

The University of the
South Pacific

Triennial Submission
2007-2009

Table of Contents

Table of Contents	iii
Executive Summary	1
Abbreviations	3
Overview	5
1.1 Introduction	5
1.2 The Futures Review Report.....	6
1.3 A New Strategic Plan.....	6
1.4 The Planning Cycle.....	7
1.5 The Planning Context	8
1.5.1 Today's Higher Education Environment.....	8
1.5.2 The Pacific Plan	8
1.5.3 Sustainability of growth	9
1.6 USP and Regionalism.....	10
1.7 The Restructuring of the University	11
1.7.1 Senior Management Team.....	12
1.6.2 New Pro Vice-Chancellors	12
1.7.2 A New Committee Structure.....	12
1.7.3 New Financial Allocation Models	13
1.8 The Research Strategy.....	13
1.9 The Quality Strategy	13
2. Review of the last triennium: 2003-2005, and 2006	15
2.1 Student Numbers - Equivalent Full-Time Students (EFTS).....	15
2.1.1 EFTS by Level of Study.....	15
2.1.2 EFTS by Mode of Study	15
2.1.3 EFTS by Country of Citizenship	16
2.1.4 EFTS by Campuses	17
2.1.5 EFTS by Faculties	18
2.1.6 EFTS by Teaching Departments.....	19
2.1.7 Student Completions	20
2.2 From Schools to Faculties	20
2.3 Institutes	21
2.4 From Centres to Campuses	22
2.5 Administrative Achievements	22
3. Plans for the Triennium 2007-2009	25
3.1 Main Issues in Submissions	25
3.2 Faculty Plans and Initiatives	26
3.2.1 Faculty of Arts and Law.....	26
3.2.2 Faculty of Business and Economics	27
3.2.3 Faculty of Islands and Oceans.....	29
3.2.4 Faculty of Science and Technology	30
3.3 Regional Campuses	32
3.3.1 Major infrastructural development.....	32
3.3.2 Improvements in face-to-face teaching for current programs	33
3.3.3 USNet Upgrades.....	34
3.3.4 Campus Libraries	34
3.3.5 Continuing and Community Education.....	35
3.3.6 Support Staff.....	35
3.3.7 Rural Centres	35
3.3.8 New Program: Pacific Studies – COOK ISLANDS CAMPUS.....	35

3.4 Academic Support Units	35
3.4.1 Library.....	35
3.4.2 Information Technology Services.....	37
3.4.3 Media Centre	38
3.5 Centre for Educational Development and Technology (CEDT)	40
3.5.1 Distance and Flexible Learning Support Centre (DFLSC)	40
3.5.2 Centre for Excellence in Learning and Teaching (CELT)	41
3.5.3 Continuing and Community Education (CCE).....	41
3.5 Administration/Other initiatives:	42
3.6 Capital Improvements.....	42
3.7 Major Equipment.....	44
3.8 Non-financial initiatives	44
3.9 Funding of Priorities.....	44
4. Financial Management.....	47
4.1 Introduction	47
4.2 Planning and Managing Student Numbers.....	49
4.3 Changes in the Formula for Government Contributions.....	50
4.4 Student Fees	51
4.5 A Financial Strategy for the Triennium	52
4.6 Requests for Additional Funding	54
4.7 Infrastructure.....	54
4.8 Other Activities.....	55
4.9 Internal Funding Model	55
4.10 Aid Budget	56
4.11 Financial Policies.....	57
5. Conclusion.....	59
Bibliography	60
Annexes	61
Annex 1 – Selected Comments from External Advisor Reports.....	62
Annex 2 – Explanation as to how Government Contributions are currently calculated and apportioned between Member Countries.....	63
Annex 3 – Two Possible New Funding Mechanisms for Government Contributions.....	65
Annex 4 – Review of Recommendations of the Futures Review Report	68
Annex 5 – Review of Recommendations of UGC Triennium Report, 2002-2005	74
Annex 6 – Review of Recommendations of UGC Report, 2006.....	76
Appendices	Error! Bookmark not defined.
Appendix 1: Completions by Level of Programme 1994-2004.....	78
Appendix 2: Total Assessed Government Contributions (1992-2004).....	84
Appendix 3: Government Contributions to the General, Special Grants, and Medium Works Fund, 2000 - 2004.....	85
Appendix 4: Balance Sheet (2000 – 2004).....	86
Appendix 5: Income and Expenditure (2000 – 2004).....	87

Executive Summary

Without adequate higher education and research institutions providing a critical mass of skilled and educated people, no country can ensure genuine endogenous and sustainable development and, in particular, developing countries and least developed countries cannot reduce the gap separating them from the industrially developed ones.¹

The University is undergoing a period of great transformation as recommendations and plans of previous years have found renewed vitality under the current leadership. Momentum has been built during the past year with the newly-formed Faculties and senior management team. While opportunities and potential abound, the ability to carry USP forward will depend upon the resources available. Together, the University and its Member Countries must decide during this triennium, the class of university that it will become.

The opportunity exists to become a widely-recognized institution with academic distinction in key areas where USP and the Region have a competitive advantage. The path of distinction beckons. It is a path that is passionately articulated in the Futures report, *A Regional University of Excellence: Weaving the Past and Present for the Future*. It is one where USP shines, garnering world-wide attention for the region and the ability to meet the needs of our Member Countries as well as foster greater regional cohesion; producing graduates who not only have the ability to analyze and debate the socio-political choices of the day, but who carry a vision and a responsibility for creating a better tomorrow. It is the path of both **quality** and **relevance**.

