and twenty works from the University Collection were distributed across campuses during the year.

Three new part-time positions were established including a Collection Manager, Administrator and an Education Officer who generated new activities around the exhibitions including a holiday program, and these attracted some 1,400 visits by students.

### **Australian Centre for Contemporary Art**

The Australian Centre for Contemporary Art (ACCA), an affiliate institution of Monash University, presented twelve exhibitions and fourteen public events consisting of lectures, forums, performances in new music and sound, movement, and digital media. There were three major off-site events auspiced by ACCA that extended its profile and exceeded audience targets. The international representation in ACCA's programs was substantial and ACCA's contribution to the Melbourne Festival was a major component of the Visual Arts program. ACCA achieved its targets of increased audience and internalisation of its programs and expanded membership, marketing and public profile.

ACCA also contributed to the Next Wave Festival with an exhibition and participation in a public forum with all ACCA exhibition programs achieving excellent media coverage.

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Guideline 9.1.3 (ii) (c)

## **Operational reports – faculties**

### **Faculty of Art and Design**

Following the granting of faculty status in July 1997, the Faculty of Art and Design proceeded to implement the faculty's Operational Plan in 1998. The new faculty structure, new faculty board membership, appointments of faculty associate deans, and faculty committee structures were established and approved by university Council.



The strategies in the Operational Plan rationalised and streamlined the faculty's activities. These included the 1998 offering of six new faculty courses – the Bachelor of Applied Arts, the Bachelor of Fine Art, the Bachelor of Design (Industrial Design), the Bachelor of Industrial Design, the Bachelor of Design (Visual Communication) and the Bachelor of Visual Arts at Gippsland. The Bachelor of Multimedia, a joint degree with the Faculty of Information Technology, also had its first intake in 1998.

Three more courses, the Bachelor of Interior Architecture, the Bachelor of Design and the Bachelor of Visual Arts at Caulfield were developed in 1998 for enrolments in 1999. Further development of the course proposal for the Bachelor of Design commenced in order to extend its majors to Graphic Design, Industrial Design and Interior Design. The Bachelor of Design major in Graphic Design is scheduled to be offered in semester 1, 1999 at the Monash University Sunway campus. The faculty was invited by the VCE Board to participate in the review of the VCE Studio Art subject.

The re-organising of departments in the faculty resulted in changes to academic sections and staffing. In 1998 eleven academic staff members left the faculty on voluntary early retirement packages, voluntary departure packages, retired or resigned. Some contract positions were not renewed.

The faculty extended its international activities to include academic staff exchanges with Dong Nai College of Decorative Arts and the University of Fine Arts at Ho-Chi Minh City, Vietnam. Faculty courses are being developed for offering at future Monash international campuses.

In 1998, staff exhibitions continued to be held throughout the year in galleries of high standing in Victoria and internationally. Mr N. Wirdnam, lecturer in Applied Arts, was invited to exhibit at the International New Glass 1998 Exhibition, *Venezia Aperto vetro* in Venice, Italy.

Other outstanding staff achievements included Mr S. Haley, lecturer in the Department of the Theory of Art and Design, who won the coveted 1998 Deacons, Graham and James/Arts 21 Award, worth \$20,000. Mr G. Bradbeer, visiting lecturer in the Department of Fine Arts won the prestigious 1998 Dobell Prize for Drawing, worth \$10,000. Mr P. Garwood, Technical Officer in the Department of Design, won the 1997 Vice-Chancellor's Award for Excellent Service by General Staff.

Staff were also successful in several awards. The Australian Council Awards which sponsor staff for studio residency were presented to Associate Professor E. Heng (Department of Fine Arts) at the British School of Rome, Italy; Mr R. McLeish (Visiting lecturer, Department of Design) at the National Institute of Arts, Taipei, Taiwan; and Ms L. Zahra (Visiting lecturer, Gippsland Centre for Art and Design) at Paris. Ms S. Stubbs (Lecturer, Department of Design) received a Development Grant for Publication.

Students' exhibitions also continued to attract patronage and sponsorships. The Lucato Peace Prize worth \$1,000 was in its twenty-second year in 1998 and was won by E. McNeill-Young, a third year Fine Arts (Painting) student. The \$5,000 Norma Bull Art Award was won by B L Thia, a third year Fine Arts (Painting) student. The John Fasham Award for Excellence in Sculpture worth \$1,000 was won by D Fitzsimmons, a third year Fine Arts (Sculpture) student. In Applied Arts, the Fresh Award Craft Victoria worth \$2,000 was won by E Dacre, a Metals honours student. Design-Visual Communication students were once again the major winners in competitive awards such as the Australian Graphic Designers Association Award, National Print Awards – Poster Design, the Ranklin Bevers Award for Excellence and the Marcus Lee Award for Excellence. Ms S Smart, a PhD candidate in the Department of Fine Arts, won an Australian Council Award for a studio residency in London. Mr R Randall, a PhD candidate in the Department of Fine Arts, was awarded the doctoral degree in December 1998.

The faculty also held its first Student Art exhibition at the Monash University Gallery on the Clayton campus. Exceptional curatorial work by Mr M. Bywaters, staff of the Department of Fine Arts, resulted in a stimulating exhibition.

Work on the new Art and Design building which commenced in late 1997, progressed in 1998 and is expected to be completed in 1999. The new faculty building will provide a focus for the faculty's activities within the university and within the wider community. Work on the hot glass studio commenced in 1998. Refurbishment of the glass and ceramics studios were completed in 1998, improving work space and accentuating students' work in the studio galleries.

With the consolidation of the processes commenced in 1997, the faculty has positioned itself to achieve its objectives and that of the Monash Plan.

## Faculty of Arts

During 1998, much of the faculty's time and energy was devoted to considering alternative ways in which the faculty could restructure in order to survive the difficult financial times ahead.

The Faculty of Arts adopted a restructure to have effect from 1 January 1999 replacing the existing 15 departments and 8 teaching and research centres with 10 large schools to achieve both academic and administrative efficiencies. The faculty restructure has left the faculty smaller in terms of staff.

Several internal faculty reviews were conducted as a consequence of the restructure – a review of the School of Humanities and Social Sciences at Gippsland, the Department of Anthropology and Sociology, and a review of the Bachelor of Arts and tagged degrees across the campuses. These reviews were completed in December for implementation in 1999.

In the undergraduate studies area, the faculty approved a new degree to be offered at the Peninsula campus from 1999 – the Bachelor of Arts (International Communication) ceased its intake into the Arts/Computing double degree at Peninsula and the Arts/Information Management double degree at Clayton, and reviewed the structure of programs at the Berwick campus, introducing a sequence in international studies and an exit award for the Bachelor of Communication. The Bachelor of Communication was also approved for offering at the Sunway campus in 1999. Two new courses were approved for introduction at the Caulfield campus in 1999 – a Bachelor of Arts (Policy Studies) and the Arts (Policy Studies/Information Management and Systems) double degree – and a new Foundation program was approved for introduction at the Gippsland campus from 1999.

At the postgraduate level, the faculty developed a new course in Childhood Studies and fee-paying programs in Corporate Environmental Management and the Master of Arts/Master of Business Administration. Coursework masters were rewritten for distance delivery in Linguistics, Bioethics, Social Work and Environmental Science.

The faculty achieved its postgraduate and higher degree load targets and agreed to marginally increase the higher degree research load for 1999 and accepted a reduction in other postgraduate load for 1999. The faculty was also successful in obtaining five Large ARC grants, 2 ARC Fellowships, 4 ARC Spirit grants and approximately \$185,000 in small ARC grants.

In the student service area, the faculty moved with the University in introducing web-based enrolment for current undergraduate students and developed material for the faculty's home page to enable students to access information via the Web. A review of general and technical staff in the faculty was conducted and a new committee structure for the management of information technology in the faculty was approved for 1999.

## Faculty of Business and Economics

For 1998 the faculty's budgetary objectives included becoming a lower cost provider, setting in place measures to compensate for a decrease in DETYA funds and expansion of revenue from fee-paying students. In particular, growth was planned for local fee-paying students at the undergraduate and non-research postgraduate (OPG) levels. As 1998 progressed, it became evident that the Asian currency crisis would have a major impact on the attainment of projected growth of international students.

The major expenditures in the faculty included salaries, infrastructure costs and research and development. In addition, the faculty investigated the feasibility of various educational technologies, including multimedia, satellite delivery, intranet and tele-teaching.

Operationally, the faculty's major objectives were to:

- ♦ expand an income distribution model to facilitate the generation of a comprehensive range of key performance indicators that will impact upon the efficiency and costs of running the faculty. This has been largely achieved;
- ♦ expand and refine the faculty plan in the context of the university's plan *Leading the Way*. In 1997 the faculty had prepared an extensive plan with goals, targets and strategies. In 1998 the plan was further developed, with some new directions, and each key area of the 1997 plan was assessed in the light of performance against plans, and whether they needed to be redefined;
- ♦ participate in, develop and implement the aspects of the university's *Learning and Teaching Operational Plan* that applied to the faculty, in particular, and to the university as a whole. Activities that have been initiated by the faculty and, which have been largely funded by an allocation of LTOP funds by the University in this regard, include the appointment of a Director of Learning and Teaching, who is also Associate Dean (Undergraduate Teaching), and the appointments of an administrator with responsibilities for credit transfer and recognition of prior learning and a senior research assistant to provide supportive statistical analysis and design diagnostic tests and surveys;
- ♦ establish a presence on the new Sunway campus. The faculty commenced in second semester 1998 with a Bachelor of Business and Commerce which attracted two thirds of the initial enrolment at the campus (c. 450 EFTSU);
- ♦ launch a successful joint venture with the Institute Bank – Bank Malaysia to offer the Bachelor of Business (Banking and Finance) to the Institute of Bankers in Malaysia, thereby extending the highly successful counterpart program in Singapore;
- ♦ move into Phase 2 of its Undergraduate Review. During 1998 broad directions for the undergraduate offerings were identified whereby the faculty operations at the Peninsula campus would link academically with the Berwick and Gippsland campuses, rather than the Caulfield campus, to develop a common program. The structure of the tagged Bachelors of Business at the Caulfield campus and the Bachelor of Commerce and allied courses at the Clayton campus were also re-examined, and recommendations will be debated and actioned in 1999;
- ♦ undertake a review of graduate studies in the faculty. During 1998 there was considerable progress in developing a masters degree appropriate for offering on a global basis. The masters is intended to be a generalist qualification, with a broad based entry, but allowing for specialisations within it. There was a range of new, professional, masters degrees approved for introduction, in response to market forces, which will enable students to gain maximum articulation from graduate certificates and diplomas, so that a masters can be completed in three semesters (marketing and management) or two semesters (applied finance); and

- ♦ continue to encourage development of existing research strengths and develop new and innovative research initiatives, not only within the faculty, but particularly with external partners, for instance, the National Mutual Family Business Research Unit, which was successfully launched with substantial assistance from National Mutual.

## Faculty of Education

The faculty's operational objectives continued to be:

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

A new double degree commenced at the Gippsland campus: Bachelor of Sport & Outdoor Recreation/Bachelor of Education. The Gippsland campus is well suited for this program, with its ready access to the lakes, National Parks, and wilderness areas. The course attracted students with high TER ranks. Mr Andrew Cope initiated and planned the program.

A new degree, Bachelor of Adult Learning and Development, was prepared for the intake of students in 1999. One purpose of this course is to equip the many trainees in industry and TAFE with the knowledge and skills they need.

The double degree programs of Education with Arts and with Science were extended to Commerce and Music. These programs attract students of good quality. They also assist students to adjust to university teaching and learning, so that they are better able to cope with their studies in the associated faculty.

A masters degree in Education, taught jointly by Monash and Pukyong University in South Korea, took in its first students and is running well.

A Graduate Certificate and a Graduate Diploma in International Education began, and both attracted good enrolments.

The faculty's research program continued at a strong level, with increases in grants received and in reports and publications.

## Faculty of Engineering

The faculty's key operational objectives for 1998, as set out in the faculty plan *Designing the Way, 1998–2002*, were to introduce the new common first year of the re-structured undergraduate BE course on all three Australian campuses, and to commence the same program at the new Monash Malaysian campus in July. Both were successfully achieved.

Students entering any of the campuses on which the faculty now operates undertake the same first level course, irrespective of the branch of engineering they anticipate pursuing in later years. In addition to an introduction to each of the major engineering disciplines, and a closer integration of mathematics studies with engineering applications, the new course sets the role of engineering into context, emphasising issues of sustainable development, and the interaction of engineering with the community.

In line with the culture change implicit in the new undergraduate degree program – a change emphasising the people aspects of engineering technology – the faculty also embarked on a major educational and awareness program for its own staff. The 'Enhancing Equity in the Engineering Environment' initiative sought to focus staff (as well as undergraduate and postgraduate students) on equity issues,

promoting understanding and tolerance. The program won a special commendation award in the Institution of Engineers Australia Engineering 2000 Awards.

The BE program commenced at Monash University Sunway Malaysia with a first enrolment of fifty. Students there will be able to proceed from the common first year to complete their degree programs in Mechanical Engineering, Mechatronics, or Industrial Engineering and Engineering Management, or to transfer after the first level to programs in those and other branches in Australia.

A key factor in the introduction of common subject material on all campuses has been the faculty's development of a range of information technology based teaching and learning aids. Various multi-media flexible learning packages using both CD-ROM and web-based approaches are now in use, as well as undergoing further development, for all first level subjects. This technology, coupled with identical assessments and examinations on all four campuses ensured quality control across the entire first year program.

In addition to the introduction of engineering at the Malaysian campus, the faculty sought to increase its on-shore international student teaching load by 8.5% over the 1997 figure. In the event the actual load dropped by 6.6%. Including the offshore Malaysian students reduced this decrease to 1.6%.

The percentage of the faculty's income from non-DETYA sources (48%) decreased from the 1997 level (49%), frustrating the continuing objective of reducing reliance on government funding. The decrease was almost entirely due to the fall in international student fee income, although there was also a small decrease in research earnings.

Research continues to be a priority. The faculty had a strong involvement with nine of the fifty-nine Cooperative Research Centre (CRC) bids submitted to the Australian government, potentially leading to an increase from the current seven CRCs in the faculty. Higher degree by research student load increased by 3% over the 1997 load, and faculty staff continued their record of research publications with 1.5 times the university average for the percent of staff who publish in DETYA priority categories.

## Faculty of Information Technology

The primary objective for the faculty in 1998 was to implement a faculty restructure and to continue growth in research activities, teaching, publications and higher degree research student enrolments, whilst maintaining the current high standards and continued innovative development in teaching programs.

Overall the year has been extremely successful. The major restructuring of the faculty was implemented, major reviews of both undergraduate and postgraduate degrees took place, a reorganisation of research within the faculty and new developments in relation to engagement with industry and the community also occurred.

The faculty *Operational Plan 1998–2000* was implemented and major achievements in relation to operational objectives were made in the areas of research, learning and teaching, industry, government and the community, internationalisation and resources.

### Research

Research activities continued to grow on each campus of the faculty. Difficult conditions meant that the growth in higher degree research student enrolments declined in 1998. On the other hand strong growth was reflected in the quality and number of publications by staff and research students of the faculty.

Three major cross-campus research groups were formed. These groups have critical mass and are already attracting significant interest nationally and internationally.

A Faculty of Information Technology Research Fund (FITR) was established in 1998 and was allocated on a competitive basis to encourage new research initiatives. A Faculty Conference Travel Fund was established and was used to assist both staff and postgraduate students to attend significant international and national conferences.

### **Learning and Teaching**

Continued growth of International student enrolments meant that the faculty exceeded its proposed teaching and budget targets in this area by some 109 EFTSU.

