



Performance Report for Quarter one of 2019/20

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Strategic Overview

VISION

Digitally competent citizens

MISSION

To drive national digital skills development, enhancing competence for sustainable socio-economic development in South Africa

VALUES

Innovation – Establish an innovative research network focusing on digital skills with links to universities locally and internationally;

Collaboration and Agility – Work collaboratively to leverage existing capacity and resources and help existing service providers better align to the MTSF and NDP;

Visionary – Provide diversified, unique digital skills education, training programmes and digital skills upliftment programmes across key stakeholder groups;

Impactful and Integrity – Achieve change by acting as a catalyst to achieve national goals in developing an active citizenry and inclusive Information Society and Knowledge Economy.

Overview by the Chief Executive Officer

NEMISA was established as an institution of education and learning specializing in information and communication technology (ICT) related education for the development of South African as a Knowledge Economy and Digitally skilling the nation to participate in an Information Society.

Financial performance:

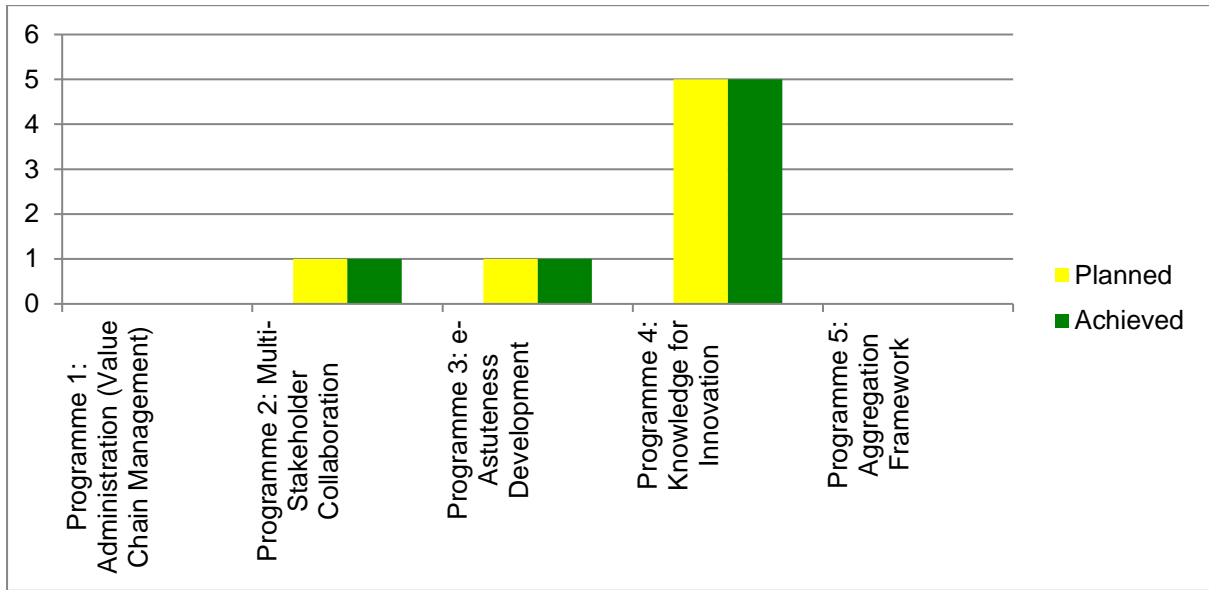
The entity has released almost all its tranches to the CoLabs for the quarter under review except for Limpopo which will be finalized shortly.

Key achievements of the entity for quarter 1 are:

NEMISA has achieved 100% for the quarter. This is due to constant monitoring of deliverables and risk assessment throughout the quarter. NEMISA hosted the IBM CSC (“Corporate Social Corps”) team for a month and benefited from diverse range of international expertise. NEMISA presented its APP before the Portfolio Committee on 3 July 2019 in Cape Town.

Mr. Phuti Phukubje
Acting Chief Executive Officer

Summary of overall performance



■ Achieved



Overall 100%

PART 1: PROGRAMME DEVELOPMENT

1.1 PROGRAMME 2: MULTI-STAKEHOLDER COLLABORATION

Strategic Outcome Oriented Goal 2:	Formalised multi-stakeholder collaborative networks for e-competence development.
Goal Statement	Build a network of partnerships to stretch and combine resources to accomplish projects and objectives of mutual interest and benefit
Strategic Objective 2.1	Advocacy, awareness and partnerships
Objective Statement	Ensure effective advocacy and awareness - Creating awareness in terms of who the institution is and what it does (awareness of digital essentials) Ensure the institute's mandate as well as brand are communicated properly to South African citizens and communities

Impact: The multi-stakeholder collaborative network will contribute to the massification of building e-astuteness across all levels of society – thought-leaders, e-practitioners, e-users and the ICT-illiterate – to support a growing Digital Economy and Digital Society as articulated in the approved National Integrated ICT Policy (DTPS).

Quarterly aim: The focus was on awareness, recruitment of learners, stakeholder engagement and business development

No	Performance Indicator	Reporting Period	Annual Target 2019/20	Quarter 1 Target	Actual Performance	Deviation between planned target and actual achievement	Comments on deviation	Interventions that will be put in place
Strategic Objective: Raise brand and digital skills awareness								
2.1.1	Number of advocacy and awareness campaigns conducted by the institute and CoLabs	Quarterly	24	Advocacy and awareness campaigns action plan developed	Advocacy and awareness campaigns action plan developed	-	-	-

Legend

Target	Achieved / To Report	Achieved but not planned
No Target	Not Achieved	Over Achieved

ADVOCACY AND AWARENESS

1. **The Economic Opportunities Walk & EXPO** is an annual event which took place at the Emfundisweni Centre, Ntabankulu, Eastern Cape

The 2019 Freedom Walk & Economic Opportunities EXPO was preceded by a schedule of build-up programmes which included training, information sharing sessions, cyberlab installations, hackathon and schools outreach programmes which stretched from 1 to 12 April 2019. The main event on the 13th April led into an economic opportunities exhibition centre where the community interacted with participating organisations

In-House training, EC CoLab and NC/SG CoLab offered training to youth in Ntabankulu in content creation, radio production, 3D printing, digital marketing and digital literacy. More than a hundred youth and community radio stations personnel were trained in that week.

- We used social media (Twitter and Facebook) and our website to profile our work and Vibe Online also profiled us on their online platform.

Some of the Comments we received on social media :

[Onke-we Salu Events-Hire Mbulali](#): Thank You Nemisa we had a great and successful training We also exhibited - therefore, interacting with the community.

2. **Eastern Cape e-Learning Summit** is an annual event targeting high schools in East London. Our EC CoLab was exhibiting at this event, showcasing the work that they are doing in the Eastern Cape, especially courses targeted at High School learners and TVET Colleges.

3. **Digital Economy Summit Pre-Events.**

The Ministry of Communications and Digital Technologies was hosting a reconfiguration team building and NEMISA was requested to expose departmental officials to various Fourth Industrial Revolution innovations through a practical approach. For the 2 days NEMISA and its NC/SG CoLab did practical workshops on Stop Motion (2D Animation), 3D Modelling, long form animation and coding. The CoLab showed them how 3D printing is done. The coding group came up with a website landing page after the training they received. It can be viewed here: commdigitech.weebly.com

At the exhibition at the Vaal University of Technology (Sebokeng), NEMISA conducted a show & tell radio production training (how to use a recorder, record and edit vox pops) to 60 youth. The CoLab showcased 3D Printing. This exhibition was attended by over 350 people. The vox pops were loaded on SoundCloud : <https://soundcloud.com/nemisa/vox-pop-4ir-technology-thembi-vera-katlego>

Marketing Officer was interviewed at the summit by Ntate Thuso Motaung from Lesedi FM on the training interventions and the recruitment drive.

4. Graduations

The Western Cape CoLab had 2 graduations: Oudtshoorn and George.