A new Bachelor of Network Computing degree was developed for introduction at the Peninsula campus from 1999. The faculty was allocated load for two new degrees; the Bachelor of Software Engineering (jointly with the Faculty of Engineering) and the Bachelor of Multimedia (jointly with the Faculty of Art and Design), both of which had their first intake in 1998.

A Working Party conducted a review of all undergraduate degree programs within the Faculty. As a result a standard subject size was adopted across the Faculty and all single degrees now include a three year elective stream. A major revision of three degrees took place.

A Working Party conducted a review of all postgraduate coursework degrees within the Faculty. Two new coursework Masters degrees were established and three others underwent major revision. These are all three semester Masters degrees aimed at practising professionals.

A Faculty of Information Technology Teaching Innovation Fund was established and was allocated on a competitive basis to encourage exemplary practice and innovation in teaching.

### **Industry, Government and the Community**

Standard guidelines for the establishment of School Advisory Boards were developed. Three of the five Schools currently operate such a Board, with majority representation from industry.

An Associate Dean (Industry Liaison) was appointed and has particular responsibility for developing closer relationships with industry and for coordinating liaison between staff and industry representatives. Four Adjunct Professors were appointed in 1998.

An Information Technology Summer School was developed for Year 11 students across the state, to take place in January 1999. Sponsorship for this Summer School was attracted from Unisys.

### **Internationalisation**

The Faculty offered the Bachelor of Computer Science at the Monash University Sunway campus in Malaysia from mid-year 1998. This program commenced with 43 enrolments.

The Faculty was proactive in investigating new markets in Israel, India and Pakistan. In the case of India, these activities resulted in a significant number of new students.

Work commenced on the development of a Monash University IT alumni group.

Sun Microsystems agreed to sponsor a Chair in Network Computing, to be known as the Sun Microsystems Chair in Network Computing, for an initial period of three years.

### **Resources**

A Faculty Resources Committee with representation from all schools was established. Its brief includes the development of strategies to ensure that a high standard of physical resources is available to all students and staff.

Three new chairs have been advertised. These are the Professor of Multimedia Technology (Gippsland), Professor of Network Computing (Peninsula) and Professor of Electronic Commerce (Caulfield).

A part-time Equity and Affirmative Action Officer was appointed. Part of the Equity and Affirmative Action Officer's responsibility included a review of promotion and selection procedures to ensure that there is no gender bias.

## Faculty of Law

The major objectives of the Faculty of Law are to:

- ♦ provide undergraduate legal education which is intellectually rigorous and meets the needs of students, the legal profession and the community;
- ♦ provide high quality education to graduates which builds on the skills and knowledge gained during the undergraduate degree and equips graduate students to deal with new and developing areas of the law;
- ♦ to undertake high quality research which contributes to the understanding and development of the law, to the identification of new legal problems and the formulation of law reform proposals;
- ♦ to build a relationship with the legal profession and the community which contributes to the discussion and resolution of legal issues; and
- ♦ to develop and strengthen international links with prospective students, the legal profession and legal academics.

The budgetary objectives for 1998 were to balance the faculty's expenditure so that all of the faculty's objectives could be met adequately, and to pursue additional sources of income to support research and teaching. All operational and budgetary objectives were met during 1998. During 1998 there were a number of important new developments.

### Undergraduate Legal Education

The Monash Law Faculty attracts students of extremely high calibre. In 1998 the cut-off score for VCE students was 97.85, and a distinction average for students with part, or completed, tertiary qualifications. The quality of its students makes it vital for the faculty to maintain an undergraduate program which is intellectually challenging, addresses new developments in the law, and takes advantage of improvements in teaching methods. During 1998, the faculty reviewed its teaching program and made a number of important changes. These included expansion of the summer teaching program, the introduction of after-hours teaching in the first-year program with the aim of expanding it to later year subjects if there is sufficient demand, and the development of an intensive process of subject and teaching evaluation on a rolling basis.

Over the same period, the faculty developed and expanded the use of education technology for teaching purposes. Innovations include greater reliance by individual teachers on various forms of technology, such as the PowerPoint software, the introduction of on-line self-learning tutorial programs in Criminal Law and Property Law, the updating of the faculty's home page on the world wide web and the establishment of home pages for individual subjects. An interactive web page has also been established to teach law students how to use computerised legal resources for research purposes.

Undergraduate legal education at Monash includes teaching legal skills in particular subjects. In addition, some students have the opportunity of enrolling in the subject Professional Practice and working with clients of the Springvale Legal Service and Monash-Oakleigh Legal Service. In 1998 a new building for the Monash-Oakleigh Legal Service was opened by the Vice-Chancellor. The greatly improved facilities of the new building enabled the faculty to lodge two expressions of interest with the Commonwealth Attorney-General for the establishment of new Legal

Clinics under a special provision in the Commonwealth budget. In addition, a clinic in Forensic Psychology and Sentencing was established. This clinic involves law students working jointly with students in the Doctor of Psychology in clinical psychology, offered by the Faculties of Science and Medicine. Clients who are facing serious criminal charges are referred to the clinic for psychology assessment and preparation of detailed sentencing material.

Reflecting the faculty's commitment to excellence in undergraduate teaching, Mr Leighton Morris received the 1998 Vice-Chancellor's Award for Distinguished Teaching, and Mr Adrian Evans was the runner-up in the Australia-wide award for Distinguished Teaching. This brings to six the number of faculty members who have received Distinguished Teaching awards.

The successes of Monash law students also reflect the faculty's commitment to excellence. Ms Tan Le, a final year Commerce/Law student was named 1998 Young Australian of the Year and Ms Sanya Reid-Smith, a Science/Law student was awarded a Rhodes Scholarship.

### Graduate Program

Postgraduate and continuing education in law is likely to become increasingly important in the coming decades. In 1998 twenty-two subjects were offered in the Graduate Program. A number of important changes to the program were recommended in 1997 and implemented in 1998. These include:

- ◆ the establishment of a Graduate Studies Advisory Board, with internal and external members;
- ◆ the introduction of specialist LL.Ms in the areas of Commercial Law, Criminal Law and Litigation and Intellectual Property;
- ◆ the introduction of a general graduate diploma in law and specialist diplomas in Commercial Law, Criminal Justice and Litigation and Intellectual Property;
- ◆ the offering of a number of subjects in an intensive mode with a greater use of on-line and other information technology resources; and
- ◆ the appointment of honorary consultants drawn from the practising profession, corporations, government and the bench for almost all graduate subject.

The graduate program is under continual review, and a number of further improvements are being considered, including investigation of the feasibility of making agreements with other Law Schools to offer courses in particular areas on a co-operative basis, and the establishment of a pilot program for offering graduate subjects offshore.

### Research

During the reporting year the faculty has maintained an output of high-quality publications. A full list of 1998 publications is not yet available, however, 1997 publications, set out in the university's *Research Report*, includes 11 books, 31 non-commercial books, 14 major reviews and 9 book chapters, 120 publications in scholarly journals (of which 55 are refereed journals). In addition, faculty members contributed many conference publications, other reviews and expert commentaries.

During 1998 the faculty was successful in obtaining 4 ARC small grants, 2 ARC large grants, a Criminology Research Council grant, and two grants from the Collier Trust fund for use in the research of computer equipment.

During the second semester, the Associate Dean of Research instituted an informal research seminar series to provide support for junior academics beginning their research careers. Encouragement for research is also provided through the ARC Large Grant Incentive Application Scheme. The faculty awards a sum of money for use on projects which survive the initial "cull" of ARC grant applications. The purpose of this incentive award is to encourage academics to undertake the suitable work needed to apply for a large grant.



### **Relationships with the legal profession and the community**

Virtually every member of the faculty has some involvement with the legal profession and other community bodies. Activities range from chairing Commonwealth statutory bodies, membership of State and Commonwealth Tribunals, membership of expert advisory bodies, membership of Law Institute Committees, membership of editorial committees of learned journals, and membership of Councils of community organisations. Members of the faculty frequently provide legal advice to community organisations and individuals on a voluntary basis.

The faculty also arranges a number of formal activities involving the legal profession. Such activities encourage debate on legal issues and provide information on developments. The most important of these is the Monash Law Foundation Lecture Series which is organised in conjunction with law firms. Eight law foundation lectures dealing with a wide range of topics of both specialist and community interest were organised in 1998.

### **International links**

The faculty maintains links with the international community through:

- ◆ involvement of international students in the undergraduate and graduate programs;
- ◆ visits of members of the international community to Monash; and
- ◆ participation of faculty members as speakers at international conferences.

During 1998 the faculty had 103 international students. A highlight of 1998 was the visit of three Judges of the International Court of Justice. This visit was organised to coincide with the faculty's sponsorship of an International Moot, the Manfred Lachs Space Law Moot. The faculty also launched a new international studies program in combination with the Thomas Cooley Law School of Michigan. Monash offered a seven-week summer program, in which courses on International Law, International Air Law and International Human Rights were taught by Monash staff and the United States Legal Remedies Course was taught by a visiting Professor from Thomas Cooley Law School. During their visit to Monash, American students also visited State Parliament, the Courts and legal professional bodies. The American Bar Association has approved the program, so that Monash-based courses are approved for credit towards United States law degrees. The Law School sees its new program as a means of building its reputation as a reliable supplier of quality international education and services.

### **Additional sources of revenue**

Reference has already been made to revenue obtained through research grants. The faculty has had some success in attracting further funding, though more needs to be done. A donation of \$80,000 from the National Australia Bank has enabled the establishment of a Banking Law Centre in the Law Faculty which will assist in attracting graduate students interested in the area of Banking Law. A small grant from the Oakleigh Rotary Club assisted in the purchase of the furniture for the Monash-Oakleigh Legal Service. The faculty also obtained two grants from the University's Strategic Innovations Fund to develop proposals in the area of web-based education and professional education. In 1998 the faculty attracted 70 local fee-paying students. This number is expected to double in 1999.

## **Faculty of Medicine**

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

developed professional continuing education programs and offered some of these by distance education.

In 1998 the faculty:

- ♦ encouraged MBBS students to undertake their fifth year elective study overseas, with the result that 125 students traveled overseas in 1998;
- ♦ is on schedule with the implementation of the new B Nursing course at both Gippsland and Peninsula campuses; and
- ♦ commenced six new courses in 1998, with five additional courses approved for commencement in 1999.

The Bachelor of Radiography and Medical Imaging was successfully introduced in 1998. The initial level of interest in the course has increased, reflected by a significantly higher cut-off score. A recent strategic alliance with the world's leading imaging company will strengthen the teaching of digital imaging techniques. Current plans include the introduction of ultrasound simulation technology into the third and fourth years of the course.

Following submission of the final report of the Implementation Committee for Mainstreaming Ambulance Officer Education to the Minister for Health and Community Services late in 1997, agreement was reached that Ambulance Officer Training will be relocated into a custom-built facility on the Peninsula campus in close proximity to the School of Nursing already located at that site. As of 1 July 1998, Ambulance Officer training became the direct responsibility of Monash University with the Peninsula campus site scheduled for completion in late 1999.

During 1998, major initiatives were undertaken in accord with the university's mission on 'internationalisation'. Links were established with the Malaysian Nurses Association in order to promote the development of nursing courses at the Sunway campus of Monash University in Malaysia and students enrolled in the Bachelor of Nursing program both at Gippsland and Peninsula campuses participated in clinical placement visits to China, Hong Kong, Russia and the UK.

The School of Nursing developed a comprehensive Operational Plan which included the Centre for Graduate Studies in Clinical Nursing located at the Monash Medical Centre, Clayton. The new plan brings together nursing as a single unit across the university and will be implemented in 1999.

Research continues to be a high priority for the faculty, as academic departments maintain their pre-eminent place in attracting large numbers of research grants from both competitive and non-competitive granting bodies. Thirty-eight new NH & MRC grants were awarded in 1998 (a 35.5% success rate), in addition to two Faculty Postdoctoral Research Fellowships.

During 1998, the faculty has participated actively in the development of the Alfred Hospital Education and Research Precinct in collaboration with the Baker Institute for Medical Research, the Macfarlane Burnet Centre for Medical Research and the Alfred Hospital. In addition, the faculty has advanced the development of the Institute for Public Health and Health Services Research jointly with the Southern Health Care Network, with a Director appointed in late 1998.

## Faculty of Science

The operational objectives of the Faculty of Science were focused on the maintenance of the highest academic and ethical standards in its work, attracting the most intellectually able students and staff and sustaining the faculty's national and international reputation.

As is now established annual practice, the faculty undertook a rigorous revision of its planning document *Science Ahead*, with an amended document being approved by Faculty Board in November. The planning exercise proceeded in the context of fewer staff and a planned cut-back in government-funded undergraduate load

through to 2001. Given this reality, much of the planning focus was on the development of fee-paying courses and on the creation of profitable links with industry. To this latter end, it was agreed to appoint an Industry Liaison Director in the first half of 1999.

Proposals for a Bachelor of Environmental Science and a Bachelor of Behavioural Neuroscience received faculty and university approval, with first intakes scheduled for 1999. A proposed Bachelor of Psychology and Management/Marketing (combined program with Business and Economics) was approved by the faculty in late 1998. It is scheduled to be offered from 2000.

Work continued on the faculty's restructured Bachelor of Science to be introduced in 1999. Tutorial staff were appointed for the core subjects and a tutor training program was devised by the subject coordinators, in conjunction with the Centre for Higher Education Development. The new program demonstrated immediate appeal amongst Year 12 students with a fifty four per cent increase in first preference choices for the BSc reported by the Victorian Tertiary Admissions Centre in November. There was also an increase of fifty six per cent in first preferences for the faculty's Environmental Science program.

The faculty was a foundation participant in Monash's Sunway campus in Malaysia, offering the Bachelor of Science (Biotechnology) in the first instance with plans for a wider range of courses in the near future. The initial enrolment was twenty-seven.

Links with the TAFE sector were strengthened with the development and approval of a Bachelor of Science (Resource Management)/Diploma in Natural Resource Management double award program, to be offered initially on the Berwick campus. Approval was also secured for a fee-paying Graduate Certificate in Plant Natural Products, a Monash award incorporating subjects from both university and TAFE.

As part of its program to develop innovative research projects which involve a mix of basic and applied science, as well as having commercial potential, the Faculty of Science provided \$200,000 in financial support to assist with the establishment of a research centre in green chemistry and another in management of biological invasions. These initiatives also received \$220,000 funding from the Strategic Monash University Research Fund.

The Water Studies Centre, previously located on the Caulfield campus, was relocated to renovated space on the Clayton campus and was opened in December. The centre also houses the Cooperative Research Centre for Freshwater Ecology.

The faculty was offered seventeen Australian Postgraduate Awards, twenty five Monash Graduate Scholarships and two International Postgraduate Research Scholarships. Of these award-winners, seventeen were from outside Monash.

Ms Bronwyn Shields resigned as Deputy Faculty Registrar to take up the position of Academic Registrar in the Faculty of Business and Economics. She was replaced by Ms Barbara Katz, formerly of La Trobe University.

External relations continued as a key activity area, with the results of a focus group exercise (amongst senior secondary students) informing the production of publicity material and the message to be presented to schools. Sponsorship was secured for undergraduate brochures (from Orica, Dulux and Ernst & Young) and strategies were developed for the greater involvement of alumni and industry groups.