The learners graduated in Digital Literacy, Advanced course in Android mobile app development, Digital Identity Management, Mobile-Tech for SME business development



The CoLab also launched the cybersecurity app: Ultimate Celebrity Manager App

Northern Cape/South Gauteng CoLab had a graduation in Boksburg, Johannesburg. There was also a launch of the HCLS Academy which is the CoLab's training partner on the day.

5. NEMISA in the News (all articles on our website)

1. **SNews.Gov.Za** 12/6/2019 - Article on NEMISA titled : “NEMISA fights youth unemployment”. 2 of our alumni were interviewed: Mohau Kwebu from the Free State (TV) and Sinethemba Gwexane from the Eastern Cape (Animation).
2. **Econ News in Brief** – Article on training partnership on cellphone technician skills training between NC/SG CoLab, Department of Economic Development and Tourism (NC) and Vaal University of Technology.
3. **Voices360** Article on Cyclone Idai by KZN CoLab Director Dr Thakur.

STAKEHOLDER ENGAGEMENTS

1. Communicators Forum Meetings
2. DeDAT, DCDT, NC/SG CoLab, In-House Unit training collaboration meeting
3. Eastern Cape ICT Working Group Meeting on status of broadband connectivity in the Eastern Cape and ICT Skills training interventions by our EC CoLab
4. ThisIsIt Group – ArtsOne Free Wi-Fi hotspot for NEMISA – partnership meeting.

IN-HOUSE ACTIVITIES

1. Recruitment Drive (Social Media) – 2nd intake for Graphic Design and Animation Unit
2. On-boarding of Media Monitoring Company – Newsclip

NEMISA RECENT AND UPCOMING EVENTS

- | | |
|----------------------|---|
| 1. 4 July 2019 | Eastern Cape CoLab Research Colloquium |
| 2. 27-28 August 2019 | Symposium on NEMISA's Digital Skills Plan of Action for 4IR |
| 3. 29 August 2019 | Digital Skills Colloquium |

1.2 PROGRAMME 3: E-ASTUTENESS DEVELOPMENT

Aim: The purpose of Programme 3 is to help existing service providers better align to and support the National Integrated ICT Policy, SA Connect (broadband policy), SA Internet for All, NeSPA 2013, MTSF 2014-2019, NDP, SDGs and the WSIS Plan of Action. This is done by leveraging existing ICT education and training expertise, infrastructure, and courses.

What it entails: The Institute collaborates with existing national and international institutions, civil society, organised labour, and private Organisations. These partnerships focus on e-astuteness development, i.e. new curriculum planning, course development, and course presentation within a national digital skills curriculum and competency framework.

Impact: Ensure digital skills shortage is addressed. Digital skills training forms the basis (entry step) for the digitally skilled/e-astute learning pathway. (Digital Literacy is ‘the ability of individuals to use digital tools and facilities to perform tasks, to solve problems, to communicate, to manage information, to collaborate, to create and share content and to build knowledge, in all areas of everyday life and for work’.)

Digital skills delivery is targeted at all levels (e-practitioners, information / knowledge workers [e-users], thought-leaders and ICT illiterate citizens) and will leverage existing centers (community centers, schools, TVET colleges and universities) to ensure local knowledge production and digitally skilled citizenry.

No	Performance Indicator	Reporting Period	Annual Target 2019/20	Quarter 1 Target	Actual Performance	Deviation between planned target and actual achievement	Comments on deviation	Interventions that will be put in place
Facilitate digital skills training through training interventions								
3.1.1	Number of Digital Literacy learners trained per annum	Quarterly	6500	-	806	806	See table below	-
3.1.2	Number of sector users trained per annum	Quarterly	2500	-	962	962	See table below	-
3.1.3	Number of ICT practitioners trained per annum	Quarterly	800	-	99	99	See table below	-
3.1.4	Number of e-Leaders trained per annum	Quarterly	240	-	80	80	-	-
3.1.5	Number of senior government employees participating in programme on digital transformation for the public service	Quarterly	50 senior employees	-	-	-	-	-
Strategic Objective: Provide broad learning access through the learning system to ensure digital skills massification								
3.2.1	Implemented Learning management system	Annually	Phase 1 the learning management system implemented	Specifications for the system are finalised	Specifications for the system are finalised	-	-	-
Strategic Objective: Enhancing Leadership's understanding of the application of data, data analytics and Artificial Intelligence for strategic decision-making								
3.3.1	Number of senior Government employees participating in training workshop on the application of data, data analytics and Artificial Intelligence for strategic decision making	Bi-Annually		-	-	-	-	-

No	Performance Indicator	Reporting Period	Annual Target 2019/20	Quarter 1 Target	Actual Performance	Deviation between planned target and actual achievement	Comments on deviation	Interventions that will be put in place
Strategic Objective: Enhancing Government employees' understanding of the nexus of privacy, data protection and regulation e.g. POPIA, GDPR & Cybersecurity								
3.4.1	Number of Government and employees participating in training workshop on enhancing the understanding of the nexus of privacy, data protection and regulation	Bi-Annually		-	-	-	-	-

Legend

Target	Achieved / To Report	Achieved but not planned
No Target	Not Achieved	Over Achieved

Programme 3: Comments on Achievements

	Performance Indicator	Comments
3.1.1	Number of e-literacy learners trained:	806 learners were trained during the quarter under review, the number will be cumulatively counted in quarter 2, as no training was planned for the quarter.
3.1.2	Number of sector users trained:	962 learners were trained during the quarter under review, the number will be cumulatively counted in quarter 2, as no training was planned for the quarter.
3.1.3	Number of ICT practitioners trained:	99 learners were trained during the quarter under review, the number will be cumulatively counted in quarter 2, as no training was planned for the quarter.
3.1.4	Number of e-leaders trained:	80 learners were trained during the quarter under review, the number will be cumulatively counted in quarter 2, as no training was planned for the quarter.

1.2.1 THE IN-HOUSE TRAINING DIVISION'S REPORT FOR Q1 REFERS:

This report provides an understanding and account of teaching and learning activities covered for Quarter 1 for the new financial year. In this quarter, the In-House Training team-initiated building capacity for sector users, digital literacy for e-learners and e-leaders workshop with the provision of learning materials, the roll out of skills courses, the assessment and quality assurance of registered learners and the provision of Statement of Results (SORs).

- **The In-House Training Division's report for Q1 refers:**
 - Graphic Design qualification in progress (Parktown)
 - Animation qualification in progress (Parktown)
 - Digital Photography for Ghana Students (Parktown)
 - Content Generation on Mobile Devices for National Health Laboratories
 - Digital Literacy; Radio Production; Video Content Generation (Ntabankulu)
 - Interactive Media Training in De Aar (NC)
 - Skills Radio Production Programme (KwaZulu Natal)
 - Statement of Results for Mokopane Community Radio (Limpopo)
 - Workshop/Presentations to the Department team building activities
 - VUT Open Day Tech (Sebokeng)

The Ntabankulu Freedom Walk and Economic Opportunities

The Minister and Deputy Minister of Communications, Ms. Stella Ndabeni-Abrahams and Ms. Pinky Kekana, led an inter-ministerial outreach programme in Ntabankulu, Eastern Cape. In the build-up to the event, NEMISA conducted several short courses in media training and digital literacy.

- Digital Literacy and Social Media – this training was a partnership between DTPS, ZADNA and NEMISA and covered the outcomes in: Domain Reseller; Register Training; Social Media and the fundamentals of Digital Literacy.
- Content training using Mobile Devices – this training by NEMISA providing digital story-telling from idea to final product using a mobile device for filming, editing and creating a You Tube account.
- Role of Community Radio in the digital era – this training aimed at Station Managers on Convergence playing a significant role in 4 areas in particular: Transmission; Production; Consumption and Audience Participation. However, the training included several unemployed youth and Print Managers.

Self-Funded Courses

- The National Health Laboratories of South Africa requested NEMISA to train its Health Practitioners to document its training sessions by creating audio visual content. A short course using tablets (iPad) to script their content, shoot, edit, package and upload to You Tube and their organization's website.
- Central University Ghana brought 10 Learners and 2 faculty members to NEMISA for a practical course in Digital Photography. The logistics of accommodation, visa letter, shuttle services, field trips, course work and photo-walk sessions were NEMISA's business to plan, organise and implement. Learners had exposure and experience with InDesign; Illustrator and Photoshop software.

Ermelo Project

- Recruitment completed
All 30 learners have been identified. Letters of acceptance have been sent to each learner.
- Start dates
At EXCO Meeting of June, the Start Dates for Ermelo Project were endorsed as follows:
 - Film and Television – On Monday 1 July, students to arrive in Johannesburg. Registration starts Tuesday 2 July
 - Radio Production – On Wednesday 10 July, students to arrive in Johannesburg. Registration starts Thursday 11 July
 - Interactive Media – On Monday 29 July, students to arrive in Johannesburg. Registration starts Tuesday 30 July
- Estimated Budget

Description	Budget
Accommodation	3 166 020
Student Stipend	720 000
Transport To/From Ermelo	312 000
Stationery	79 000
PT Facilitation Fees	441 000
Incidentals	146 028
TOTAL	4 864 048
- Logistics
Transport, Accommodation, Classrooms and Furniture is under procurement process.

Participation in Communications Department Strategic Meeting: VUT EXPO and GCIS Master Class on Digital Skills

The Ministry of Communications hosted a capacity and team building event for its officials and invited NEMISA's Training Team to participate as workshop facilitators. The Animation and Multimedia team ran two-day workshops on:

- Stop Motion (2D Animation)
- 3D Modelling
- Long Form Animation
- Basic Web Design (Coding)

In commemoration of Youth Month, GCIS hosted a Master Class Session on the transition of traditional media to digital platforms. GCIS invited 60 interns and communication staff members employed in Government Departments including DIRCO, the Presidency SIU, NDP DOJ, etc. NEMISA spoke to changes in the digital media space focusing on 7 technologies of the future and threats and opportunities in the communication chain affecting Source, Message, Channel, Recipients and Effect. Other presentations came from entrepreneurs and leaders at Varsity TV, Capital Live Radio, SABC Digital, PINA News, Ayana Innovation Magazine, EOH (social media outfit). The person representing SABC Digital is a NEMISA graduate, Luvuyo Mdeni (Radio Class 2007). The event was welcomed by GCIS Acting DDG Michael Currin and closed by Chief Director William Baloyi

VUT – Open Tech Day. The event was at VUT Sebokeng Campus. The participants were both curious and enthusiastic. Our stand had info packs (brochures, and application forms). The application forms were taken by the students for themselves as well as other people who were not there, but who could be interested in our courses. We had the participants sign slips of interest – we've created a database for future promotion of courses. Participants were particularly interested in Radio and TV Production.

APP Targets: Facilitate digital skills training through training interventions

Number of Digital Literacy training – developing digital skills and competencies for Digital Literacy

Achieved 36

- Ntabankulu: 36

Challenges:

- **Venue:** not conducive to training. No tables for participants. Facilitators had to stack 2-3 chairs placed in front of participants on which they could place the laptops.
- **Laptops:** not enough for all participants; as a result, participants had to share laptops.

Number of sector users training – developing digital skills and competencies for Media Production

Achieved 183 Sector Users in Media Production in Q1.

- 21 X Radio Production (Ntabankulu – Umzimvubu Municipality)
- 7 X Radio Production (Kwa-Zulu Natal)
- 12 X Audio Visual Creation (Ntabankulu – Umzimvubu Municipality)
- 8 X Audio Visual Creation (Parktown – NHLS)
- 7 X achieved Statement of Results in Radio Production of 43 credits (Mokopane)
- 14 X Nemisa Certificates issued to Ezakheni Project
- 10 X Digital Photography from CUC Ghana
- 14x National Certificate in Interactive Media - De Aar
- 16x Graphic Design Foundation
- 10x 2D Animation
- 64 X Radio Production Training at VUT Tech Open Day (once off training)

Challenges:

- **Fulltime Learners:** some learners are unable to attend classes regularly as they either struggled with transport money or using more reliable modes of transportation due to financial constraints. We resolved to provide them with a transport allowance of R1500 each to allow them to use more reliable modes of public transport (e.g. using taxis instead of using trains).

Number of e-Leadership training – developing digital skills and competencies for Media Production

Achieved 50 e-Leaders in GCIS - Digital Skills Master Class in Q 1. (Once Off)

Achieved 300 e-Leaders at DoC and DTSP officials in Animation and Interactive Media Awareness (Once Off).

Opportunities

- 131 signed visitors engaged the NEMISA team at VUT Open Day Tech EXPO (Exhibit)
- Expanded our learner base to rural towns and provinces in Eastern Cape, Limpopo and KwaZulu Natal.
- MICT SETA Verification Report Approved Skills Programme Evidence meeting ETQA requirements.
- Social Media Activity – promoting NEMISA activities and event on Facebook and Instagram
- Studio Refurbishment – phase 1 of Production Studio is completed.
- MICT SETA Funding proposals: No Progress.
- CUC Ghana Achieved. Dates ran from 19 May to 1 June 2019.
- NW Radio Production training. Co-Lab Director in progress with start of course.
- National Certificate: Interactive Media with Siyafunda Trainers in Gauteng (signed MoU)

Plans for Quarter 2 (2019/20)

In Houses Course	Participants	Province	Evidence	Comments
FET: Design Foundation	20	Gauteng	Application & Entrance Assessments	
NC: 2D Animation	20	Gauteng	Application & Entrance Assessments	
NC: Interactive Media	10	Gauteng	Registration & Baseline Assessments	Ermelo Project
NC: Interactive Media	10	Gauteng	Application & Entrance Assessments	
NC: Interactive Media	17	Gauteng	Registration & Baseline Assessments	Siyafunda Project
NC: Interactive Media	20	Gauteng	Registration & Baseline Assessments	Free State Project
Digital Literacy & Social Media	20	Eastern Cape	Registration	
NC: Interactive Media	14	Northern Cape	Summative Assessments	Preparation of PoEs for Moderation
NC: Radio Production	10	Mpumalanga	Registration & Assessments	Ermelo Project
NC: Film & Television	15	Mpumalanga	Registration & Assessments	Ermelo Project
NC: Radio Production	15	KZN	Registration & Assessments	Community Radio
NC: Radio Production	15	North West	Registration & Assessments	Community Radio
Skills Film & Television	15	KZN	Registration & Assessments	CMC Project

1.3 PROGRAMME 4: KNOWLEDGE FOR INNOVATION (K4I)

Aim: The purpose of Programme 4 is to look for appropriate, and often innovative, ways to address systemic problems and other inefficiencies and weaknesses in achieving learning success. This includes finding ways to identify entrants with potential that do not have the required entrance qualifications; supporting under-prepared students; introducing work-integrated learning and practical components into programmes.

What it entails: As a core function, the Institute is responsible for research and policy development and developing a citizenry for the Information Society and Knowledge Economy. This process of reflection and renewal will be central to its vision of being responsive, flexible and innovative.

Impact: It will provide a focus for continuous research in a cross-disciplinary manner to concentrate on:

- New ways to embed technology into people's lives to improve business opportunities and access government services and social cohesion
- Managing evidence-based research and development for a collaborative knowledge economy to address the national goals (MTSF 2014-2019 and NDP 2013)
- Participating in the development of an evaluation and monitoring framework for collaborative knowledge economy-based efforts to address national goals e.g. MTSF 2014-2019 and NDP 2013
- Having a proactive approach to environmental scanning in a rapidly changing landscape (through its national platform that can more adequately assess gaps, overlaps and opportunities for collaborative approaches).