## 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 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.

All of these objectives were achieved in 1998. The following activities and achievements are worthy of note:

- ♦ the most striking change that occurred during the year has been to the face of the campus. The building work completed in 1997 – the new wing to the Sissons Building and the so-called Conference Centre filling in the western end of the Sissons/Scott courtyard – has been complemented by extensive landscaping which adds greatly to the ambience of the campus. Cossar Hall is being refurbished with new seating, carpet and a fresh coat of paint, and a start has been made on upgrading the college’s three lecture theatres to ‘hi-tech’ status;
- ♦ the Computer Centre that has been relocated to smart new premises on the ground floor of the Manning building, located alongside the library. New ‘Med Chem’ research laboratories are being constructed on the top floor of the Manning building as part of a planned program of refurbishment involving all departments;
- ♦ the college’s longstanding research collaboration with the pharmaceutical industry remains buoyant with several projects showing the potential for significant commercial application. Enrolment of graduate research students is strong with a further increase largely limited by available scholarship support;
- ♦ development of the curriculum for the four-year Bachelor of Pharmacy continued apace throughout 1998 with students entering the third year of the new course next year. While changes have been made to the academic content of the course at all levels, the major change will be the introduction of off-campus practical placements in the third and fourth years at hospitals, community pharmacies, rural health centres and the like;
- ♦ 1998 saw the first intake of 30 students into the combined Bachelor of Pharmacy/ Bachelor of Commerce course. Introduced in response to comments from pharmacy graduates over the years, this course is designed to provide commercial training for those who aim to own or manage a community or hospital department pharmacy or industry;
- ♦ planning is also advanced for the offering in 2000 of a new three-year Bachelor of Pharmaceutical Science course. Given the strong initial interest from industry, graduates of this course are expected to prove highly employable across a broad range of manufacturing industries. Subject to positive market research data, this course will be offered at the university’s newest campus in Kuala Lumpur, as well as at Parkville;
- ♦ staff at the College continued to immerse themselves in engagement with the profession through their involvement in the activities of the Pharmaceutical Society of Australia (Victorian Branch), The Pharmacy Board of Victoria and other professional associations. Links with the pharmaceutical industry are also being strengthened by the successful mounting by the College of a continuing education program offered by distance education for the Australian Pharmaceutical Manufacturer’s Association. Enrolments in this program topped 1000 in 1998 in only the second year on offer; and
- ♦ a graduate certificate course in Pharmacoeconomics will be offered in 1999.

Guideline 9.1.3 (ii)(d)

## Factors affecting Operational Objectives

### Year 2000 Compliance

The university has been diligently working to ensure that the Millennium Bug will not affect any of its systems or equipment. As is detailed elsewhere in this report the university is well on the way to achieving this target, and despite the large amount of resources required to meet the deadline is confident all of its business critical systems will be Year 2000 compliant.

### Integrated Administrative System

The university has begun the onerous task of replacing its current management and student information systems with more modern user friendly systems. The new systems will have significant advantages for the university and will result in dramatic increases in productivity and flexibility in management processes.

After a very thorough selection process the university chose the R/3 SAP system for Finance and Human Resources with a compatible Callista student module. The implementation phase began in September, the Finance and HR systems will go online in May 1999, and the student system will be ready for January 2000. This process has entailed considerable effort from a large section of the Monash workforce and placed considerable strain on the university's resources. The end result will, however, be well worth it.

Guideline 9.1.3 (i) (e)

## Personnel and Equity Issues

### Workforce Data

	1998			1997		
	FT & FFT	Casual	Total	FT & FFT	Casual	Total
<b>Academic</b>						
Female	775	163	938	785	165	950
Male	1367	184	1551	1418	200	1618
Total	2142	347	2489	2203	365	2568
<b>General</b>						
Female	1399	255	1654	1440	241	1681
Male	968	118	1086	993	108	1101
Total	2367	373	2740	2433	349	2782
<b>All Staff</b>						
Female	2174	418	2592	2224	406	2631
Male	2335	302	2637	2412	308	2720
Total	4509	720	5229	4636	714	5350

### Merit and Equity

Monash University expressed a commitment to equity for staff and students in *Leading the Way: the Monash Plan 1998-2002*. This commitment is demonstrated by

the integration of equity principles into all elements of the internal environment. The plan includes a commitment that all students and staff will know that the university takes seriously its obligations to provide an environment that is free from discrimination and harassment.

### Equal Employment Opportunity

Under federal legislation, the university is obliged to conduct an Affirmative Action Program to promote equal employment opportunity for women. Monash also undertakes two other programs for groups who are often disadvantaged in employment: Aboriginal and Torres Strait Islander people and people with disabilities. Targets have been set in the Monash plan for increasing the proportion of women in senior academic and general staff positions and for the employment of indigenous Australians.

Monash University has been recognised as a 'Best Practice' organisation by the Affirmative Action Agency. The program's achievements were documented in a report published in 1998, *Promises to Keep Affirmative Action at Monash University*. During 1998, the Vice-Chancellor launched a major new program, the Women's Leadership and Advancement Scheme. Action taken under this scheme includes: the establishment of a Vice-Chancellor's Taskforce for the advancement of women; an information session for academic women on promotion; and the formation of a Senior Women's forum.

The recruitment of Aboriginal staff under the Career Development and Employment Strategy exceeded targets for 1998 with nine staff recruited. Seven indigenous employees were awarded Certificates of Business (Office Administration) as a result of their twelve-month employment placement at the university. Successful outcomes include ongoing employment with the university attained by six employees, one employee entered a higher education program and two gained employment outside the university. As a result of the positive outcomes of the program to date, the university has adjusted its strategy targets upward to forty placements by 2001.

The Disability Action Plan launched in 1998 includes a range of strategies to ensure that Monash staff recruitment, selection, induction and orientation programs, performance appraisal, promotion, redundancy and redeployment procedures are fully inclusive of people with disabilities.

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

## Consultants

The university engaged a wide range of consultants 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 1998.

<i>Name</i>	<i>\$</i>
Multiplex Constructions (Vic)	136,404
VIC Roads	101,584
Votar Partners	249,903
Sub-total (accounts >\$100,000)	487,891
1,405 consultancies at <\$100,000	5,851,290
Total consultants fees	6,339,181

## Major works

With the establishment of the Sunway campus in Malaysia in February 1998, Monash became a multi-campus university comprising of seven individually focused campuses. The six Victorian campuses are networked together with state-of-the-art video conferencing and tele-teaching facilities. Monash University operates on the belief that university education should be open to all appropriately qualified persons and is recognised as a leading provider of local and distance education throughout Australia and South East Asia. In keeping with the goal of *Leading the Way*, Monash, through its major capital works program, undertook during 1998 the construction of the following aesthetically pleasing quality facilities:

### Clayton campus

The new \$8M Engineering building and extensions to the Hargrave Library project commenced construction in March 1998 with an anticipated completion date of April 1999. The project provides space for several engineering departments, new front entry to faculty offices and Dean's suite, additional teaching and research facilities, and a new tiered lecture theatre all in conjunction with a 2000m<sup>2</sup> three storey extension to the Hargrave Library.

New laboratories for the Water Studies Centre to be transferred from Caulfield campus was completed in November 1998. This \$2M project was constructed at the east end of Senior Chemistry building at the ground floor level with an extension under the Central Science block.

### Caulfield campus

The new \$9M Art and Design building commenced construction in October 1997 with an anticipated completion date of March 1999. The project consists of a curved two storey studio wing along the Dandenong Road boundary and a three storey wing facing the campus common incorporating administration offices, 100 seat lecture theatre, tutorial rooms and computer laboratories. Both wings form a courtyard to Building A and are linked together with a two storey curved corridor, exhibition and gallery space.

### Peninsula campus

A new \$4.7M library has been completed and occupied in March 1998 on the Peninsula campus. The new building was constructed on the site previously occupied by the Student Hostel and consists of two levels totaling approximately 3,390m<sup>2</sup> of floor space, accommodating the complete range of modern library facilities. The project has been designed to allow for future development to occur in the southeast area of the campus.

### Gippsland campus

A new 2 level library building incorporating staff offices, study, information technology and audiovisual areas was completed and occupied in February 1998. The building has a total floor area of 2200m<sup>2</sup> at a cost of \$3.5M. The project included refurbishment of the existing 1500m<sup>2</sup> library building.

### Berwick campus

Construction of the Berwick campus Stage 2 building commenced in February 1998. The \$7M two storey building is scheduled for completion in March 1999. The building is being built to the west, adjoining the existing building and consists of two tiered lecture theatres, six computer laboratories, four tutorial rooms, two multimedia studios, chemical sciences laboratory, student lounge, new library extension and staff offices.

## Off-campus site

A new \$8M building for the Institute of Reproduction and Development was constructed on a site acquired from the Monash Medical Centre, Clayton, consisting of a three level office and laboratory complex with a roof top plant room and an elevated link connected to E Block, Monash Medical Centre. Construction commenced in January 1998 and was completed in December 1998.

## 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 all six Victorian campuses.

New buildings and existing building refurbishment are managed by the Projects and Planning Branch and major maintenance by the Works and Services Branch of the division.

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

i (a) The university by engaging independent Buildings Surveyors ensures that all works requiring building approval have plans certified, and on completion a Certificate 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.

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Guideline 9.1.3 (ix) (f)

## Major research and development activities

During 1998 Monash researchers submitted 1521 applications to 215 separate granting bodies and schemes. Of these applications for support 520 were successful, representing a success rate of 34%, only marginally below the success rate of 35% in 1997. Funding for the first year of these successful grants totaled \$13,640,327. Total research higher degree enrolment at Monash was 2658 in 1998, of whom 1824 were doctoral candidates. Approximately 1120 postgraduate research students received stipend awards in 1998. In relation to new awards, the university continued its commitment to using its own resources to support postgraduate research training by providing 105 Monash Graduate Scholarships, compared with 121 Government-funded Australian Postgraduate Awards (with stipend).

### Research Grants Outcomes

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

- ◆ 26 new National Health and Medical Research Council project grants were awarded to Monash in the 1998 selection round for funding in 1999 from 144 applications, plus 4 equipment grants totaling \$128,000. The Monash share of the total amount awarded by NH&MRC for new and continuing project grants was very close to that for the previous year, at 9.35%; and
- ◆ 46 new ARC Large Grants were awarded to Monash for applications under the Strategic Partnerships with Industry – Research and Training program, securing 22 grants.



## Australian Research Council (ARC)

### Large Grants

Monash University was awarded 46 new ARC Large Grants out of 216 applications. The success rate of Monash applications was 21.3%, a slight increase on the success rate in 1997 (20.6%) and better than the national average of 20.7%. There was a marginal increase in the number of Large Grant applications.

### Small Grants

Monash was allocated \$1,794,100 for competitive allocation under the Small Grants Scheme in 1998, for projects to commence in 1999. Monash ranked fifth nationally in terms of the size of its Small Grants allocation for 1999. This sum reflects in part the university's success in obtaining ARC Large Grants in the preceding two years. The allocation enabled support to be provided for 145 research projects.

### Fellowships

Monash was awarded 5 ARC Fellowships (2 Postdoctoral, 1 Queen Elizabeth II, 2 Australian) out of 45 applications (27 Postdoctoral, 13 Australian/QEII, 5 Senior).

### Infrastructure Block Grants

Monash University was allocated \$7,183,537 in 1998 for Research Infrastructure Block Grants, compared with \$6,242,624 in 1997, reflecting the increased level of Commonwealth funding available for allocation. Of this sum \$1,077,531 (15%) was distributed amongst the library's branches, while the Committee of Associate Deans (Research) reserved \$300,000 of the funds centrally to support a competitive targeted infrastructure needs program for faculties. The remaining \$5,806,006 was distributed to faculties based on the proportion of National Competitive Grant funds obtained.

### Research Infrastructure Equipment and Facilities Program

As a result of the 1998 selection for projects to be supported in 1999, Monash University was awarded \$470,000 for three projects in which it is the lead institution. Monash is involved in a further four projects, as a collaborating rather than the leading, institution.

### Strategic Partnerships with Industry – Research and Training (SPIRT)

Under this scheme, researchers with industry partner involvement may seek funding for one or more of a project grant, an Australian Postgraduate Award (Industry) (APAI) or a postdoctoral fellow. Monash submitted 43 SPIRT applications in 1998, and was awarded funding for 22. Within these 22 successful SPIRT grants were 12 project grants and 13 APAIs (including 2 designated IT APAIs).

Monash ranked seventh in the number of new project grants and in the number of APAIs awarded, compared with sixth in 1997.

## National Health and Medical Research Council (NH&MRC)

### Project and Equipment Grants

Monash was awarded 26 new project grants from 144 applications. Monash ranked sixth in the number of new project grants awarded, down from second place in 1997. At the same time Monash researchers were awarded significantly higher grant amounts, so that its share of the total amount awarded by NH&MRC for new and continuing projects was 9.35%, only a slight fall from 9.5% in the previous year.. The average size of the Monash new grants for 1999 was \$96,300 compared with \$78,300 for 1998 and \$87,400 Australia-wide for 1999.

### **Fellowships and Awards**

Monash was awarded two Peter Doherty Fellowships (from 4 applications submitted) and one INSERM Exchange Fellowship. A further 16 applications were unsuccessful.

Once again, a Monash researcher was awarded a prestigious 5-year program grant, with \$841,000 being paid in 1999.

### **Monash Research Fund**

In 1998, the university provided from its own resources \$2.3 million through the Monash Research Fund. Some \$1 million was provided in direct support of research projects of interest to the university, and to position its researchers to obtain funds from external sources. Funds were also applied to promote collaborative use of major equipment and facilities, to assist academics to travel to present the results at international conferences, and to support postgraduate research students to travel and publish their research results.

In line with the commitment made in the Monash University strategic plan, \$2 million was transferred from general funds available to faculties to create the Special Monash University Research Fund. Half of this sum was made available on a competitive basis for faculty proposals aimed at creating and extending new research strengths, with the remainder allocated on a formula basis to reward research performance.

### **Research Publications**

In 1998, Monash University collected data on 6469 research publications which were published by Monash staff and students in 1997. These publications were collected under 34 defined categories and included output measures as diverse as books, edited volumes of conference proceedings, creative works, expert commentary and theses accepted for higher degrees. Monash reported 2288 research publications under 4 publication categories to the Federal Department of Education, Training and Youth Affairs as part of the collection in 1998 of 1997 financial and publication 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 more than \$2 million to the fellowships, to attract up to 30 world-class postdoctoral researchers to Monash over a six-year period.

Five Logan Research Fellowships were awarded in 1996 and a further five in 1997. In the 1998 round, five full Logan Research Fellowships were awarded and a sixth doubly-successful applicant will have his ARC QEII fellowship supplemented with allowances from the Logan Research Fellowship fund in recognition of an earlier offer of a Logan Research Fellowship. The awardees, their departments and commencement dates are as follows:

- ◆ Dr Jason Mattingley, Department of Psychology (14 December 1998);
- ◆ Dr Krishnamurty Raviprasad, Department of Materials Engineering (1 December 1998);
- ◆ Dr Andrea Taylor, Department of Biological Sciences (25 January 1999);
- ◆ Dr George Gilligan, Department of Business Law and Taxation (1 December 1998);
- ◆ Dr Frank Bierlein, Department of Earth Sciences (3 May 1999); and

- ♦ Dr Simon Haberle, School of Geography and Environmental Science (ARC QEII Fellow from 1 January 1999) (Commenced Logan Research Fellowship 1 December 1998).

## Postgraduate Research Scholarships and Awards

In the 1997-8 selection round, 823 applications were received for the 105 Monash Graduate Scholarships (MGS) and 121 Australian Postgraduate Awards (APA) available. Only three other Australian universities received a larger allocation of APA than Monash.

While overall 46% of applications were from females, when only Australian applicants are considered the figure rises to 52%. Of the APA-eligible applicants only 13.5% had interstate addresses, which suggests that at least in part, the low level of mobility amongst Australians can be attributed to student choice rather than institutional policy.

Just over 48% of applicants (396) were deemed to hold either first class honours or an equivalent qualification. Nearly 28% (109) of these applicants had been favourably assessed by one of the university-wide H1 equivalence panels which met in late November 1997 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. Thirty seven percent of applications submitted to these panels were not successful.

While 71% of all eligible applicants received offers, 82 Australian applicants holding first class honours qualifications failed to receive an offer for any award, 26 more than in the 1996-7 selection round. Of all the stipend scholarship offers made 39 % were made to applicants who held non Monash qualifications. As in previous years, 41% of the MGS or institutional awards were taken up by international students.