No	Performance Indicator	Reporting Period	Annual Target 2019/20	Quarter 1 Target	Actual Performance	Deviation between planned target and actual achievement	Comments on deviation	Interventions that will be put in place
Strategic objective: Produce relevant research programmes to identify digital skills demands and gaps								
4.1.1	Number of national environmental scans conducted	Annually	1	Research instrument, scope and validation defined	Research instrument, scope and validation defined	-	-	-
Strategic objective: Contribute to research capacity								
4.2.1	Number of postgraduate research funded on key digital skills required for the 4IR era	Annually	3 Research reports on status of research initiatives funded	Agreement on research areas are concluded	Agreement on research areas are concluded	-	-	-
4.2.2	Number of non-degree research funded on key developments of ICT	Annually	3 Research reports on status of research initiatives funded	Agreement on research areas are concluded	Agreement on research areas are concluded	-	-	-
Strategic objective: Facilitate knowledge transfer through the network								
4.3.1	Number of national research colloquiums hosted	Annually	1	Desired outcome of the colloquium finalised	Desired outcome of the colloquium finalised	-	-	-
4.3.2	Number of formal engagements held with digital and ICT thought-leaders	Annually	6	-	1	-	See table below	-
4.3.3	Hosting the Fourth Industrial Revolution (4IR) Symposium to develop 4IR plan of action for NEMISA	Annually	4IR symposium hosted and 4IRPA for NEMISA developed	Arrangements for hosting the 4IR symposium concluded	Arrangements for hosting the 4IR symposium concluded	-	-	-
4.3.4	Number of digital skills summits hosted	Annually	1	-	-	-	-	-

Legend

Target	Achieved / To Report	Achieved but not planned
No Target	Not Achieved	Over Achieved

Programme 4: Comments on Achievements

	Performance Indicator	Comments
4.3.2	Number of formal engagements held with digital and ICT thought-leaders	<p>There were thought leader engagements with Statistics SA on formulating the research instrument for digital skills in organisation and government.</p> <p>Benefits / Impact:</p> <ol style="list-style-type: none"> 1. The research questions for the environmental scan were validated, and more questions contributed. 2. Received advice on how to gain access into business and government for research purposes at a national level.

1.4 PROGRAMME 5: AGGREGATION FRAMEWORK

Aim: The purpose of Programme 5 is to build a formalised multi-stakeholder aggregation and collaborative network that allows the Institute to link outputs and impact and helping existing service providers to demonstrate measurable impact against national strategic plans.

What it entails: The Institute will implement a monitoring framework to aggregate the uptake of technology within society and consistently address the opportunities highlighted between supply and demand of digital skills to deliver against the MTSF 2014-2019 goals, NDP 2013, and SDGs, and to support the local needs of an ever-evolving information society and knowledge economy.

No	Performance Indicator	Reporting Period	Annual Target 2019/20	Quarter 1 Target	Actual Performance	Deviation between planned target and actual achievement	Comments on deviation	Interventions that will be put in place
Strategic Objective: Provide strategic direction by developing frameworks and policies that will guide in measuring impact								
5.1.1	Monitoring and evaluation framework developed and submitted to Board	Annually	1 Monitoring and evaluation framework developed and submitted to Board	-	-	None		

Legend:

Target	Achieved / To Report	Achieved but not planned
No Target	Not Achieved	Over Achieved

Part 2: National Support Services: Institutional Development (Administration)

This section of the report highlights the key activities related to Programme one. It comprises of the work done in the areas of:

- Managing its human resources
- Managing its assets
- Operations
- Managing its financial resources and how it supports national policies such as SMME Development

No	Performance Indicator	Reporting Period	Annual Target 2019/20	Quarter 1	Actual Performance	Deviation between planned target and actual achievement	Comments on deviation	Interventions that will be put in place
Strategic objective: Efficient business process support within the institute by developing strategies and plans								
1.1.1	Transformation strategy for NEMISA is developed, approved and implemented	Annually	1 Transformation Strategy developed and approved	-	-	None	-	-

Legend:

Target	Achieved / To Report	Achieved but not planned
No Target	Not Achieved	Over Achieved

2.1 CREATING A WORKFORCE FOR THE FUTURE

The purpose of the HR Unit role in the organisation is to effectively manage and execute the HR Strategy and Plan aligned to the overall strategic and annual performance plan of the organisation.

The Board approved the organisational structure that will guide new appointments and critical posts. The posts of Chief Executive Officer, Company Secretary, Executive Manager: Strategy and Planning, Risk Specialist, Asset Management Officer, National CoLab Director, Assistant CoLab Director, and ICT Technician and Production Manager are vacant. The posts could not be filled due to the temporary moratorium on the filling of posts.

WORKFORCE REPORTING: HEADCOUNT /ESTABLISHMENT COMPARISON

Current headcount in relation to first quarter of 2019/20 is as follows:

Table 1: Headcount

Group	Quarter 1
Permanent staff	32
Fixed term staff	8
Temporary staff	4
Total	44

Note:

*The number of fixed term employees as on the structure, includes the stand-in of the CEO post, however recorded vacant on table 1.1.3 of vacancies: **4**

*The number of fixed term employees additional to structure: **4**

*The number of temporary employees as on the structure: **1**

*The number of temporary employees additional to the structure: **3**

- **Permanent employee:** an employee appointed on a permanent basis.
- **Fixed term employee:** an employee appointed on a long term (1-5 years) that has an end date in a full-time position or for a specific project.
- **Temporary employee:** An employee who is appointed on a short term (1 day to 6 months) to meet a temporary and finite organisational need.

Table 2: Occupational Levels

Occupational levels	Approved headcount	Quarter 1 2019/ 2020
Top Management (level 14- 15)	3	1
Senior Management (level 13)	4	1
Professional qualified (level 11-12)	7	6
Skilled level (6-10)	26	25
Semi-skilled (1-5)	8	10
Acting CEO	-	1
Total	48	44

There was a total of 44 employees in the organisation as at the end of Quarter 1.

2019/20 FY DELIVERY PRIORITIES

- Employees training, and development aligned to the approved structure and WSP/ATR
- Preparation and Submission of HR Quarterly Performance Reports
- Appointment of additional headcounts as per the approved structure
- Submission of compliance/legislative reports
- Regularly updating information on the HR System as well as usage of Online systems vs Manual filing of documents only as well as scanning other manual documents

APPOINTMENTS AND TERMINATIONS

Table 3: Appointments and Terminations

Occupational levels	Appointments Quarter 4 2018/19	Terminations Quarter 4	Appointments Quarter 1	Terminations Quarter 1
Top Management (level 14- 15)	0	0	0	0
Senior Management (level 13)	0	0	0	0
Professional qualified (level 11-12)	0	0	0	0
Skilled level (6-10)	2	0	3	2
Semi-skilled (1-5)	0	0	3	1
Total	2	0	6	3

STAFF VACANCIES

There are currently 13 vacancies as per the approved structure

Table 4: All Staff Vacancies

Level	Vacancies
Top Management (Executives) (level 14- 15)	2
Senior Management (level 13)	3
Professional (level 11-12)	1
Skilled (level 6-10)	7
Semi-Skilled (1-5)	0
Total	13

MOVING TOWARDS A PERFORMANCE MANAGEMENT CULTURE

Performance management is a strategic objective of the organisation and is aimed at:

- Identifying talented employees
- Encouraging a culture of learning
- Ultimately give rises to an effective and efficient organization.

As an organisation we have addressed and will continue to address the gaps linked to performance management – using performance management as a key strategic tool.

The 2018/19 performance management cycle is in the process of being finalised. Employees performance reviews where submitted to HR and an Audit was done to make sure that the whole process is in line with the approved Performance Management Policy and Framework.

Just like the HR Plan Priorities, most of the below-mentioned Goals were implemented in Quarter 1,

SHORT AND MEDIUM-TERM HR GOALS:

HR - Managing the Present and the future

- The draft HR Policies were reviewed and presented to Human Resources and Remunerations Committee (HRRC).
- Enhance employee access and services through innovative HR systems and processes related in supporting the organisation.
- Formal training and development of financially assisted employees as per the approved WSP, in accordance with Skills Development policy. It is critical to give existing employees the opportunity to develop themselves within the organisation. This is done through approved training interventions.
- The Recruitment process was followed, and the talented skilled employees were appointed to help contribute to the organisational performance.
- The 2018/19 Performance Reviews being submitted and shared with HRRC and on the route to the Board for approval.