A further 18 faculty-nominated students received mid year MGS offers in June 1998. It is the university's long established policy to retain a portion of awards for allocation at this later date to accommodate further applicants of excellent research calibre, who are seeking scholarship support.

From the beginning of 1998, the MGS stipend was made the same as the APA rate for the first time. It is acknowledged that this significant stipend increase may result in a smaller number of MGS awards being available for offer in subsequent years.

Under the auspices of the new Strategic Partnerships with Industry – Research and Training scheme (SPIRT), Monash received 14 APA (Industry) awards, four more than in the previous year. This took Monash from seventh to sixth place in the national allocation of these awards.

The university received a quota of 18 Overseas Postgraduate Research Scholarships (OPRS) in 1998.

While the university's MGS budget was maintained at \$4.85m, funding from departmental and outside sources for other research stipend awards fell \$.5 million to \$4.3m in 1998. Overall however, total expenditure in 1998 for MGS, APA, OPRS and other externally funded and departmental awards remained steady at \$16.5m, with approximately 1,120 postgraduate researchers in receipt of stipend scholarships and another 71 on fee-paying awards.

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

Following the publication of the Monash Research Management Plan in June 1998, the university's postgraduate research scholarship policies and procedures have been reviewed and modified where appropriate. Firstly, from the 1998-9

selection round, 10 MGS awards will be allocated to academic researchers in faculty-nominated areas of research strength and priority. Secondly, the formula upon which initial faculty scholarship allocations are based, will be modified to include not only research load (EFTSU), but also a two-year average of research completions (or research output). Finally, two further award schemes will be established for 1999, a teaching fellowship program which will support 20 research candidates, and a partial tuition scheme for international students. The university is also currently reviewing its strategies for attracting external monies for its scholarship programs, and has set itself a target for a 5% annual increase in this type of support over the next five years.

The Monash Postgraduate Travel Grant program (formerly two separate schemes – Conference and Overseas Travel grants) saw a doubling of its annual budget to \$172,000 in 1998. From now on successful applicants will only be required to pay the first \$150 of the fare themselves. A total of 201 students were supported by the scheme in 1998, compared with 169 awardees in 1997. This represents a 19% increase in the number of postgraduate research candidates who have benefited from the scheme. The Travel Grant program will be subject to further scrutiny in 1999 under the Monash Research Management Plan. The university's PhD & Scholarships Committee has also been invited to review student exchange arrangements with other international universities and to develop strategies to encourage candidates to undertake a portion of their research program at other institutions.

In 1998 the Conference Organisers' Grants scheme was introduced. With an initial annual budget of \$10,000, this program provides financial support to postgraduate researchers who intend to initiate, plan and run a Monash, state, national or international conference, seminar or workshop. Five grants were made in the first year of the scheme's operation.

The Postgraduate Publications Award program also continued in 1998 with a slightly increased budget of \$105,000. It assists approximately 24 doctoral or research masters students under examination, to write up papers based on their research.

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

In 1998 Monash University was allocated 1662 EFTSU of HECS exemptions (APAs without Stipend). This allocation represented a decrease of five percent over the 1997 allocation of 1742. Generally all doctoral students, full-time research masters and part-time re-enrolling research masters students are able to be accommodated within this allocation.

Expenditure on all postgraduate research scholarships, awards and grants amounted to \$20.75m in 1998, an increase of approximately \$.2m over 1997. A further \$30,000 was allocated for 12 awards for honours students under the Vice-Chancellor's Undergraduate Research scholarship scheme.

## **Candidature & examinations**

A total of 2658 students (1902.6 EFTSU) were enrolled for research higher degrees at Monash in 1998, of whom 1824 were doctoral candidates. During 1998, 372 (317.4 EFTSU) and 265 (191.9 EFTSU) of new doctoral and research masters candidates respectively, commenced their candidature. In recent years the university has been committed to developing a greater flexibility in the structure and delivery of its research degrees. Thus, there are now two professional doctorate programs (EdD and D Psych) with more currently being proposed. Some academic units allow their students to undertake up to a six-month coursework component within the traditional PhD program. Three research masters programs, the PhD and the EdD may also now be undertaken by external mode. It is anticipated that such programs

such as these will lead to some significant collaborative research programs, especially with overseas research institutions.

In accordance with Monash Research Management Plan targets, the university seeks to achieve a 1% increase in international research admissions each year from 2000 to 2005. In 1998 8.4% of postgraduate research students were from overseas, the same as in 1997.

As Monash's postgraduate research training reputation is underpinned by the excellent quality of its supervision, supervision questionnaires are distributed to the postgraduate research cohort every four years to ascertain not only instances of supervisory strength, but also to identify areas where supervision practice may be improved. Data is currently being analysed for the 1998 supervision survey. Training programs and a mentor program for new supervisors have been identified as key targets in the Monash Research Management Plan.

Two hundred and eighty (280) candidates submitted doctoral theses for examination in 1998, compared with 274 in 1997. While in 1994 only 36% of all doctoral thesis submissions were from female candidates, by 1998 this had increased to 42%. The average submission time for doctoral theses continues to be excessively high at 49 full-time equivalent months. A target of the 1998 Monash Research Management Plan is to reduce the average doctoral completion time by three months by the year 2000.

Approximately 84% of doctoral examinations are concluded without further examination being required.

## Postgraduate Centre

In 1998, over 700 postgraduate and honours students were registered to use the Postgraduate Centre's computers and other facilities on a 24-hour access basis.

The centre's **exPERT** program of employment and research training grew in popularity in 1998, with a workshop or seminar being scheduled every fortnight during semesters one and two. This service to students is likely to be significantly expanded in 1999 following recent discussions between Monash and the University of Melbourne regarding jointly sponsored workshops and seminars.

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Guideline 9.1.3 (i) (f)

## Freedom of Information

In 1998 the university received fifteen requests under the Freedom of Information Act 1982. Of these:

- ◆ 10 were granted access in full or partial access was granted;
- ◆ 2 proceeded to VCAT after the university denied access to all or some documents. VCAT upheld the university's decision; and
- ◆ 3 other request for access to documents were handled outside the bounds of the Freedom of Information Act 1982.

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

Most vital records relating to institutional policy and administration are maintained by departments within central administration. The principal records

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

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

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

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

The handbooks are supported by a range of publications which provide information on specific aspects of the university's key functions. These include the annual *Monash University Undergraduate Courses 1997*, *Monash University Postgraduate Courses 1997*, a guide to the university for international students, and various publications on research and research outcomes. The university also produced 800 brochures, booklets and presentation kits describing the activities and expertise of faculties, departments and research centres.

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

General guides to the university's activities and services are also available in print and video formats. The university maintains various mailing and subscription lists for publications. Requests for inclusion on these lists should be directed to the Office of Marketing and Communication

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

Requests for access should contain sufficient detail to enable specific documents required to be identified. Applicants will be notified in writing of the decision on a

request as soon as possible but at least within forty-five days of the application being received. If access is granted the applicant will be advised at this time of the arrangements for gaining access to the requested documents.

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

The Freedom of Information manager is

♦ Mr Phillip Siggins  
Manager, University Secretariat  
Monash University  
Wellington Road  
Clayton Vic. 3168  
Telephone 9905 2010

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Guideline 9.1.3 (ii) (k)

## National Competition Policy

During 1998 the university continued to implement its established policies consistent with our obligations in relation to National Competition Policy. Diligence has been shown in monitoring existing programs and the vetting of new proposals and initiatives by the University Compliance Officer to ensure they comply with the Competition Code.

The university's pricing principles were refined during 1998. The university-wide pricing policy will ensure competitive neutrality requirements are always met. The Trade Practices Compliance Manual available on the Internet at: <http://www.monash.edu.au/admin/tpacompl.htm> clearly sets out both individual and university obligations in relation to the Trade Practices Act (1974).

The university is pleased to report that it was not the subject of any National Competition Policy related actions in 1998.

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Guideline 9.6.2

## Year 2000 Compliance

The need to ensure that Monash University would not be adversely affected when the century changes on 1 January 2000 has been the subject of a vast amount of planning and diligent effort. The schedule below details the major business critical and the actual/planned date of compliance. All systems critical to the ongoing operation of the university will be Year 200 compliant by the end of 1999.

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

♦ Mr M. Robinson  
Year 2000 Coordinator  
Information Technology Services

<i>Critical Business System Name</i>	<i>Plain English Description of Critical Business Function</i>	<i>Scheduled or Actual Date for Year 2000 Compliance</i>
Voyager integrated library system	Catalogue of the University Library's collection for consultation by library staff and users. Records all details of library acquisition and management.	June 1999
Library system – Voyager	Hardware and operating system for main library system.	February 1999
IAS – Monash Finance System	All core financial transactions for Monash University.	May 1999
IAS – Human Resources and Payroll System	Corporate Staff and Payroll system.	July 1999
Monash University Student Information System	Corporate Student Information system used to track students' enrolment and progress from application through to completion and graduation including fee assessment.	June 1999
Administration Production	Hardware and operating systems for Main Administrative Production system.	June 1999
SDS (Gippsland Student Database)	Gippsland campus Student information system for tracking the enrolment and progress of Gippsland campus students that are not recorded in MUSIS.	June 1999
Gippsland Student Administration	Hardware and operating systems for Gippsland Student Administration Production System.	June 1999
Staff Applications	Applications programs for the staff environment.	June 1999
Staff file servers and associated systems	Novell file servers for the staff environment – together with associated services.	June 1999
Student Applications	Applications programs for the student environment.	June 1999
Student file servers and associated systems	Novell file servers for the student environment – together with associated services.	June 1999
LINUX – teaching systems	Student teaching environment – Unix.	June 1999
Teaching Oracle	Student teaching environment – Oracle.	June 1999
SUN Network computing environment	Student teaching environment – Network computing.	June 1999
WAN	Inter-campus network links.	March 1999
PABX	Internal/External Communications	May 1999
Building Automation System-ANDOVER	Controls heating, ventilation, security, air conditioning, plant and constant temperature facilities.	April 1999
Scientific Equipment	Measurement devices for Scientific experiments and research.	September 1999
Personal Computers	Computers for teaching, research and administration.	September 1999



Guideline 9.1.3 (ii) (i)

## Other relevant information

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

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

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

Guideline 9.1.3 (ii) (j)

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### Report of Operations

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## BALANCE SHEET AS AT 31 DECEMBER 1998

<b>1997</b>			<b>1998</b>	
<b>Monash University</b>	<b>Consolidated</b>		<b>Monash University</b>	<b>Consolidated</b>
\$000	\$000	<b>Notes</b>	\$000	\$000
<b>Current Assets</b>				
1,328	3,030		4,875	12,219
13,792	13,650		13,097	17,619
120	140		40	60
79,397	104,093		53,095	59,022
2,368	2,765		2,619	3,052
12,524	13,285		12,468	13,026
<b>109,529</b>	<b>136,963</b>		<b>86,194</b>	<b>104,998</b>
<b>Non-Current Assets</b>				
550	236		550	239
58,760	215,245		85,596	263,165
608,402	620,879		642,547	655,578
2,240	2,733		2,706	3,128
-	-		111,564	111,564
<b>669,952</b>	<b>839,093</b>		<b>842,963</b>	<b>1,033,674</b>
<b>779,481</b>	<b>976,056</b>		<b>929,157</b>	<b>1,138,672</b>
<b>Current Liabilities</b>				
-	44		75	75
5,807	6,948		4,321	6,091
8,048	8,237		8,182	8,322
-	716		-	716
21,720	24,612		21,760	26,497
3,218	6,335		2,430	5,876
23,703	23,703		23,388	23,388
-	451		-	341
28,189	29,148		30,947	31,920
<b>90,685</b>	<b>100,194</b>		<b>91,103</b>	<b>103,226</b>
<b>Non-Current Liabilities</b>				
25,891	28,600		35,689	37,227
-	6,084		-	5,368
-	59,779		-	65,941
36,117	36,581		42,317	42,878
-	-		111,564	111,564
<b>62,008</b>	<b>131,044</b>		<b>189,570</b>	<b>262,978</b>
<b>152,693</b>	<b>231,238</b>		<b>280,673</b>	<b>366,204</b>
<b>626,788</b>	<b>744,818</b>		<b>648,484</b>	<b>772,468</b>
<b>Equity</b>				
83,102	122,271		83,102	122,280
403,085	403,706		403,085	403,814
140,601	218,841		162,297	246,374
<b>626,788</b>	<b>744,818</b>		<b>648,484</b>	<b>772,468</b>

The accompanying Notes form part of these financial statements.

## OPERATING STATEMENT FOR THE YEAR ENDED 31 DECEMBER 1998

<u>1997</u>			<u>1998</u>	
Monash University \$000	Consolidated \$000	Notes	Monash University \$000	Consolidated \$000
<b>Operating Revenue</b>				
243,952	243,952		227,457	227,457
69,407	69,407	11	82,252	82,252
2,443	2,443	12	1,637	1,637
51,650	51,650	13	55,969	55,969
216	216		246	246
6,825	6,827		7,875	7,982
9,425	22,460		10,708	26,254
98,981	124,326	7(d)	101,586	135,506
46,619	55,121	14	53,854	60,681
		15		
<b>525,518</b>	<b>576,402</b>		<b>541,584</b>	<b>597,984</b>
<b>Less:</b>				
<b>Operating Expenses</b>				
320,473	331,768		335,375	348,715
19,067	19,256	16(a)	18,877	19,068
18,336	20,751	16(b)	23,928	26,838
26,629	28,846	16(c)	28,413	30,677
3,547	3,547	16(d)	2,473	2,473
23,352	23,660	16(e)	20,706	21,039
80,203	106,013	16(f)	88,367	119,738
		16(g)		
<b>491,607</b>	<b>533,841</b>		<b>518,139</b>	<b>568,548</b>
<b>33,911</b>	<b>42,561</b>		<b>23,445</b>	<b>29,436</b>
<b>Surplus for the year ended 31 December 1998 before abnormal items</b>				
<b>Less:</b>				
<b>Abnormal Items</b>				
-	-		7,988	7,988
-	-	2(a)	(7,988)	(7,988)
-	-	2(a)	1,749	1,749
-	5,033	2(b)	-	-
<b>33,911</b>	<b>37,528</b>		<b>21,696</b>	<b>27,687</b>
<b>71,395</b>	<b>146,102</b>		<b>140,601</b>	<b>218,841</b>
-	-		-	167
<b>Retained Surplus at 1 January 1998</b>				
<b>Retained Surplus at 1 January 1998 - Monash University Foundation Year Ltd</b>				
<b>Add:</b>				
<b>Prior Period Adjustments</b>				
10,368	10,422		-	-
-	-		119,552	119,552
-	-	24(f)	(119,552)	(119,552)
		24(f)		
<b>115,674</b>	<b>194,052</b>		<b>162,297</b>	<b>246,695</b>
<b>Funds Available for Appropriation</b>				
<b>Transfers (to)/from Reserves:</b>				
9,608	9,385		-	(213)
15,319	15,319		-	-
-	42		-	(108)
-	43		-	-
<b>Distribution of Trust Losses</b>				
<b>140,601</b>	<b>218,841</b>		<b>162,297</b>	<b>246,374</b>
<b>Retained Surplus at 31 December 1998</b>				

## STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 1998

<u>1997</u>			<u>1998</u>	
<u>Monash University</u>	<u>Consolidated</u>		<u>Monash University</u>	<u>Consolidated</u>
\$000	\$000		\$000	\$000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows</b>				
237,899	237,899	Commonwealth Government grants	234,136	234,136
2,495	2,495	State Government grants	1,537	1,537
58,518	58,518	Higher Education Contribution Scheme:		
16,955	16,955	- Higher Education Trust Fund	69,832	69,832
230,811	266,135	- Student payments	12,420	12,420
63	6,466	Receipts from student fees and other customers	277,685	322,445
		Investment income received	63	8,654
<b>Outflows</b>				
(498,854)	(530,264)	Payments to creditors and employees	(550,510)	(598,457)
-	-	Grant to Monash Alumni Association Inc	-	(245)
(2,727)	(3,044)	Interest paid	(3,446)	(3,674)
<u>45,160</u>	<u>55,160</u>	<b>Net cash used in operating activities</b>	<u>41,717</u>	<u>46,648</u>
		25(b)		
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows</b>				
700	930	Other receipts	80	80
3,010	3,509	Proceeds from sale of property, plant and equipment	4,106	5,208
289,960	467,192	Proceeds from investment sale and redemption	309,010	445,050
<b>Outflows</b>				
(42,094)	(44,187)	Payments for property, plant and equipment	(66,163)	(68,414)
(317,535)	(486,858)	Payments for investments	(302,283)	(440,005)
-	(479)	Other payments	-	-
<u>(65,959)</u>	<u>(59,893)</u>	<b>Net cash used in investing activities</b>	<u>(55,250)</u>	<u>(58,081)</u>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows</b>				
12,771	7,226	Proceeds from borrowings	24,929	18,097
-	219	Other	-	-
<b>Outflows</b>				
(2,179)	(4,481)	Repayment of borrowings	(8,048)	(11,881)
-	(33)	Other Payments	-	-
<u>10,592</u>	<u>2,931</u>	<b>Net cash provided/(used) in financing activities</b>	<u>16,881</u>	<u>6,216</u>
(10,207)	(1,802)	Net increase/(decrease) in cash held	3,348	(5,217)
12,956	19,009	Cash at 1 January 1998	2,749	17,207
-	-	Cash at 1 January 1998 - Monash University Foundation Year Ltd	-	2,629
<u>2,749</u>	<u>17,207</u>	<b>Cash at 31 December 1998</b>	<u>6,097</u>	<u>14,619</u>
		25(a)		

The accompanying Notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 1998**

	Capital and Equity	Funds Held in Perpetuity	General Reserve	Asset Revaluation Reserve	Retained Surplus	1998 Total	1997 Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 January 1998	83,362	38,909	51,790	351,916	218,841	744,818	697,275
Balance at 1 January 1998 (Monash University Foundation Year Ltd)					167	167	
Surplus for the period					27,687	27,687	37,528
Transfers from Retained Surplus to:							
Funds held in Perpetuity		213			(213)		
General Reserve			108		(108)		
Transfer of Donor Trust Funds to Monash University		(206)				(206)	
Share Capital Monash Unicomm Pty Ltd	2					2	
Prior period adjustment - Depreciation							10,422
Adjustment for Outside Equity Interests:							
Open Learning Agency of Australia Pty Ltd (deconsolidated 1/1/97)							(400)
Monash Merchandising Unit Trust (wound up 15/5/97)							(50)
Monash Merchandising Unit Trust Distribution of Losses							43
<b>Balance at 31 December 1998</b>	<b>83,364</b>	<b>38,916</b>	<b>51,898</b>	<b>351,916</b>	<b>246,374</b>	<b>772,468</b>	<b>744,818</b>

The accompanying Notes form part of these financial statements.



NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

1. STATEMENT OF ACCOUNTING POLICIES

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

- (i) Australian Accounting Standards, except where stated otherwise,
- (ii) other mandatory professional requirements (UIG consensus views), and
- (iii) the disclosure requirements of the Financial Management Act 1994.

(a) Non-Current Assets

i) Depreciation

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

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

In regard to library books, text books have a useful life of 5 years, and reference/research collection items have a useful life of 50 years.

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

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

ii) Borrowing Costs

In 1998, borrowing costs are capitalised in relation to financing qualifying assets in accordance with Australian Accounting Standard AAS 34. Borrowing costs are capitalised when the qualifying asset is greater than \$500,000; the expected useful life of the asset is three years or greater; and the period of construction or development of the qualifying assets is 12 months or more. As the University's borrowings support the general capital program, interest is capitalised at a weighted average rate.

Borrowing costs have been recognised as part of the carrying value of property and software development assets in 1998, \$0.82M and \$0.06M respectively. The capitalisation rate used to determine the amount of capitalised borrowing costs is 7.58%.

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

iii) Equipment

Equipment in the Balance Sheet consists of:

<u>1997</u>	
<u>Monash University</u>	<u>Consolidated</u>
\$000	\$000
132,688	142,374
-	645
(86,023)	(92,284)
<u>46,665</u>	<u>50,735</u>

Equipment:  
 At Cost  
 Under Finance Lease  
 Provision for Depreciation/Amortisation  
**Net Value at 31 December 1998**

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

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 1. STATEMENT OF ACCOUNTING POLICIES (continued)

## (a) Non-Current Assets (continued)

## iv) Software Development

From 1 July 1998, internal use software is capitalised and amortised on a straight line basis where the expected useful life is three years or greater and the costs to be capitalised exceed \$500,000.00. Where costs fall below this benchmark, they will be expensed as incurred.

In 1998 software development includes capitalised borrowing costs of \$0.06M [refer note 1(a)(ii)].

Software Development in the Balance Sheet consists of:

1997		1998	
Monash University \$000	Consolidated \$000	Monash University \$000	Consolidated \$000
-	-	3,833	3,833
-	-	-	-
-	-	3,833	3,833
		Software Development at Cost	
		Provision for Depreciation	
		Net Value at 31 December 1998	

## v) Library Books

The valuation basis adopted is that recommended by the Department of Treasury and Finance of Victoria, that is capitalising and then depreciating the cost of the collection. The valuation is based on the following:

- (i) Text books having a useful life of 5 years;
- (ii) Reference/Research collection items having a useful life of 50 years.

Library Books in the Balance Sheet consists of:

1997		1998	
Monash University \$000	Consolidated \$000	Monash University \$000	Consolidated \$000
96,504	96,642	104,968	105,106
(21,084)	(21,084)	(23,335)	(23,335)
75,420	75,558	81,633	81,771
		Library Books at Cost	
		Provision for Depreciation	
		Net Value at 31 December 1998	

## vi) Property

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

In 1998 property includes capitalised borrowing costs of \$0.82M [refer note 1(a)(ii)].

Property in the Balance Sheet is disclosed in accordance with the applicable Australian Accounting Standards and comprises:

1997		1998	
Monash University \$000	Consolidated \$000	Monash University \$000	Consolidated \$000
55,834	58,034	55,834	58,034
408,920	414,720	408,920	414,720
257	257	358	358
41,040	41,964	64,176	65,374
4,803	4,803	17,529	17,529
(24,537)	(25,192)	(37,942)	(38,773)
486,317	494,586	508,875	517,242
		Land at valuation by the Valuer-General of Victoria as at 31 December 1995	
		Buildings at valuation by the Valuer-General of Victoria as at 31 December 1995	
		Land, at cost	
		Buildings, at cost	
		Buildings - Work in Progress, at cost	
		Provision for Depreciation	
		Net Value at 31 December 1998	
608,402	620,879	642,547	655,578
		vii) Total Property, Equipment and Library Books	

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 1. STATEMENT OF ACCOUNTING POLICIES (continued)

## (a) Non-Current Assets (continued)

## viii) Leasehold Improvements

Leasehold Improvements in the Balance Sheet consists of:

1997			1998	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
2,379	3,286	Leasehold Improvements at Cost	3,066	4,033
(139)	(553)	Provision for Depreciation	(360)	(905)
<u>2,240</u>	<u>2,733</u>	<b>Net Value at 31 December 1998</b>	<u>2,706</u>	<u>3,128</u>

## (b) Provision for Long Service Leave and Recreation Leave

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

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

1997			1998	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
<b>i) Current</b>				
5,114	5,175	Provision for Long Service Leave	5,151	5,239
23,075	23,973	Provision for Recreation Leave	25,796	26,681
<u>28,189</u>	<u>29,148</u>		<u>30,947</u>	<u>31,920</u>
<b>ii) Non-Current</b>				
36,117	36,581	Provision for Long Service Leave	42,317	42,878
<u>36,117</u>	<u>36,581</u>		<u>42,317</u>	<u>42,878</u>

## (c) Capital

The movements in Capital and Reserves are recorded in the Consolidated Statement of Changes in Equity.

1997			1998	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
<b>i) Funds Held in Perpetuity:</b>				
-	206	Specified Bequests and Donations	-	-
-	38,703	Monash University Foundation	-	38,916
<u>-</u>	<u>38,909</u>		<u>-</u>	<u>38,916</u>
<b>ii) Contributed Capital :</b>				
83,102	83,102	Commonwealth Government and State Grant contributions to Capital Works and Land	83,102	83,102
-	-	Other	-	2
<u>83,102</u>	<u>83,102</u>		<u>83,102</u>	<u>83,104</u>
<b>iii) Other</b>				
-	260	Premium arising on consolidation of controlled entity Sir John Monash Business Centre Pty Ltd	-	260
<u>83,102</u>	<u>122,271</u>	<b>iv) Total Capital</b>	<u>83,102</u>	<u>122,280</u>

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 1. STATEMENT OF ACCOUNTING POLICIES (continued)

<u>1997</u>			<u>1998</u>	
<u>Monash University</u> \$000	<u>Consolidated</u> \$000		<u>Monash University</u> \$000	<u>Consolidated</u> \$000
(d) Reserves:				
51,708	51,790	i) General Reserve	51,708	51,898
351,377	351,916	ii) Asset Revaluation Reserve	351,377	351,916
<u>403,085</u>	<u>403,706</u>	iii) Total Reserves	<u>403,085</u>	<u>403,814</u>

## (e) Interest in Cooperative Research Centres

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

## (f) Financial Instrument Disclosures

Accounting policy and other disclosures under Australian Accounting Standard AAS 33 related to financial assets and liabilities are shown in note 26 (b).

## 2. 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 Balance Sheet as at 1 January 1998. The University has also recognised the future funding of the liability as an asset of equivalent value. Asset and liability movements for the year have been recognised as abnormal items.

Movements for the year are as follows:

Government Superannuation Contributions - Asset	7,988
Deferred Benefits for Superannuation - Liability	(7,988)

Note 24(f) provides full details of the accounting treatment in the Financial Statements.

- (b) In December 1998, the following assets were transferred from Monash International Pty Ltd to Monash University at book value and subsequently written down to nil value:

(i) Investment in International Universities of Australia Pty Ltd (IUA)	1,148
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IUA is a joint venture in Indonesia with the University of New South Wales. Due to the impact of the economic crisis in Indonesia the investment has been written down to a nil value.

(ii) Investment in Monash University Foundation Year Ltd	20
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Intangible expenditure written off.

(iii) Pre-development costs associated with past overseas projects and campus developments in Malaysia, Indonesia, Thailand and South Africa written off in accordance with normal University accounting practice.	581
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1,749

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

3. PRINCIPLES OF CONSOLIDATION

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

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

Further Details:

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

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

At 31 December 1998, the University owned 100% of the shares in the company.

The consolidated operating profit of the company for the year was \$0.044M (1997 \$0.082M loss).

The total consolidated assets of the company at 31 December 1998 amounted to \$66.403M (1997 \$60.118M).

The total consolidated liabilities of the company at 31 December 1998 amounted to \$66.248M (1997 \$60.008M).

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

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

At 31 December 1998, the University owned 100% of the shares in the company.

The consolidated operating profit of the company for the year was \$0.236M (1997 \$0.076M) after contributing \$0.5M in research funding to the Monash University's Institute of Reproduction and Development (1997 \$0.53M). No income tax expense was charged, or benefit recognised.

The total consolidated assets of the company at 31 December 1998 amounted to \$2.843M (1997 \$2.814M).

The total consolidated liabilities of the company at 31 December 1998 amounted to \$1.718M (1997 \$1.924M).

(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 1997 or 1998.

(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 1997 or 1998.

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

3. PRINCIPLES OF CONSOLIDATION *(continued)***(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 \$7.441M from the Foundation in 1998 (1997 \$5,990,000).

The surplus of the trust for the year before abnormal items was \$8.162M (1997 \$8.060M).

The total assets of the trust at 31 December 1998 amounted to \$124.991M (1997 \$117.507M).

The total liabilities of the trust at 31 December 1998 amounted to \$6.270M (1997 \$6.948M).

**(f) Monash Unicomm Pty Ltd**

The principal activity of the company during the year was to oversee the administration and provision of services of the Monash University Union. The company did not trade in 1998.

At 31 December 1998 the University owned 66.7% of the shares in the new company.

The operating loss for 31 December 1998 amounted to \$0.033M (1997 \$0.001M loss)

The total assets of the company at 31 December 1998 amounted to \$0.065m (1997 \$0.072M).

The total liabilities of the company at 31 December 1998 amounted to \$0.89M (1997 \$0.074M).

**(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 to Monash University in relation to international students.

At 31 December 1998, the University owned 100% of the shares in the company.

The consolidated operating loss of the company for the year was \$0.721M (1997 \$0.138M profit).

The total consolidated assets of the company at 31 December 1998 amounted to \$5.747M (1997 \$6.706M).

The total consolidated liabilities of the company at 31 December 1998 amounted to \$5.085M (1997 \$5.323M).

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

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

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

At 31 December 1998, the University owned 100% of the shares in the company.

The operating profit of the company for the year was \$0.356M (1997 \$0.419M).

The total assets of the company at 31 December 1998 amounted to \$14.400M (1997 \$14.824M).

The total liabilities of the company at 31 December 1998 amounted to \$6.838M (1997 \$7.618M).

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

3. PRINCIPLES OF CONSOLIDATION *(continued)*

(i) Sir John Monash Business Centre Pty Ltd

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

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

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 \$0.001M (1997 \$0.022M).

The total assets of the company at 31 December 1998 amounted to \$0.662M (1997 \$0.637M).

The total liabilities of the company at 31 December 1998 amounted to \$0.520M (1997 \$0.496M).

(j) Monash University Foundation Year Ltd

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

The principal activity of the Company was to provide consulting services.

The operating loss of the company for the year was \$0.054M.

The total assets of the company at 31 December 1998 amounted to \$0.136M.

The total liabilities of the company at 31 December 1998 amounted to \$0.024M.

(k) AMPASC Pty Ltd

The Company was incorporated on 24 July 1997.

The principal activities of the Company were to provide education and training programs for the Ambulance Service - Victoria and other bodies, and other public educational programs. All programs are provided by the Ambulance Officer Training Centre under an operating agreement with the Company. Monash University oversees the provision of the programs. The Company commenced trading on 1 July 1998.

Funding for the education and training programs is provided by the Department of Human Services the total amount received in 1998 and was transferred to the Ambulance Officer Training Centre.

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

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 4. INVENTORIES

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

Perpetual stock records were maintained for centrally controlled stock.