- Employees have submitted Performance Agreements for 2019/20 in Quarter 1.
- The Performance Incentive/Reviews Framework was prepared. The employees had an influence in all three spheres: 1) Individual excellence, 2) Departmental excellence and 3) Overall organisation excellence.

EMPLOYMENT EQUITY

As per the Employment Equity Act (EEA) 1998 (No 55 of 1988), the organisation submits its Employment Equity Plan on a three (3) year basis and Employment Equity Report annually to the Department of Labour.

The nominations of Employment Equity Committee took place and the Committee Members were appointed in June 2019. The Chairperson and the Secretary of the Committee were nominated.

Table 5: Occupational Level – Employment Equity

Occupational Levels	Male				Female				Disability	Foreign Nationals		Total
	A	C	I	W	A	C	I	W	All	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	0	1
Senior management	0	1	0	0	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	1	1	1	0	2	1	0	0	0	0	0	6
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	5	0	0	0	8	1	0	2	0	0	0	16
Semi-skilled and discretionary decision making	2	0	0	0	3	2	0	1	0	0	0	8
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	9	2	1	0	13	4	0	3	0	0	0	32
TOTAL FIXED-TERM EMPLOYEES	3	0	0	1	4	0	0	0	0	0	0	8
TOTAL TEMPORARY EMPLOYEES	1	0	0	0	3	0	0	0	0	0	0	4
GRAND TOTAL	13	2	1	1	20	4	0	3	0	0	0	44

- **Regular Communication**

Regular communication with employees has improved with the onboarding of both the Acting CEO as well as the CFO and the in keeping them abreast of the future of the organisation. The positive side of this is due to the observed high staff morale.

EMPLOYEE RELATIONS

Table 6: IR Status

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written Warning	0
Suspension	1
Dismissal	0
Total	1

2.2 AN ICT-ENABLED NEMISA

The strategic theme of the ICT business unit is 'towards an e-enabled NEMISA'. This encompasses alignment with NEMISA's strategy and business plan, growth and development of the organisation and its employees, and alignment to global trends.

The ICT Business Plan establishes the ICT vision and mission, and identifies four overarching ICT goals, their respective objectives and key strategies. It provides a blueprint for achieving the ICT mission and draws upon the NEMISA Strategic Plan and Annual Performance Plan 2019/20, consultations with business units, previous internal audit finding from the information technology general controls review, institutional challenges and opportunities, as well as ICT priorities. The business plan will also be aligned with the ICT Strategy Plan which is under construction.

Budgetary constraints continue to be a stumbling block in delivering some of the key objectives in the ICT business unit. As a result, key strategies and projects have been deferred and the activities during the period are as outlined below:

New Internet Service Providers Appointed

The lapsing of the Internet Service Provider (ISP) contract for the provision of internet connectivity and access to the hosted cloud infrastructure prompted the initiation of a procurement process for the services. With the support of the supply chain management unit, ICT identified and appointed a new ISP and subsequently the contract with the previous ISP was terminated.

The migration to the new ISP services was successfully executed in the first quarter. This has shown evident improvement in connectivity speeds, boasts an industry standard firewall to address security concerns and to provide a working infrastructure that is resilient to cyberthreats, as well as a mutually beneficial business relationship and support which is in line with the Service Level Agreement entered. This is critical in ensuring that NEMISA is well equipped to deliver on its mandate as a learning institution responsible that enables the country to fully embrace the Fourth Industrial Revolution (4IR).

The new ISP service also provides a secure tunnel for all telephony traffic for NEMISA employees, which resulted in a cost-savings on the voice service as an additional benefit. The ICT business continues to monitor the new service and engage with the ISP on how further improvements and management of usage can be controlled.

VOIP Onboarding

After numerous delays on the service provider end which saw the switching over to the newly appointed host postponed, the matter was brought to finality in the first quarter. The switchover was performed simultaneously with the ISP migration reported in the section above. The transition also brings forth cost savings for telephony services when compared to other alternatives. ICT is working on resolving small issues as and when they surface and is engaging with the service providers to ensure that NEMISA receives good value for money.

Skills Development for ICT staff

The inputs that the ICT business unit submitted for the organizational skills audit as well the outcomes thereof, coupled with the engagements of each member's individual skills development plan during the performance management process helped to identify the skills needed to improve the team's performance.

This led to the acquisition of online training mediums that suits the training requirements of the team. This method of training meets individual training requirements by way of easily accessible training material and simulations which allows the trainees flexibility when compared to traditional classroom methods. In addition, this method of learning also opens

doors to a wide range of training materials at a fraction of the price that it would cost when using the classroom methods and eliminates the need for absenteeism from work for purposes of attending classes at the trainer's facilities.

Training Equipment Tender Finalized

The tender process to procure new computers for the inhouse training unit has been completed and the supplier appointed. The state-of-the-art ICT equipment will be used to expand the training facilities to accommodate more students into other programs that have been developed. The ICT business will further engage with the suppliers to plan to roll out the project in the most efficient manner that will provide support to the inhouse training unit. Other support infrastructures will be procured to provide connectivity for the training staff and students.

Integration, Finance, Procurement and HR systems

The project for the integration of the systems into one central business management solution was carried out in the first quarter. This entailed the migration of the Finance and the procurement systems and the integration thereof. Numerous challenges were encountered during and after the project delivery and as a result the close-off has been halted to address the issues. Further changes will be implemented and reported upon at the end of the quarter.

Learning Management System Specifications Completed

One of the most important ICT projects for the 2019/20 financial year is the implementation of the Learning Management System. Working together with the committee appointed by the Acting Chief Executive Officer and by engaging different suppliers of the same services, a specification document was completed and submitted as required for the Annual Performance Plan objectives.

This has paved a way for the next activities for the project which is underway. Further progress will be reported on a quarterly basis until the project comes to fruition and is fully implemented.

ICT Governance Matters

The ICT business unit is in the process of reviewing the ICT governance framework and ensuring compliance with all the regulatory requirements. The most critical of these is the ICT strategy documents for which work has commenced to compose a draft document. The ICT strategy is an ever-evolving document that will assist NEMISA in mapping a way forward to cover the gap between the current ICT status and the envisaged technological undertakings to support NEMISA's strategic goals and objectives. The draft will be submitted for review by the Board in the next quarter.

Challenges

Following the migration to the new ISP, there were challenges with the functionality of the new connection. This affected connectivity to the internet, the hosted cloud services, as well as the quality of the voice calls. The ICT business unit engaged with the ISP to find ways to improve the services so that that they can best support the NEMISA objectives and deliver efficiency. A new security device (firewall) with more processing power was then installed on the infrastructure and this resulted in dramatic improvement on the performance of the service.

2.3 SMART PROCUREMENT

PURPOSE

The objective of this Procurement Report is to present an overview of the NEMISA's procurement activities for the first quarter ending ended 30 June 2019 the financial information contained herein may be subject to change

BACKGROUND

NEMISA operates with its own procurement unit whereby all supply chain management (SCM) activities are managed, governed and complies with Legislative framework:

- The constitution of the Republic of SA, 1996 (Section 217)
- Supply Chain Management (SCM) Guidelines from National Treasury
- Public Finance Management Act (PFMA) and Regulations
- Preferential Procurement Policy Framework Act (PPPFA) and its preferential Regulations
- NEMISA Procurement policy – submitted to Employment Equity (EE) Committee for approval
- The prevention and combating of corrupt Activities Act No. 12 of 2004
- Treasury regulations (issued in terms of PFMA Act 29 of 1999)
- National Treasury Central Supplier Database (CSD)
- National Treasury Practice notes and Instructions and circulars issued by National Treasury and the Office of the Chief Procurement Officer (OCPO)
- SCM: A guide to Accounting Officers.

ANALYSES OF PROCUREMENT ACTIVITIES IN THE QUARTER ENDED 30 JUNE 2019

ACQUISITION MANAGEMENT

Activities for the quarter are as below:

- Procurement in the Quarter and BEE procurement
- Report on Fruitless and Wasteful Expenditure
- Report on Irregular Expenditure
- General report for the SCM unit.

ANALYSIS OF PROCUREMENT ACTIVITIES IN THE QUARTER ENDED 31 MARCH 2019

The following goods and services were procured during the quarter under review:

NO	SUPPLIER	TRANSACTION DETAILS	AMOUNT	BEE LEVEL	BLACK OWNED	SMME?
1	African Directory Services	Marketing Publishers	R 28 692.50	9	0.00%	Non-Compliant
2	Altron Tmt	Office automation solution for 3 years.	R 45 478.46	3	53.87	Generic
3	Auditor General	External audit	R 752 627.51	9	0.00%	Non-Compliant
4	Avis Car Rental	Car rental	R 7 667.32	3	51.98%	Generic
5	Broadcast & Installation Engineering (Pty)Ltd	Installation of 1 X air and 1 X production studios	R 501 785.25	2	51.00%	EME
6	Buncwane Projects And Supplies	Catering services in Ntabankulu	R 27 500.00	1	100.00%	EME
7	Cbx Tech	IT services	R 6 210.00	2	51.00%	QSE
8	City of Johannesburg	Property rates and taxes	R 56 008.62	9	0.00%	Non-Compliant
9	Cqs Technology	CaseWare Software license	R 78 637.00	2	28.81%	QSE
10	Dipula Property	Lease	R 1 463 184.71	6	41.41%	Generic
11	Docufile	Offsite storage	R 5 932.36	4	25.30%	EME
12	Dot Office	Staff refreshments	R 13 041.62	1	100.00%	EME
13	Du Point Construction	Construction 3rd floor Partitioning	R 24 750.00	1	100.00%	EME
14	EOH	Cloud services	R 108 624.64	1	30.22%	Generic
15	Eurantica Trading	Accommodation for Board members	R 2 000.00	4	51.00%	EME
16	Europcar	Car rental	R 6 808.49	3	39.10%	Generic
17	Exotic Food Caterers	Catering services in Durban	R 6 049.00	1	100.00%	EME
18	Eyakhu Trading	Promotional Material	R 28 290.00	1	100.00%	EME

19	Floorless Cuisine	Catering Services	R	7 920.00	1	100.00%	EME
20	Francoise Adriano's Rodgers	Accommodation at Oak Park Lodge	R	42 900.00	9	0.00%	Non-Compliant
21	Galix Networking Pty Ltd	IT related	R	1 285.00	9	0.00%	Non-Compliant
22	Government Printing Works	Tender Advert/bulletin	R	1 008.80	9	0.00%	Non-Compliant
23	Grand and Well	Internet connectivity	R	159 850.00	1	100.00%	EME
24	I-Chain	Assets Verification	R	256 395.38	2	51.00%	EME
25	Imvomvo Country Lodge	Accommodation in Ntabankulu for Ms Unathi Vilakazi and Mr Reginald Fick	R	10 500.00	1	100.00%	EME
26	Ingwenya Breez Investment	Promotional Material	R	6 027.04	1	100.00%	EME
27	Institute of Advanced Journalism	Venue Hire	R	15 000.00	1	75.00%	EME
28	Internet Solution	Internet solutions	R	586.38	4	32.66%	Generic
29	Nitrostat	Stationery and other consumables	R	63 034.38	1	30.10%	Generic
30	Ithemba Governance	Company secretarial services	R	460 018.98	2	51.00%	Generic
31	Izimbali Lodge and Restaurant	Accommodation	R	4 900.00	4	0.00%	EME
32	Johan Eppler Alarm	Replacing the telephone line to connect the radio communication into control room	R	1 311.00	9	0.00%	Non-Compliant
33	Joliluv Café	Catering services	R	18 350.00	1	100.00%	EME
34	Labournet	Labour Relations	R	8 466.84	4	26.00%	Generic
35	Lepekola Construction	Plumbing	R	14 900.00	1	100.00%	EME
36	Liquid Telecommmunications South Africa	Internet solutions	R	97 650.76	4	0.00%	Generic
37	Lowco Cooling Solution	Airconditioners in Franschoek	R	25 477.10	4	100.00%	EME

38	Magic Pan Caters	Catering	R	4 579.88	1	100.00%	EME
39	Makro	Staff refreshments	R	1 440.00	4	12.44%	Generic
40	Makrosafe	Occupational Health and Safety	R	11 969.34	2	51.00%	QSE
41	Media Xpose	DTPS minister Submission advert	R	57 500.00	2	60.00%	Generic
42	Mutual & Federal	Insurance	R	86 989.88	9	0.00%	Non-Compliant
43	Nakedi Catering	Catering services for Board	R	2 390.00	1	100.00%	EME
44	National Validation Services	Background Checks	R	4 810.00	1	100.00%	EME
45	New Era Office Cc	Stationery, White board for CEO	R	862.50	1	100.00%	EME
46	Nongalo Management	Window Glazing	R	28 350.80	1	100.00%	EME
47	Orca	Internal Audit	R	400 999.48	1	100.00%	QSE
48	Park Evenue Stationers	Stationery	R	3 092.17	4	100.00%	Generic
49	Pears Food	Catering services	R	4 200.00	1	100.00%	EME
50	Praxis Computing	Upgrading Greenfield	R	34 101.33	2	75.00%	EME
51	Promo One	Promotional Material	R	80 760.34	1	30.01%	Generic
52	Rampage Energia	Stationery	R	8 224.11	1	100.00%	EME
53	Retrolex	Promotional Material	R	14 202.50	1	100.00%	EME
54	Rise Security Services	Security	R	373 310.56	1	100.00%	EME
55	Sage Vip	Software licensing	R	38 564.00	2	56%	Generic
56	Skynet	Courier	R	432.84	2	60.00%	Generic
57	Slicy Delicious	Catering services	R	3 250.00	1	100.00%	EME
58	South African Airways	Air travel	R	2 760.00	2	0.00%	Generic
59	South African Institute of Tax Professionals	Membership fees for CEO	R	5 293.17	8	0.00%	Generic

60	Southern Sun Hotels	Accommodation	R 11 130.00	1	64.93%	Generic
61	Stellenbosch Municipality	Property rates and taxes	R 9 298.10	9	0.00%	Non-Compliant
62	Tech-Pro Personnel	Background Checks	R 922.85	4	51.00%	Generic
63	Telkom	Wi fi for Franschoek Branch	R 11 360.40	4	24.42%	Generic
64	Thembelinah Construction	Facilities	R 1 550.00	1	100.00%	EME
65	Tony Healy & Associates	Labour Relations	R 23 304.76	4	0.00%	EME
66	Tracker	Car tracker	R 339.18	9	0.00%	Non-Compliant
67	Train Link	Accounting system	R 200 000.00	4	100.00%	EME
68	Travel Touch	Travel Agency	R 116 638.18	1	100.00%	EME
69	Tshwane University of Technology	Study fees	R 7 580.00	8	0%	Generic
70	Ulwazi Bnk Dynamic	Ghana student accommodation	R 106 565.00	1	135.00%	EME
71	University of Witwaterand	Study fees	R 62 000.00	9	0.00%	Non-Compliant
72	Viruscorp	Computer equipment or accessories	R 136 850.00	1	100.00%	EME
73	Walking Tall Services	Cleaning services	R 159 789.56	1	100.00%	EME
74	Whistle Blowers	Fraud hotline	R 10 867.50	2	51.00%	EME
75	Winsome Africa	CaseWare support	R 21 600.00	1	100.00%	EME
76	Ziloflash	Catering services	R 24 980.00	1	100.00%	EME

R 6 431 727.57

CATERGORY	NUMBER	%
SMME Procurement	43	56.58%
NON SMME Procurement	33	43.42%
		100%

Total payments per BEE levels	R	%
LEVEL 1	2 008 879.59	31.23%
LEVEL 2	1 459 241.62	22.69%
LEVEL 3	59 954.21	0.93%
LEVEL 4 - 8 AND Non-compliant	2 903 652.09	45.15%
	6 431 727.51	100%

REPORT ON FRUITLESS AND WASTEFUL EXPENDITURE

There was no fruitless and wasteful expenditure reported for the quarter under review.