Stocktakes of centrally controlled stock were completed at 31 December 1998 and valuations at cost were as follows:

1997			1998	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
1,395	1,395	Trading Bookshop	1,648	1,648
424	424	Union and Sports & Recreation	389	389
198	198	Central Building Maintenance Store	182	182
5	5	Halls of Residence	5	5
227	467	Central Stationery Store	182	339
119	276	Other Academic Services	213	489
<u>2,368</u>	<u>2,765</u>		<u>2,619</u>	<u>3,052</u>

## 5. ACCOUNTS RECEIVABLE

1997			1998	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
6,397	9,383	Trade Debtors (see below)	8,937	12,496
536	536	Student Loan Debtors (see below)	462	462
3,213	88	Monash International Pty Ltd	-	-
8	-	Monash I.V.F. Pty Ltd	13	-
74	-	Monash Unicomm Pty Ltd	72	-
341	-	Monash Mt Eliza Graduate School of Business & Government Ltd	135	-
7	-	Monash University Foundation	2	-
-	-	Montech Pty Ltd	119	-
3,216	3,643	Other Amounts Receivable	3,357	4,661
<u>13,792</u>	<u>13,650</u>		<u>13,097</u>	<u>17,619</u>
6,659	9,744	Trade Debtors	9,904	13,604
(262)	(361)	Provision for Doubtful Debts	(967)	(1,108)
<u>6,397</u>	<u>9,383</u>	Net at 31 December 1998	<u>8,937</u>	<u>12,496</u>
599	599	Student Loan Debtors	520	520
(63)	(63)	Provision for Doubtful Debts	(58)	(58)
<u>536</u>	<u>536</u>	Net at 31 December 1998	<u>462</u>	<u>462</u>

## 6. LOANS RECEIVABLE

1997			1998	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
120	140	a) Current		
<u>120</u>	<u>140</u>	Loans Unsecured:	40	60
			<u>40</u>	<u>60</u>
		b) Non-Current		
430	-	Loans Unsecured:	430	-
120	236	Loan to Sir John Monash Business Centre Pty Ltd	120	239
<u>550</u>	<u>236</u>	Other Loans	<u>550</u>	<u>239</u>



## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 7. INVESTMENTS

1997		1998		
Monash University \$000	Consolidated \$000	Notes	Monash University \$000	Consolidated \$000
<b>a) Current</b>				
<i>Managed Funds:</i>				
44,748	44,748		33,797	33,797
31,222	31,222		16,385	16,385
664	664		298	298
<u>76,634</u>	<u>76,634</u>		<u>50,480</u>	<u>50,480</u>
<i>Monash University Foundation:</i>				
-	7,518		-	4,749
-	4,972		-	-
-	7,032		-	-
<u>-</u>	<u>19,522</u>		<u>-</u>	<u>4,749</u>
<i>Common Fund:</i>				
1,299	1,299		1,245	1,245
<i>Other:</i>				
43	43		73	73
1,421	6,595		1,297	2,475
<u>1,464</u>	<u>6,638</u>		<u>1,370</u>	<u>2,548</u>
<u>79,397</u>	<u>104,093</u>		<u>53,095</u>	<u>59,022</u>
<b>Total Current Investments</b>				
<b>b) Non-Current</b>				
<i>Managed Funds:</i>				
36,505	36,505		58,546	58,546
9,674	9,674	22(b)	9,252	9,252
<u>46,179</u>	<u>46,179</u>		<u>67,798</u>	<u>67,798</u>
<i>Monash University Foundation:</i>				
-	75,497		-	87,797
-	22,420		-	25,950
<u>-</u>	<u>97,917</u>		<u>-</u>	<u>113,747</u>
<i>Common Fund:</i>				
10,369	10,369		14,931	14,931
<u>10,369</u>	<u>10,369</u>		<u>14,931</u>	<u>14,931</u>
<i>Other:</i>				
500	-		500	-
250	-		250	-
650	-		650	-
235	-		235	-
200	200		200	200
340	-	3(i)	340	-
-	59,583	10(b)	-	65,694
-	183		-	-
37	814		692	795
<u>2,212</u>	<u>60,780</u>		<u>2,867</u>	<u>66,689</u>
<u>58,760</u>	<u>215,245</u>		<u>85,596</u>	<u>263,165</u>
<b>Total Non-Current Investments</b>				

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 7. INVESTMENTS (continued)

<u>1997</u>			<u>1998</u>	
Monash University \$000	Consolidated \$000	Notes	Monash University \$000	Consolidated \$000
		c) The Investment in Cooperative Research Centres (CRC's) has been calculated as follows:		
3,822	3,822	Cash Contributions made	4,711	4,711
27,480	27,480	"In Kind" Contributions	34,001	34,001
<u>31,302</u>	<u>31,302</u>		<u>38,712</u>	<u>38,712</u>
		Less:		
(14,976)	(14,976)	Losses of the CRC's, incurred to 30 June 1998	(19,493)	(19,493)
(16,326)	(16,326)	Less: Diminution in Value of Investment in CRC's.	(19,219)	(19,219)
<u>-</u>	<u>-</u>	Investment in CRC's at cost less diminution in value	<u>-</u>	<u>-</u>
		d) Investment Income		
828	828	Dividends	2,715	8,258
4,513	4,956	Interest	4,654	7,921
3,084	10,466	Realised Profit/(Loss)	3,339	6,066
-	6,210	Unrealised Profit/(Loss)	-	4,009
<u>8,425</u>	<u>22,460</u>	Total Investment Income	<u>10,708</u>	<u>26,254</u>
		e) Shares held in Trust by Montech Pty Ltd		
		Monash University owns 36 million shares in Metabolic Pharmaceuticals Limited, a company listed on the Australian Stock Exchange, that are held in trust by Montech Pty Ltd. The shares were acquired during the financial year and are bound by various escrow provisions. As the provisions prevent the shares from being traded for 2 years the University has not assigned a value.		

## 8. ACCRUED LIABILITIES

<u>1997</u>			<u>1998</u>	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
12,226	14,914	Accrued Charges	14,551	17,811
3,623	3,870	Group Tax	-	254
-	-	Monash International Pty Ltd	811	-
7	-	Montech Pty Ltd	-	-
56	-	Sir John Monash Business Centre Pty Ltd.	28	-
5,808	5,828	Other	6,370	8,432
<u>21,720</u>	<u>24,612</u>	Total Accrued Liabilities	<u>21,760</u>	<u>26,497</u>

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 9. BORROWINGS

<u>1997</u>			<u>1998</u>	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
		<b>a) Current</b>		
-	189	Finance Lease Liability	-	140
76	76	Loans from Banks secured by mortgage against the revenues of the University - Repayable 0 - 1 year	69	69
-	-	Loan from Bank - Commercial Bills Repayable 0-1 years	8,000	8,000
7,850	7,850	Loan from Treasury Corporation of Victoria, Repayable 15 September 1997	-	-
122	122	Other Loans, unsecured: Repayable 0-1 years	113	113
<u>8,048</u>	<u>8,237</u>	<b>Total Current Loans</b>	<u>8,182</u>	<u>8,322</u>
		<b>b) Non - Current</b>		
-	209	Finance Lease Liability	-	38
8,000	8,000	Loan from Bank - Commercial Bills Repayable 1-2 years	7,000	7,000
17,300	19,800	Repayable 2-5 years	10,300	11,800
-	-	Repayable over 5 years	17,980	17,980
69	69	Loans from Banks secured by mortgage against the revenues of the University:		
44	44	Repayable 1-2 years	13	13
37	37	Repayable 2-5 years	48	48
113	113	Repayable over 5 years	19	19
328	328	Other Loans, unsecured: Repayable 1-2 years	113	113
		Repayable 2-5 years	216	216
<u>25,891</u>	<u>28,600</u>	<b>Total Non-Current Loans</b>	<u>35,689</u>	<u>37,227</u>
		<b>c) Interest Expense</b>		
251	251	Attributable to:		
2,476	2,772	Treasury Corporation of Victoria Loans	-	-
-	59	Loans from Banks and Other Sources	2,076	2,299
		Finance Charges from Finance Leases	-	24
<u>2,727</u>	<u>3,082</u>	<b>Total Interest Expense</b>	<u>2,076</u>	<u>2,323</u>

## 10. OTHER AMOUNTS PAYABLE

<u>1997</u>			<u>1998</u>	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
		<b>a) Current</b>		
-	451	Other	-	341
<u>-</u>	<u>451</u>		<u>-</u>	<u>341</u>
		<b>b) Non - Current</b>		
-	59,583	Montech Pty Ltd - R & D Syndicated Deposits	-	65,694
-	196	Other	-	247
<u>-</u>	<u>59,779</u>		<u>-</u>	<u>65,941</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

11. COMMONWEALTH GOVERNMENT GRANTS

<u>1997</u>			<u>1998</u>	
<u>Monash University</u>	<u>Consolidated</u>	<u>Notes</u>	<u>Monash University</u>	<u>Consolidated</u>
\$000	\$000		\$000	\$000
		Pursuant to the Higher Education Funding Act 1988:		
216,400	216,400	Operating Purposes	199,690	199,690
		Special Research Assistance:		
7,018	7,018	Large Research Grants	7,250	7,250
1,895	1,895	Small Research Grants	1,944	1,944
1,297	1,297	Collaborative Research Grants	1,536	1,536
8,161	8,161	Research Infrastructure Grants	7,756	7,756
138	138	Special Research and Key Centres	-	-
1,048	1,048	Research Fellowships	980	980
1	1	International Research Fellowships	16	16
5,826	5,826	Australian Postgraduate Awards	5,994	5,994
671	671	Australian Postgraduate Awards (Industry)	777	777
988	988	Overseas Postgraduate Research Scholarships	841	841
-	-	International Projects	7	7
-	-	SPIRT	149	149
509	509	Teaching Hospitals	517	517
<u>243,952</u>	<u>243,952</u>		<u>227,457</u>	<u>227,457</u>

12. HIGHER EDUCATION CONTRIBUTION SCHEME

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

<u>1997</u>			<u>1998</u>	
<u>Monash University</u>	<u>Consolidated</u>		<u>Monash University</u>	<u>Consolidated</u>
\$000	\$000		\$000	\$000
58,278	58,278	Received from Higher Education Trust Fund	69,832	69,832
11,129	11,129	Received from Students	12,420	12,420
<u>69,407</u>	<u>69,407</u>		<u>82,252</u>	<u>82,252</u>

13. STATE GOVERNMENT GRANTS

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

<u>1997</u>			<u>1998</u>	
<u>Monash University</u>	<u>Consolidated</u>		<u>Monash University</u>	<u>Consolidated</u>
\$000	\$000		\$000	\$000
1,894	1,894	Student Funded Places	-	-
549	549	Earmarked Grants	1,637	1,637
<u>2,443</u>	<u>2,443</u>		<u>1,637</u>	<u>1,637</u>

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 14. FEES AND CHARGES

<u>1997</u>			<u>1998</u>	
<u>Monash University</u>	<u>Consolidated</u>		<u>Monash University</u>	<u>Consolidated</u>
\$000	\$000		\$000	\$000
53,897	56,540	Fee-paying Overseas Students	57,323	62,232
7,996	10,120	Fee-paying Non-overseas Postgraduate Students	7,999	10,843
-	-	Fee-paying Non-overseas Undergraduate Students	1,947	1,947
6,095	6,095	Student Amenities Fees	4,295	4,295
7,216	7,216	Halls of Residence	7,133	7,133
4,034	4,733	Rentals & Hirings	4,216	4,794
5,257	5,257	Short Course Fees	7,993	7,993
2,474	9,724	Non-Award Course Fees	2,132	9,187
9,012	24,641	Other	8,548	27,082
<u>95,981</u>	<u>124,326</u>		<u>101,586</u>	<u>135,506</u>

## 15. OTHER REVENUE

<u>1997</u>			<u>1998</u>	
<u>Monash University</u>	<u>Consolidated</u>	<u>Notes</u>	<u>Monash University</u>	<u>Consolidated</u>
\$000	\$000		\$000	\$000
5,990	-	Monash University Foundation	7,441	-
13,938	13,938	Business Type Activities	15,484	15,484
20,706	20,706	Academic Activities	22,652	22,652
2,915	3,411	Proceeds from Disposal of Fixed Assets	4,086	4,351
3,070	17,066	Other Income	4,191	18,194
<u>46,619</u>	<u>55,121</u>		<u>53,854</u>	<u>60,681</u>

## 16. EXPENSES BY FUNCTION

<u>1997</u>			<u>1998</u>	
<u>Monash University</u>	<u>Consolidated</u>		<u>Monash University</u>	<u>Consolidated</u>
\$000	\$000		\$000	\$000
<b>a) Academic Activities</b>				
136,660	138,693	Academic Staff Salaries	142,035	144,286
28,914	29,196	Academic Staff Salary Related Costs	31,089	31,419
42,878	44,071	Non-Academic Staff Salaries	43,872	45,414
9,070	9,254	Non-Academic Staff Salary Related Costs	9,601	9,776
<u>217,522</u>	<u>221,214</u>	<b>Total Salaries &amp; Related Costs</b>	<u>226,597</u>	<u>230,895</u>
7,525	7,553	Depreciation - Equipment	7,230	7,230
7,170	7,170	Depreciation - Buildings	7,808	7,808
88,256	95,831	Other Expenses	93,740	102,782
<u>320,473</u>	<u>331,768</u>		<u>335,375</u>	<u>348,715</u>
<b>b) Libraries</b>				
33	33	Academic Staff Salaries	45	45
7	7	Academic Staff Salary Related Costs	10	10
10,685	10,752	Non-Academic Staff Salaries	10,003	10,079
2,213	2,222	Non-Academic Staff Salary Related Costs	2,312	2,320
<u>12,938</u>	<u>13,014</u>	<b>Total Salaries &amp; Related Costs</b>	<u>12,370</u>	<u>12,454</u>
245	245	Depreciation - Equipment	235	235
710	710	Depreciation - Buildings	765	765
1,649	1,649	Depreciation - Library	2,392	2,392
3,525	3,638	Other Expenses	3,115	3,222
<u>19,067</u>	<u>19,256</u>		<u>18,877</u>	<u>19,068</u>

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 16. EXPENSES BY FUNCTION (continued)

1997			1998	
Monash University \$000	Consolidated \$000	Notes	Monash University \$000	Consolidated \$000
<b>c) Other Academic Support Services</b>				
1,566	1,566		2,096	2,096
305	305		433	433
6,762	7,801	17	6,566	8,047
1,330	1,443		1,357	1,494
<u>9,963</u>	<u>11,115</u>		<u>10,452</u>	<u>12,070</u>
3,798	3,798		3,213	3,213
321	321		346	346
4,254	5,517		9,917	11,209
<u>18,336</u>	<u>20,751</u>		<u>23,928</u>	<u>26,838</u>
<b>d) Student Services</b>				
10,321	10,679		9,884	10,240
1,922	1,958		1,866	1,900
<u>12,243</u>	<u>12,637</u>	17	<u>11,750</u>	<u>12,140</u>
226	226		216	216
712	712		768	768
13,448	15,271		15,679	17,553
<u>26,629</u>	<u>28,846</u>		<u>28,413</u>	<u>30,677</u>
<b>e) Public Services</b>				
433	433		463	463
57	57		61	61
<u>490</u>	<u>490</u>	17	<u>524</u>	<u>524</u>
33	33		41	41
65	65		70	70
2,959	2,959		1,838	1,838
<u>3,547</u>	<u>3,547</u>		<u>2,473</u>	<u>2,473</u>
<b>f) Buildings and Grounds</b>				
5,801	5,801		5,630	5,630
1,313	1,313		1,352	1,352
<u>7,114</u>	<u>7,114</u>	17	<u>6,982</u>	<u>6,982</u>
222	222		212	212
123	123		162	162
15,893	16,201		13,350	13,683
<u>23,352</u>	<u>23,660</u>		<u>20,706</u>	<u>21,039</u>

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 16. EXPENSES BY FUNCTION (continued)

<u>1997</u>			<u>1998</u>	
<u>Monash</u> <u>University</u> \$000	<u>Consolidated</u> \$000		<u>Monash</u> <u>University</u> \$000	<u>Consolidated</u> \$000
		<b>g) Administration and Other General Services</b>		
		<b>Administration</b>		
1,428	1,428	Academic Staff Salaries	4,670	4,670
409	409	Academic Staff Salary Related Costs	17	1,378
29,974	37,439	Non-Academic Staff Salaries	29,051	37,606
8,236	9,366	Non-Academic Staff Salary Related Costs	17	8,183
<u>40,047</u>	<u>48,642</u>	<b>Total Salaries &amp; Related Costs</b>	<u>43,282</u>	<u>53,172</u>
1,375	3,193	Depreciation - Equipment	1,283	2,677
3,455	3,636	Depreciation - Buildings	3,721	3,908
29,653	42,719	Other Expenses	25,180	42,644
<u>74,530</u>	<u>98,190</u>		<u>73,466</u>	<u>102,401</u>
		<b>Other General Services</b>		
127	249	Audit Fees	122	242
2,727	3,082	Interest Expense	9(c)	2,076
215	271	Bad Debts Expense		205
2,842	3,448	Lease Expense		2,835
-	670	Directors Emoluments		-
171	330	Provision for Long Service Leave	1(b)	6,237
(362)	(192)	Provision for Recreation Leave	1(b)	2,721
(47)	(35)	Doubtful Debts Expense		705
<u>80,203</u>	<u>106,013</u>		<u>88,367</u>	<u>119,738</u>

## 17. SALARY RELATED EXPENSES

<u>1997</u>			<u>1998</u>	
<u>Monash</u> <u>University</u> \$000	<u>Consolidated</u> \$000		<u>Monash</u> <u>University</u> \$000	<u>Consolidated</u> \$000
33,996	35,023	Superannuation	37,303	38,554
16,350	16,964	Payroll Tax	16,735	17,362
946	1,023	WorkCover	1,154	1,251
2,484	2,520	Annual Leave Loading	2,450	2,494
<u>53,776</u>	<u>55,530</u>		<u>57,642</u>	<u>59,661</u>

## 18. ACQUITTAL OF COMMONWEALTH GRANTS

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

<u>1997</u> <u>Monash</u> <u>University</u> \$000		<u>1998</u> <u>Monash</u> <u>University</u> \$000
16,872	<b>Operating Purposes</b>	
-	Amount received in previous period:	
16,872	Advance payment received in previous period	15,924
	Carry-over from previous period	-
	Sub-total received in previous period	<u>15,924</u>
215,452	Grant received in the reporting period	198,787
(15,924)	Less amount attributable to future period:	
-	Advance payment received in respect of next period	(15,021)
(15,924)	Under-expenditure in the reporting period	-
	Sub-total amount attributable to future period	<u>(15,021)</u>
<u>216,400</u>	<b>Amount expended in the reporting period</b>	<u>199,690</u>

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 18. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

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

(continued)

1997 Monash University \$000		1998 Monash University \$000
	<b>Large Research Grants</b>	
	Amount received in previous period:	
343	Advance payment received in previous period	358
1,262	Carry-over from previous period	1,490
<u>1,605</u>	Sub-total received in previous period	<u>1,848</u>
7,033	Grant received in the reporting period	7,264
	Less amount attributable to future period:	
(358)	Advance payment received in respect of next period	(372)
(1,490)	Under-expenditure in the reporting period	(1,954)
<u>(1,848)</u>	Sub-total amount attributable to future period	<u>(2,326)</u>
<u>6,790</u>	<b>Amount expended in the reporting period</b>	<u>6,786</u>
	<b>Small Research Grants</b>	
	Amount received in previous period:	
-	Advance payment received in previous period	-
381	Carry-over from previous period	556
<u>381</u>	Sub-total received in previous period	<u>556</u>
1,895	Grant received in the reporting period	1,944
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
(556)	Under-expenditure in the reporting period	(619)
<u>(556)</u>	Sub-total amount attributable to future period	<u>(619)</u>
<u>1,720</u>	<b>Amount expended in the reporting period</b>	<u>1,881</u>
	<b>Collaborative Research Grants</b>	
	Amount received in previous period:	
574	Advance payment received in previous period	870
308	Carry-over from previous period	345
<u>882</u>	Sub-total received in previous period	<u>1,215</u>
1,593	Grant received in the reporting period	666
	Less amount attributable to future period:	
(870)	Advance payment received in respect of next period	-
(345)	Under-expenditure in the reporting period	(472)
<u>(1,215)</u>	Sub-total amount attributable to future period	<u>(472)</u>
<u>1,260</u>	<b>Amount expended in the reporting period</b>	<u>1,409</u>
	<b>Research Infrastructure Grants</b>	
	Amount received in previous period:	
859	Advance payment received in previous period	100
3,085	Carry-over from previous period	4,155
<u>3,944</u>	Sub-total received in previous period	<u>4,255</u>
7,402	Grant received in the reporting period	8,133
	Less amount attributable to future period:	
(100)	Advance payment received in respect of next period	(477)
(4,155)	Under-expenditure in the reporting period	(4,526)
<u>(4,255)</u>	Sub-total amount attributable to future period	<u>(5,003)</u>
<u>7,091</u>	<b>Amount expended in the reporting period</b>	<u>7,385</u>



## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 18. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

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

1997 Monash University \$000		1998 Monash University \$000
	<b>Special Research and Key Centres</b>	
	Amount received in previous period:	
11	Advance payment received in previous period	-
59	Carry-over from previous period	89
<u>70</u>	Sub-total received in previous period	<u>89</u>
127	Grant received in the reporting period	-
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
(89)	Under-expenditure in the reporting period	2
<u>(89)</u>	Sub-total amount attributable to future period	<u>2</u>
<u>108</u>	Amount expended in the reporting period	<u>91</u>
	<b>Research Fellowships</b>	
	Amount received in previous period:	
76	Advance payment received in previous period	44
36	Carry-over from previous period	14
<u>112</u>	Sub-total received in previous period	<u>58</u>
1,016	Grant received in the reporting period	994
	Less amount attributable to future period:	
(44)	Advance payment received in respect of next period	(58)
(14)	Under-expenditure in the reporting period	(143)
<u>(58)</u>	Sub-total amount attributable to future period	<u>(201)</u>
<u>1,070</u>	Amount expended in the reporting period	<u>851</u>
	<b>International Research Fellowships</b>	
	Amount received in previous period:	
-	Advance payment received in previous period	-
5	Carry-over from previous period	-
<u>5</u>	Sub-total received in previous period	<u>-</u>
1	Grant received in the reporting period	16
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
-	Under-expenditure in the reporting period	5
<u>-</u>	Sub-total amount attributable to future period	<u>5</u>
<u>6</u>	Amount expended in the reporting period	<u>21</u>

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 18. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

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

(continued)

1997 Monash University \$000		1998 Monash University \$000
	<b>Australian Postgraduate Awards</b>	
	Amount received in previous period:	
465	Advance payment received in previous period	-
131	Carry-over from previous period	159
596	Sub-total received in previous period	159
5,361	Grant received in the reporting period	5,994
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
(159)	Under-expenditure in the reporting period	(259)
(159)	Sub-total amount attributable to future period	(259)
5,798	Amount expended in the reporting period	5,894
	<b>Australian Postgraduate Awards (Industry)</b>	
	Amount received in previous period:	
32	Advance payment received in previous period	33
17	Carry-over from previous period	98
49	Sub-total received in previous period	131
672	Grant received in the reporting period	744
	Less amount attributable to future period:	
(33)	Advance payment received in respect of next period	-
(98)	Under-expenditure in the reporting period	(271)
(131)	Sub-total amount attributable to future period	(271)
590	Amount expended in the reporting period	604
	<b>Overseas Postgraduate Research Scholarships</b>	
	Amount received in previous period:	
77	Advance payment received in previous period	-
2	Carry-over from previous period	222
79	Sub-total received in previous period	222
911	Grant received in the reporting period	841
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
(222)	Under-expenditure in the reporting period	(236)
(222)	Sub-total amount attributable to future period	(236)
768	Amount expended in the reporting period	827
	<b>International Projects</b>	
	Amount received in previous period:	
-	Advance payment received in previous period	-
-	Carry-over from previous period	-
-	Sub-total received in previous period	-
-	Grant received in the reporting period	7
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	-
-	Under-expenditure in the reporting period	-
-	Sub-total amount attributable to future period	-
-	Amount expended in the reporting period	7

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 18. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

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

(continued)

1997 Monash University \$000		1998 Monash University \$000
	<b>SPIRT</b>	
	Amount received in previous period:	
-	Advance payment received in previous period	-
-	Carry-over from previous period	-
-	Sub-total received in previous period	-
-	Grant received in the reporting period	295
	Less amount attributable to future period:	
-	Advance payment received in respect of next period	(146)
-	Under-expenditure in the reporting period	(42)
-	Sub-total amount attributable to future period	(188)
-	<b>Amount expended in the reporting period</b>	<b>107</b>
	<b>Teaching Hospitals</b>	
	Amount received in previous period:	
41	Advance payment received in previous period	41
-	Carry-over from previous period	(1)
41	Sub-total received in previous period	40
509	Grant received in the reporting period	518
	Less amount attributable to future period:	
(41)	Advance payment received in respect of next period	(42)
1	Under-expenditure in the reporting period	(516)
(40)	Sub-total amount attributable to future period	(558)
510	<b>Amount expended in the reporting period</b>	<b>-</b>

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

	1998 Monash University		Balance Carried Forward
	Grant Available \$000	Amount Expended \$000	\$000
Operating Purposes	199,690	199,690	-
HECS Trust Fund	69,832	69,832	-
Large Research Grants	8,740	6,786	1,954
Small Research Grants	2,500	1,881	619
Collaborative Research Grants	1,881	1,409	472
Research Infrastructure Grants	11,911	7,385	4,526
Special Research and Key Centres	89	91	(2)
Research Fellowships	994	851	143
International Research Fellowships	16	21	(5)
Australian Postgraduate Awards	6,153	5,894	259
Australian Postgraduate Awards (Industry)	875	604	271
Overseas Postgraduate Research Scholarships	1,063	827	236
International Projects	7	7	-
SPIRT APD (I)	149	107	42
Teaching Hospitals	516	-	516

Balances carried forward represent funds to be expended in 1999.

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 18. ACQUITTAL OF COMMONWEALTH GRANTS (continued)

## (c) Higher Education Contribution Scheme

1997 Monash University \$000		1998 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:	
4,677	Advance payment received in previous period	5,584
-	Carry-over from previous period	-
4,677	Sub-total received in previous period	5,584
59,185	Grant received in the reporting period	70,671
	Less amount attributable to future period:	
(5,584)	Advance payment received in respect of next period	(6,423)
-	Under-expenditure in the reporting period	-
(5,584)	Sub-total amount attributable to future period	(6,423)
58,278	Amount expended in the reporting period	69,832
11,129	(ii) HECS contributions actually received from students	12,420
69,407	(iii) Total HECS Revenue	82,252

## 19. DIRECTORS' AND EXECUTIVES' REMUNERATION

## (a) Directors' Remuneration

1997		1998	
Monash University \$000	Consolidated \$000	Monash University \$000	Consolidated \$000
1,050	1,971	784	1,930
187	281	123	226
1,237	2,252	907	2,156

The Hon. P Honeywood is the responsible Minister for Tertiary Education and Training. The names of members of Council of Monash University who held office during the financial year are shown here under. None of these persons received remuneration directly related to their duties as Council members.

F R Burden

J Cameron

J Dynon (until 21/9/98)

J M Hearn

J C Hutchinson

M G Keys

G A Knights

J E Kolm AO

W A Krickler AM

A W Lindsay

S McManamny

J M McPhee

K C L Patterson (until 4/11/98)

F C Peck

D R Pizzey AM

P H Ramler AM

D A Robinson

D W Rogers AO

K J Russell

T R Threadgold

M D Watson

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 19. DIRECTORS' AND EXECUTIVES' REMUNERATION (continued)

## (a) Directors' Remuneration (continued)

1997		Remuneration (dollars)	1998	
Monash University	Consolidated		Monash University	Consolidated
-	4	0 - 10,000	-	13
-	12	10,001 - 20,000	-	10
-	2	20,001 - 30,000	-	5
-	2	30,001 - 40,000	-	2
1	3	40,001 - 50,000	-	1
-	-	50,001 - 60,000	-	1
2	2	70,001 - 80,000	-	-
2	2	80,001 - 90,000	1	-
4	4	90,001 - 100,000	1	-
-	-	100,001 - 110,000	1	-
1	1	130,001 - 140,000	-	-
-	-	140,001 - 150,000	-	-
1	1	160,001 - 170,000	-	-
-	-	230,001 - 240,000	1	-
-	1	270,001 - 280,000	-	-
-	1	290,001 - 300,000	-	1
-	-	300,001 - 310,000	-	1
1	1	340,001 - 350,000	-	-
-	-	380,001 - 390,000	1	-

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

## (b) Executives' Remuneration

1997		Income received by employees whose remuneration, as defined below, exceeds \$100,000	1998	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
16,358	18,261		26,441	28,892

1997		Remuneration (dollars)	1998	
Monash University	Consolidated		Monash University	Consolidated
53	60	100,001 - 110,000	89	97
40	42	110,001 - 120,000	50	55
18	23	120,001 - 130,000	39	40
8	8	130,001 - 140,000	16	18
5	5	140,001 - 150,000	8	10
1	3	150,001 - 160,000	4	5
3	3	160,001 - 170,000	2	2
2	2	170,001 - 180,000	4	4
-	-	180,001 - 190,000	1	2
1	1	190,001 - 200,000	-	-
1	1	210,001 - 220,000	-	-
2	2	220,001 - 230,000	3	3
-	-	230,001 - 240,000	1	1
1	1	240,001 - 250,000	1	1
-	-	270,001 - 280,000	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) In relevant cases the remuneration includes payment for work undertaken in previous years. retirement/redundancy programs.

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 20. CONTROLLED ENTITY DISCLOSURES

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

<u>1997</u> Monash University \$000		<u>1998</u> Monash University \$000
	Income received from:	
5,906	Monash International Pty Ltd	4,820
55	Monash IVF Pty Ltd	59
1,508	Monash Mt Eliza Graduate School of Business and Government Limited	1,466
5,990	Monash University Foundation	6,600
512	Montech Pty Ltd	609
106	Sir John Monash Business Centre Pty Ltd	347
14,077		13,901
	Expenditure paid to:	
201	Monash International Pty Ltd *	6,591
25	Monash IVF Pty Ltd	9
224	Monash Mt Eliza Graduate School of Business and Government Limited	229
674	Monash University Foundation	626
631	Montech Pty Ltd	674
-	AMPASC Pty Ltd	1,103
150	Sir John Monash Business Centre Pty Ltd	374
1,905		9,606

\* See Note 2 Abnormal Items in respect of assets transferred at book value of \$1.7M

## 21. EXPENDITURE COMMITMENTS

<u>1997</u>			<u>1998</u>	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
		Capital Works Projects:		
21,736	21,736	Not later than 1 year	4,000	4,000
4,975	4,975	Later than 1 year and not later than 2 years	1,000	1,000
-	-	Later than 2 year and not later than 5 years	6,870	6,870
3,273	3,273	Capital - Equipment Purchases	14,149	14,149
29,984	29,984		26,019	26,019

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 22. LEASE COMMITMENTS

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

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

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

1997	
Monash University \$000	Consolidated \$000
2,343	2,786
2,427	2,757
7,776	7,915
13,733	16,971
<u>26,279</u>	<u>30,429</u>

## (b) Operating Lease Commitments:

Not later than 1 year  
Later than 1 year and not later than 2 years  
Later than 2 year and not later than 5 years  
Later than 5 years

1998	
Monash University \$000	Consolidated \$000
2,522	2,982
2,573	2,969
7,717	8,764
11,354	13,736
<u>24,166</u>	<u>28,451</u>

An equitable mortgage exists between Monash University as mortgagor and National Australia Financial Management Ltd (NAFM) as mortgagee securing future rental payments amounting to \$17.466M (1997 \$19.085M) due to National Australia Financial Management Ltd, under the deed of sub - lease entered into between mortgagor and mortgagee dated 30 June, 1993. In 1997, the security has been reduced to \$14M in line with the present value of the University's outstanding commitments. This security amount will be maintained through Australian fixed interest and liquidity investments within the National Australia Asset Management Ltd portfolio (refer note 7(b)).