REPORT ON IRREGULAR EXPENDITURE

There was no irregular expenditure reported for the quarter under review.

AWARDED TENDERS FOR QUARTER UNDER REVIEW

The following competitive bids were awarded by Bid Adjudication committee during 1st quarter of 2019/2020 financial year. Out of three bids two are pending approval by Audit and risk committee because they are above R 1 000 000.00 threshold

Tender number	Description	Date advertised	Award Date	Amount	Winning Supplier
NEMISA/2019/OFFICEREFURB	PARTITIONING OF 1ST FLOOR TO NEWLY REFURBISHED BUILDING AT NEMISA - PARKTOWN	2019/03/15	2019/05/13	R 821 663.73	FGZ HOLDINGS
NEMISA2019/ICT/RFB005	PROVISION OD STUDENT COMPUTERS AND RADIO EQUIPMENT	2019/05/24	2019/06/27	R 3 216 440.00	ESIZWE GROUP
NEMISA2019/STUDENTACC/RFB006	PROVISION OF STUDENT ACCOMDATION AND SHUTTLE SERVICES	2019/05/24	2019/06/27	R 3 165 910.00	CITIQ STUDENTS (PTY) LTD

GENERAL

Turnaround time for requisitions

The SCM unit have discussed the issues of the turnaround time for the requisition in the SCM. The specifications need to be clear, complete and analysis on market or industry conducted before the requisition is uploaded.

The turnaround times was suggested as follows:

- 5 working days for the suppliers to submit their quotations
- 2 days for SCM to evaluate the RFQ
- The delivery date of the requested good will be depending on the goods or services required.
- Some suppliers require about 7 days to deliver from the date they receive the purchase order.

Deviations in the SCM are only allowed for the following reason:

- Urgent and emergency cases
- Sole supplier
- Any other matter where it is impractical to perform competitive bidding.

DELEGATIONS

To ensure that all delegated officials understand and perform their duties in an effective and efficient manner we consulted with National Treasury and workshop was held to all officials to ensure understanding of the legislation on the following areas:

- Governance Monitoring and Compliance
- Delegations
- Declaration of interest
- Code of conduct
- Acceptance of gifts
- Procurement process
- Financial Misconduct leading to Fruitless, wasteful and Irregular expenditure

2.4 SMART OVERSIGHT

BOARD OF DIRECTORS

The Board of Directors currently has 5 members including one *ex officio* member currently appointed as an Acting Chief Executive Officer (ACEO).

The Board continues to provide oversight to the organization and ensuring the mandate of NEMISA is implemented by the executives as well as adherence to various policies.

Following the end of tenure of Mr. Lucas Mello on 31 March 2019, the Board took a resolution that Mr. Lucas Mello be invited to attend meetings of the Board, HRRC and the ARC to attend to matters of HR investigations as well as to oversee the finalisation of the 2018/19 Annual Financial Statements.

The Minister of DTPS had approved Ms. Precious Sibiya to be co-opted as the Chairperson of the Audit and Risk Committee with effect 16 May 2019 until the end of office of the current Board on 30 September 2019 or until the new Board is appointed.

Table 7: Board composition and Board meeting attendances for 2019/20 Quarter 1

Name	Position	Meeting Attendances (3)		
		Ordinary	Special	In-Committee
Prof Walter Claassen	Board Chairperson	1	1	1
Prof Manoj Maharaj	Member	1	1	1
Ms Sarienke Kersh	Member	1	1	1
Ms Nelisiwe Mkhali	Member	1	1	1
Mr. Lucas Mello	Member	1	1	1
Mr. Phuti Phukubje	Acting CEO	1	1	1
Ms. Thilivhali Ramawa	Acting CFO	1	1	1

- The Board held one ordinary meeting during the quarter to consider and approve the Quarter 4 performance report amongst other matters.
- The Board also held one special meeting during the quarter to consider and approve the Unaudited 2018/19 Annual Financial Statements.
- The Board held an In-Committee meeting to consider the investigation report in relation to staff benefits.

Board Committees

Committee reconfiguration

The Board continues to operate with reconfigured Committees to accommodate the appointment of a Board member as an Acting CEO.

The Audit and Risk Committee (“ARC”)

The ARC serves as an advisory committee to the Board and assists the Board in fulfilling its responsibilities in relation to an entity's governance, financial reporting, internal control system, risk management system and internal and external audit functions.

The Committee held 1 ordinary ARC meeting, 1 special and 1 joint ARC and Board meeting during the quarter under review. The main purpose of the meetings was to approve the 2018/19 Quarter 4 Performance Report. Other business included: approving the unaudited 2018/19 annual financial statements and annual performance report.

Below are the Committee members meeting attendances for the quarter under review:

Name	Position	Meeting Attendances (3)
Ms. Precious Sibiya	Chairperson	2
Mr. Lucas Mello	Member	2
Prof Manoj Maharaj	Member	3
Ms Sarienke Kersh	Member	3
Mr. Phuti Phukubje	Standing Invitation, Acting CEO	3
Mr. Thilivhali Ramawa	Standing Invitation, CFO	3
Mr. Sidney Mongala	Standing Invitation, DTSP representative	2
Internal Audit	Standing Invitation	3
External Audit	Standing Invitation	3

The Human Resources and Remuneration Committee (“HRRC”)

The main purpose of this Committee is to consider, guide and influence key human resources policies and strategies.

The Committee held 3 meetings during the quarter under review. The main purpose of the meetings was to consider the HR Policies, the 4th quarter report and another matter currently under investigation.

The current Committee composition and meeting attendance were as follows during the quarter:

Name	Position	Meeting Attendances (3)
Ms. Nelisiwe Mkhalihi	Chairperson	3
Mr. Lucas Mello	Member	2
Prof. Walter Claassen	Member	3
Mr. Phuti Phukubje	Standing Invitation, Acting CEO	3
Mr. Thilivhali Ramawa	Standing Invitation, CFO	3
Ms. Annah Motloung	Standing invitation, HR Manager	3

The Programme and Academic Committee (“PAAC”)

The PAAC provides oversight on the organisation’s programmes as approved in the APP for recommendation to the Board.

The programmes executed through the CoLabs, collaborative partners and the current In-House Training Unit provide their reports to the Committee.

The Committee held 1 meeting during the quarter under review to discuss organisational performance against the APP and consider the Implementation Plan for the Digital Ambassador Programme.

Committee membership and meeting attendances:

Name	Designation	Meeting Attendances (1)
Prof Manoj Maharaj	Chairperson	1
Ms Nelisiwe Mkhalihi	Member	1
Ms Sarien Kersh	Member	1
Prof Walter Claassen	Member	1
Mr. Phuti Phukubje	Standing Invitation, Acting CEO	1
Mr. Thilivhali Ramawa	Standing Invitation, CFO	1

Social, Ethics and Transformation Committee (“SETCOM”)

The Committee was established by the Board of Directors in line with current legislation, to monitor organisational compliance with relevant social, ethical and legal requirements and best practice codes.

The committee held one meeting during the quarter under review as follows:

Name	Position	Meeting Attendances (1)
Ms Sarien Kersh	Chairperson	1
Ms Nelisiwe Mkhalihi	Member	1
Mr Phuti Phukubje	Standing Invitation, Acting CEO	1
Ms Thilivhali Ramawa	Standing Invitation, CFO	1

Board remuneration

The Board is remunerated in line with the directive from the Shareholder in line with the prescripts and directives from the National Treasury.

The remuneration is accordingly disclosed in the quarterly and Annual Reports.