1997	
Monash University \$000	Consolidated \$000
-	218
-	215
-	433
-	(35)
<u>-</u>	<u>398</u>

## (c) Finance Lease Commitments:

Not later than 1 year  
Later than 1 year and not later than 2 years  
  
Total Minimum Lease Payments  
Less: Future Finance Charges

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

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

-	189
-	209
<u>-</u>	<u>398</u>

Current Liability  
Non-Current Liability  
Total Finance Lease Liability

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

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 23. 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 1998 (1997 \$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 1998. In accordance with the share issue conditions, Monash University has a contingent liability of \$3,787,000 (1997 \$3,787,000) equivalent to 12.5% (1997 12.5%) of the funding provided.

## 24. SUPERANNUATION FUNDS

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

**(a) Superannuation Scheme for Australian Universities**

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

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

The last actuarial review of the scheme was in December 1997 and indicated the fund was in a sound financial position, i.e. the scheme has no unfunded liability. The total contributions by the University for the year ended 31 December 1998 were \$21,570,733. (1997 \$19,910,271)

**(b) "M" Superannuation Scheme**

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

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

The last actuarial review of the scheme was in December 1996 and indicated the fund was in a strong financial position, i.e. the scheme has no unfunded liability. The total contributions by the University for the year ended 31 December 1998 were \$60,569 (1997 \$53,742).

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

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

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

Total contributions by the University for the year ended 31 December 1998 were \$49,206 (1997 \$63,446).

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

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

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

Total contributions by the University for the year ended 31 December 1998 were \$2,501 (1997 \$2,217)

**(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 1998 were \$9,232,635 (1997 \$8,101,599)



## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

24. SUPERANNUATION FUNDS *(continued)***(f) State Superannuation Board of Victoria**

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

As at 30 June 1998, 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 1998, amounted to \$111,564,000 (1997 \$119,552,000).

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. In prior years, this matter was reported as a note to the accounts. As this is the first year of disclosure, the initial accounting entry to create the liability of \$119.5M is made against the opening retained surplus. The movement for the year of \$8.0M has been recorded as an abnormal item in the Operating Statement.

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.

The Victorian Minister for Finance has recommended that the financial statements are presented on the basis that both a liability and offsetting asset be recognised in respect of the unfunded superannuation obligations.

The Minister's recommendation included the following points:

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

The Commonwealth Department of Education, Training and Youth Affairs' "Instructions for preparing Annual Financial Reports for the 1998 Reporting Period" also requires that the unfunded superannuation obligations are treated as a non-current asset and non-current liability.

The initial accounting entry to create the asset of \$119.5M is made against the opening retained surplus. The movement for the year of \$8.0M has been recorded as an abnormal item in the Operating Statement.

During the 1998 period, Monash University's contributions to the scheme totalled \$6,006,306 (1997 \$5,643,154). There were no outstanding employer contributions as at 31 December 1998.

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

**(g) Pharmaceutical Organizations (1975) Superannuation Fund.**

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

During the period 1/1/1998 to 31/12/1998, the contributions by the University totalled \$11,407 (1997 \$5,845).

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

## 25. CASH FLOW INFORMATION

## (a) Reconciliation of cash

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

1997			1998	
Monash University \$000	Consolidated \$000		Monash University \$000	Consolidated \$000
1,328	3,213	Cash at bank and on hand	4,875	12,219
-	-	Bank Overdraft	(75)	(75)
1,421	13,994	Short term investments	1,297	2,475
<u>2,749</u>	<u>17,207</u>		<u>6,097</u>	<u>14,619</u>

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

33,911	42,561	Surplus for the year ended 31 December 1998 before abnormal items	23,445	29,436
(47)	(37)	Doubtful debts	705	747
27,628	29,672	Depreciation	28,462	30,223
(192)	149	Provision for employee benefits	8,958	8,958
215	254	Bad debts	205	233
(7,687)	(15,292)	Gains on investments	(10,645)	(17,615)
-	-	Gains on sale of assets	351	351
(5,990)	(6,875)	Net income from Monash University Foundation	(7,441)	(1,261)
(188)	5,770	Other non - cash items	(148)	(236)
		Changes in assets and liabilities:		
(324)	(1,694)	(Increase)/Decrease in receivables and accrued income	686	(1,490)
(1,287)	(1,446)	(Increase)/Decrease in prepayments	57	204
101	(42)	(Increase)/Decrease in inventories	(251)	(286)
33	33	Increase/(Decrease) in other current assets	565	565
1,666	4,364	Increase/(Decrease) in creditors and accruals	(1,323)	(1,529)
(1,525)	(2,219)	Increase/(Decrease) in Government grants received in advance	(524)	(400)
(1,127)	(139)	Increase/(Decrease) in student fees received in advance	(788)	(697)
(878)	(803)	Increase/(Decrease) in other income received in advance	78	132
851	904	Increase/(Decrease) in other current liabilities	(675)	(687)
<u>45,160</u>	<u>55,160</u>	Net cash used in operating activities	<u>41,717</u>	<u>46,648</u>

## (c) Financing Facilities

			Notes	
		Credit standby arrangements:		
-	20	Bank Overdraft Facility	-	1,000
-	-	Amount Used	-	-
<u>-</u>	<u>20</u>	Amount Unused	<u>-</u>	<u>1,000</u>
		Loan Facilities (external):		
41,130	45,630	Total Facility	43,280	46,780
33,150	35,650	Amount of facilities used	15,450	16,950
7,980	9,980	Amount of facilities unused	27,830	29,830

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## NOTES TO AND FORMING PART OF THE ACCOUNTS AS AT 31 DECEMBER 1998

## 26. 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:

1998	Interest Rates	Floating Interest Rate \$000	Fixed Interest Rate Maturities			Non Interest Bearing \$000	Total \$000
			1 Year or less \$000	1 to 5 Years \$000	Over 5 Years \$000		
<b>Consolidated</b>							
<b>Assets</b>							
Cash at Bank	7.2%	11,939				280	12,219
Managed Cash	4.0%	11,384					11,384
Bank Call Deposits	4.5%	2,475					2,475
Discount Securities	5.2%		44,602	9,084	11,705		65,391
Shares						128,591	128,591
Managed Trusts						22,085	22,085
R&D Syndicated Deposits						65,694	65,694
Other Investments						56	56
Other Managed Assets (Net)						561	561
Accounts Receivable						17,619	17,619
Loans	7.2%		18	6		275	299
<b>Total Financial Assets</b>		<b>25,798</b>	<b>44,620</b>	<b>9,090</b>	<b>11,705</b>	<b>235,161</b>	<b>326,374</b>
<b>Liabilities</b>							
Bank Overdraft	8.30%	75					75
Loans - Bank	7.24%		8,069	18,881	17,980		44,930
Loans - Other	8.59%		113	328	-		441
Lease Liabilities	7.50%		140	38	-		178
R&D Syndicated Deposits						65,694	65,694
Accounts Payable						6,091	6,091
Accrued Liabilities						26,497	26,497
Other Amounts Payable						588	588
<b>Total Financial Liabilities</b>		<b>75</b>	<b>8,322</b>	<b>19,247</b>	<b>17,980</b>	<b>98,870</b>	<b>144,494</b>
<b>Net Financial Assets</b>		<b>25,723</b>	<b>36,298</b>	<b>(10,157)</b>	<b>(6,275)</b>	<b>136,291</b>	<b>181,880</b>
<b>1997</b>							
Consolidated	Interest Rates	Floating Interest Rate \$000	Fixed Interest Rate Maturities			Non Interest Bearing \$000	Total \$000
			1 Year or less \$000	1 to 5 Years \$000	Over 5 Years \$000		
<b>Assets</b>							
Cash at Bank	3.5%	2,890				140	3,030
Managed Cash	4.9%	15,516					15,516
Bank Call Deposits	4.7%	9,459					9,459
Discount Securities	6.2%		79,355	17,003	16,790		113,148
Shares						82,987	82,987
Managed Trusts						16,476	16,476
R&D Syndicated Deposits						59,583	59,583
Other Investments						43	43
Other Managed Assets (Net)						252	252
Accounts Receivable						13,650	13,650
Loans	7.2%		15	35		326	376
<b>Total Financial Assets</b>		<b>27,865</b>	<b>79,370</b>	<b>17,038</b>	<b>16,790</b>	<b>173,457</b>	<b>314,520</b>
<b>Liabilities</b>							
Bank Overdraft	8.75%	44					44
Loans - Bank	8.01%		7,926	27,913	37		35,876
Loans - Other	8.59%		122	441	-		563
Lease Liabilities	9.17%		189	200	-		389
R&D Syndicated Deposits						59,583	59,583
Accounts Payable						7,506	7,506
Accrued Liabilities						24,612	24,612
Other Amounts Payable						644	644
<b>Total Financial Liabilities</b>		<b>44</b>	<b>8,237</b>	<b>28,554</b>	<b>37</b>	<b>92,345</b>	<b>129,217</b>
<b>Net Financial Assets</b>		<b>27,821</b>	<b>71,133</b>	<b>(11,516)</b>	<b>16,753</b>	<b>81,112</b>	<b>185,303</b>

## NOTES TO AND FORMING PART OF THE ACCOUNTS AS AT 31 DECEMBER 1998

## 6. FINANCIAL INSTRUMENTS DISCLOSURE (continued)

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

	1998 \$000	1997 \$000
<b>Net Financial Assets as above</b>	181,880	185,303
<b>Add Non Financial Assets</b>		
Inventories	3,052	2,765
Payments in Advance	13,026	13,285
Property, Equipment & Library Books	655,578	620,879
Monash University Foundation Investment Property	25,950	22,420
Leasehold Improvements	3,128	2,733
Government Superannuation Contributions	111,564	-
	<u>812,298</u>	<u>662,082</u>
<b>Less Non Financial Liabilities</b>		
Prepaid Rental	(6,084)	(6,800)
Student Fees Paid in Advance	(5,876)	(6,335)
Government Grant Received in Advance	(23,388)	(23,703)
Employee Entitlements	(74,798)	(65,729)
Deferred Employee Benefits for Superannuation	(111,564)	-
	<u>(221,710)</u>	<u>(102,567)</u>
<b>Net Assets per Balance Sheet</b>	<u>772,468</u>	<u>744,818</u>

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

## (i) Financial Assets

**Investments [Note 7]**

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

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

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

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

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

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

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

**Receivables [Note 5]**

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

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

## NOTES TO AND FORMING PART OF THE ACCOUNTS AS AT 31 DECEMBER 1998

## 26. FINANCIAL INSTRUMENTS DISCLOSURE (continued)

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

## (ii) Financial Liabilities

**Loans - Bank [Note 9]**

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

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

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

**Accounts Payable, and Accrued Liabilities [Note 8]**

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

## (c) Fair Values

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

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

Market Value	1998 \$000	1997 \$000
<b>Managed Funds:</b>		
National Australia Asset Management Ltd	81,491	72,708
Integrated Equity Pty Ltd	10,138	9,831
<b>Common Fund:</b>		
Westpac Investment Management Pty Ltd	18,037	13,239

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

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

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

## (d) Credit Risk

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



## 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 1998, comprising an operating statement, balance sheet, statement of cash flows, and notes to the financial statements, has been audited. The financial report includes the consolidated financial statements of the economic entity, comprising Monash University and its controlled entities 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 University's Council 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 does not provide any assurances that the systems of the University and its controlled entities, or any other systems that they rely on in the conduct of their activities such as those of suppliers and service providers are year 2000 compliant, or whether plans and associated actions are adequate to address the year 2000 issue. The year 2000 issue has been addressed only in the context of existing audit responsibilities under Australian Auditing Standards to express an opinion on the financial report.

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

### Qualification

As disclosed in note 24 to the financial statements, the Commonwealth Government has undertaken to reimburse the University in respect of the cost of the annual pension payments paid by the University to the Victorian Superannuation Board in relation to former higher education employees. The University's future call on Commonwealth funding has been recognised as an asset in its balance sheet as at 31 December 1998 and has been valued at \$111.6 million, which equates with the amount of the University's unfunded superannuation liability.

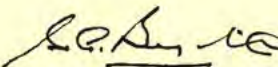
On 11 March 1999, the Minister for Finance wrote to the Commonwealth Minister for Education, Training and Youth Affairs seeking acknowledgment of whether the Commonwealth Government had a present obligation in relation to the unfunded superannuation liabilities of Victorian Universities. However, a written confirmation has not been provided to this effect by the Commonwealth Government. In addition, the Commonwealth Government does not recognise an equivalent amount as a liability in its financial statements, a position which is agreed by its auditor, the Commonwealth Auditor-General.

In my opinion, as the University does not exercise control over the future Commonwealth Government funding associated with the unfunded superannuation liability of the University as at 31 December 1998, a right to these funds should not have been recognised as an asset in the University's balance sheet. Accordingly, the University's reported assets have been overstated by \$111.6 million and the operating surplus for the financial year has been understated by \$8 million.

**Qualified Audit Opinion**

In my opinion, except for the effect on the financial report of the matter referred to above, the financial report presents fairly the financial position of Monash University and the economic entity as at 31 December 1998 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  
11/5/1999

  
C.A. BARAGWANATH  
Auditor-General

**MONASH UNIVERSITY**  
**ACCOUNTS FOR THE YEAR 1998**

**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 1998 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


26 April 1999

**Statement by the Vice-Chancellor and the General Manager**

In our opinion:

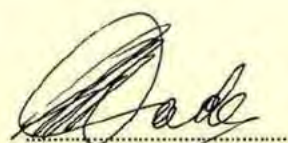
- (a) the financial statements of Monash University present fairly the financial transactions of the University during the financial year ended 31 December 1998, and the financial position of its operations for the year ended on that date, and
- (b) the financial statements of the body have been prepared 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

26 April 1999



P. B. WADE  
General Manager

26 April 1999



Victoria

Level 3, 1 Treasury Place,  
Melbourne 3002, Victoria  
Telephone: (03) 9651 2123  
Facsimile: (03) 9651 2129

**MINISTER FOR FINANCE  
MINISTER FOR GAMING**

**Response to the Auditor-General's Qualification**

Dear Reader

The Auditor-General has resolved to qualify the University's financial report on the grounds that he is unable to confirm, as an asset, the receivable from the Commonwealth Government to cover the costs associated with the unfunded superannuation liability.

In my view, while the approach taken by the Auditor-General may be justified in technical terms, it fails to recognise the actual relationships involved and to that extent, is quite misleading. The Commonwealth Government has provided funds for the unfunded superannuation liabilities of universities since funding responsibility for higher education transferred to the Commonwealth 25 years ago. Further, guidelines issued by the Commonwealth require universities to recognise as an the asset the Commonwealth's commitment to meet unfunded superannuation costs. The Victorian Government Solicitor's Office confirms that it is reasonable for universities to recognise a legal supportable claim on the Commonwealth for the funding of unfunded superannuation liabilities. On the basis of these facts, the Department of Treasury and Finance has advised that the receivable from the Commonwealth qualifies as an asset as defined in Statement of Accounting Concepts (SAC 4) *Definition and Recognition of the Elements of Financial Statements*.

For these reasons, I believe the approach taken by the Auditor-General misrepresents the financial position of the University. Failure to recognise the receivable from the Commonwealth suggests that the University will need to fund its unfunded superannuation liability from its balance sheet. This, however, bears no relationship with the financial reality that the Commonwealth is committed to meet these costs and that obligation reflects a long-standing agreement between the State of Victoria and the Commonwealth.

I note also that universities in both New South Wales and South Australia recognise a receivable from the Commonwealth for the ongoing costs of meeting their unfunded superannuation liabilities and that this treatment does not attract audit qualifications in those jurisdictions.

I am disappointed that this matter could not be resolved this financial year and I commend the University for its patience and diligence in seeking to resolve this matter.

Yours sincerely

**ROGER M HALLAM MLC**  
**Minister for Finance**  
**Minister for Gaming**







**MONASH**  
UNIVERSITY