The following were Board remunerations for quarter 1:

	Meeting Fees (R)	Retainer Fees (R)	Travel Claims (R)	Data Allowance (R)	Totals (R)
Prof. Walter Claassen	76 032.00	5 280.00	9 825.82	750.00	91 887.82
Mr. Lucas Mello	27 456.00	1 320.00	9 104.42	250.00	38 130.42
Prof. Manoj Maharaj	51 744.00	3 960.00	1 937.23	750.00	58 391.23
Ms. Ncedi Mkhalihi	74 976.00	3 960.00	750.00	750.00	82 514.11
Ms. Sarien Kersh	48 576.00	3 960.00	302.16	750.00	53 588.16
Ms. Precious Sibiyi	15 840.00	-	-	440.44	16 280.44
Total	294 624.00	18 480.00	24 438.18	3 250.00	340 792.18

Meetings with the DTPS

The Minister of Communications held a meeting with SoE Chairpersons, CEOs and COOs. The purpose of the meeting was to align the entities Annual Performance Plans (APP) to the mandate of the Department.

The Board Chairperson as well as the Acting CEO presented the organization's APP to the Minister.

Compliance with the Public Finance Management Act

Reporting deadlines as required in terms of the Act have been met.

The organisation continues to report to the National Treasury through the Department as required. The Audit and Risk Committee and the Board continued to monitor the Institute's compliance to the PFMA through the Audit Remedial Log.

Part 3: Financial management

3.1 SUMMARY OF FINANCIAL RESULTS

This section of the report deals with the financial performance and position of the Institute for Quarter 1 in accordance with the 2019/20 Annual Performance Plan and Business Plan. This summary sets out the salient features requiring special mention, while details pertaining to the expenditure, assets and liabilities are reflected in the report itself.

3.2 ANALYSIS OF FINANCIAL PERFORMANCE

Revenue: Appropriation Income

The total appropriation funding due to the Institute by way of transfer payments from the Department of Telecommunications and Postal Services (DTPS) for the current financial year amounts to R48,423,000.

The National Treasury has granted NEMISA R46,924,000 earmarked for the digital skills roll-out.

To date we have received the following;

1st quarter tranche amounting to	R23,837,000
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Broken down as follows:

- Operational appropriation income: R12,106,000
- Digital skills roll-out: R11,731,000

3.3 OTHER INCOME

The Institute generates additional income from the Reserve bank call account. The profits generated by these revenue streams do not significantly impact the Company's overhead costs, however strengthen its ability to cover some of its administration costs.

For the period under review, additional revenue recognized (including interest received) amounted to R1,164,542

Table 8: Other income received

Other income	Actual
Other income - Inhouse training	R327 293
Interest received on current account	R1 454
Interest received on CPD account	R835 794
Total revenue received	R1 164 542

3.4 DIRECT PROGRAMMATIC EXPENDITURE

Direct expenditure relates to the In-house training unit, implementing digital skills programme and strengthening the current digital skills CoLab activities. Actual total direct training expenditure for the period under review amounted to R9,987,609.

This amount is broken down into

- Digital skills roll-out amounting to R9,800,332 and
- In-House Unit amounting to R246,948.

The budgeted expenditure for this period amounted to R11,731,000 resulting in a variance of 15% for the period under review due to no expenditure from the Limpopo CoLab.

Table 9: Direct expenditure

Direct expenditure	Actual	Budget	Variance
Direct expenditure	R9,985,609	R11,731,000	15%

3.5 OVERHEAD AND OTHER EXPENDITURE

The actual overhead expenditure amounted to R12,097,376 against a budget expenditure of R12,106,000. There was a trivial variance

Table 10: Overheads expenditure

Overhead expenditure	Actual	Budget	Variance
Overhead expenditure	R12,097,376	R12,106,000	0.2%

3.6 SURPLUS / DEFICIT

In Quarter 1 NEMISA posted a Surplus of R988,082.26 due to the Limpopo CoLab not being paid and interest received from the call account.

3.7 ANALYSIS OF FINANCIAL POSITION

Assets

Non-Current Assets

The book value of the company's Fixed Property, Plant and Equipment as at 31 March 2019 was R3,614,684. This amount includes all assets purchased up to 31 March 2019.

Current Assets

As at 30 June 2019 Cash and Cash Equivalents was as follows:

Current account : R1,992,958
CPD bank Account : R44,671,284

Other income	Actual
Current account	R1,992,958
CPD bank Account	R44,671,284

3.8 REPORTS

NATIONAL ELECTRONIC MEDIA INSTITUTE OF SOUTH AFRICA STATEMENT OF FINANCIAL PERFORMANCE FOR Q1

Q1

Revenue

Appropriation income - LIMPOPO		R.00
Appropriation income - VUT		R1 935 650.00
Appropriation income -WSU		R 1 632 500.00
Appropriation income - UWC		R1 541 673.00
Appropriation income – NWU		R1 519 508.00
Appropriation income – DUT		R1 644 750.00
Appropriation income – UNISA		R1 526 250.00
Appropriation income OPEX		R12 105 750.00
Bad debts recovered – OPO		R444.00
Other income		R327 293.00
Interest received on current account		R1 454.00
Interest received on CPD account		R835 794.00

Total Revenue		R23 071 068.00
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Direct expenditure	2	(R9 985 609.00)
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Gross Income		R13 023 788.00
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Overhead expenditure	3	(R12 097 377.00)
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Surplus/deficit for the period		R988 082.00
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**NATIONAL ELECTRONIC MEDIA INSTITUTE OF SOUTH AFRICA
NOTES TO STATEMENT OF FINANCIAL PERFORMANCE**

FOR Q1

	ACTUAL QUARTER 1	BUDGET QUARTER 1	VARIANCE
1. Revenue			
Appropriation income - LIMPOPO	0	1 800 000.00	100%
Appropriation income - VUT	1 935 650.00	1 935 650.00	0%
Appropriation income - WSU	1 632 500.00	1 632 500.00	0%
Appropriation income - UWC	1 541 673.00	1 541 673.00	0%
Appropriation income – NWU	1 519 509.00	1 529 365.00	0%
Appropriation income – DUT	1 644 750.00	1 644 750.00	0%
Appropriation income – UNISA	1 526 250.00	1 526 250.00	0%
Appropriation income OPEX	12 105 750.00	12 105 750.00	0%
Bad debts recovered – OPO	444.00	0	100%
Other income- Inhouse Training	327 293.00	0	100%
Interest received on current account	1 454.00	0	100%
Interest received on CPD account	835 794.00	800 000.00	4%
	R23 071 068.00	R 24 515 938.00	6%
2. Direct expenditure			
Lecturer's fees	0	0	
Travel and Accommodation	R 93 817.00	R 70 000.00	-34%
Project incidental costs	R 91 460.00	R 50 812 .00	-80%
E-skills roll-out	R 9 800 332.00	R 11 610 188.00	16%
	R9 985 609.00	R 11 731 000.00	15%
3. Overhead expenditure			

Marketing	R 205 104.00	R 200 000.00	-3%
Telephone	R 14 991.00	R 20 000.00	25%
Board costs	R403 510.00	R 400 000.00	-1%
Staff costs	R 5 768 873.00	R 5 798 000.00	1%
Travel and accommodation	R 160 297.00	R 248 000.00	35%
Professional Fees - External and internal Auditing	R 596 051.00	R 900 000.00	34%
Professional Fees - Outsourced	R 1 895 895.00	R 1 700 000.00	-12%
Bank charges	R 22 072.00	0	100%
Insurance	R 262 180.00	R 300 000.00	13%
Repairs and maintenance	R 132 224.00	R 120 000.00	-10%
Property Costs	R 323 580.00	R 450 000.00	28%
Stationery	R 50 876.00	R 50 000.00	-2%
Rental	R 1 985 081.00	1 800 000.00	-10%
Other overheads	R 117 880.00	R 120 000.00	2%
Other training costs	R 61 672.00	R0	100%
Other expenses – (credit card)	R97 091.00	0	
	R12 097 377.00	R 12 106 000.00	0.2%