However, that road requires a high level of commitment and some very difficult decisions to overcome barriers that exist. The University must manage its enrolments immediately. It must raise the standards and expectations of both our faculty and our students. Furthermore, USP and its partners must invest in the necessary equipment and infrastructure to create a positive and productive learning environment as well as invest to develop applied research capacity in strategic areas. Unless rectified, current financial constraints will seriously encumber the realization of the University's vision. Without adequate resources to meet USP's current and future needs, there is a great danger that the University will not rise above the classification of a second-rate institution.

The path to mediocrity is easy. It requires little more than what has been done for several years: keep enrolments open, provide little or no resources for maintenance or infrastructure development, offer few incentives for the recruitment and retention of quality staff; allow personal research priorities to outweigh strategic research priorities. The University is very aware of its responsibilities to steer away from this path, but it cannot do so without the strong support and commitment from its Member Countries.

This choice is not overly dramatized. It has been recognized for several years, but in a culture of silence, few have come forward to champion and affect the necessary changes. The University can no longer afford to try and be all things to all people. As the UGC has foreshadowed for over twenty years, the unbridled growth in student numbers has far outstripped the financial resources available, and the ability of USP to adequately support staff and students with proper facilities and resources has been compromised. In real terms, the amount of money in the recurrent budget per student is only 60% of what it was just ten years ago in 1996. Furthermore, using data from a recent report prepared for the New Zealand Vice Chancellor's Committee², the total funding

¹ *World Declaration on Higher Education for the Twenty-first Century: Vision and Action*, UNESCO, 1998

² Deloitte. *University Staff Remuneration & Resourcing*. New Zealand Vice Chancellors Committee, December, 2005.

available per student at USP is less than 50% on average than that in Australia and New Zealand universities adjusting for exchange rates as well as cost of living.

In the meantime, expectations of universities throughout the world to provide students access to expensive technology has meant that in most countries, the real cost per student of providing tertiary education has climbed. USP has tried to keep pace with these expectations by finding donors who have graciously enabled USP to purchase the needed computers and provide connectivity to enable our students and staff access to information via the Internet. This access has come at a price, however, and the University is facing a situation where most of that equipment will soon be beyond its life expectancy and in need of replenishment. The University is keenly aware of this need and has budgeted for this necessity with this submission.

Seven key areas of priority emerged from discussions leading up to this submission:

- 1) **Student achievement** – Improved student progress and quality of the student experience through excellence in teaching, enhanced access to learning resources, stronger student support, increased opportunity for interaction with teaching staff, lower class sizes, and improved facilities. There is also a great need to foster a stronger sense of community amongst the student population and increase student engagement.
- 2) **Regionalization** - USP continues to improve the learning experience of students at our Regional Campuses, especially those studying by DFL. Planned improvements are in the areas of: Increased course offerings by DFL; facilities and infrastructure development; enhanced connectivity through USPNet; increased face-to-face instruction and interactions with academic staff; and, improved student access to Library resources and digital materials
- 3) **Applied Research & Post Graduate Studies** – Research will focus on areas of importance to our Member Countries such as the serious sustainability issues affecting island nations. Other coursework-only postgraduate degrees will also be expanded to increase the skills of regional professionals and government employees.
- 4) **Rebalance Internal Resources and Workloads** - Imbalances in resources between units and individuals need to be resolved. A new and transparent internal funding model will be developed along with policies on staff workloads. Obsolete courses and programmes will be discontinued and resources reallocated.
- 5) **Capital Improvements** – There is a serious need to increase and improve classrooms, lecture theatres, laboratories, staff offices, and student spaces such as covered walkways, computer laboratories, outdoor study areas, and lavatory facilities. Funding is also needed to perform essential maintenance on deteriorating facilities and to prepare for the construction of the Japanese-funded ICT Centre.
- 6) **Equipment** – Much of the computer equipment used by students and staff will exceed its life expectancy during the coming triennium and will need to be replaced. In addition, technical equipment will be needed for new science and engineering programs.
- 7) **New academic programmes** – While there must be a rationalization of less strategic programmes with low course enrolments, the University must also be willing to expand offerings to meet the changing needs of the Region giving careful consideration to potential enrolments and financial costs of any new courses.

Abbreviations

AARNet	Australia's Academic and Research Network
AFM	Accounting and Financial Management
AusAID	Australian Agency for International Development
AVCC	Australian Vice Chancellors' Committee
BETech	Bachelor of Engineering Technology
CDS	Centre for Development Studies
CELT	Centre for the Enhancement of Learning and Teaching
CIDA	Canadian International Development Agency
COLA	Cost of Living Adjustment
CQU	Central Queensland University
CRC	Community Recreation Centre
CSO	Civil Society Organization
DFI	Differential Fee Income
DFL	Distance and Flexible Learning
DFLC	Distance and Flexible Learning Committee
EFTS	Equivalent Full-time Student
ELSA	English Language Skills Assessment
ESCAP	Economic and Social Commission for Asia and the Pacific
EU/HRD	European Union/Human Resources Development
F&GPC	Finance and General Purpose Committee
FAL	Faculty of Arts and Law
FBE	Faculty of Business and Economics
FCAE	Fiji College of Advanced Education
FFA	Forum Fisheries Agency
FIO	Faculty of Islands and Oceans
FIT	Fiji Institute of Technology
FJD	Fiji Dollar
FNTC	Fiji National Training Council
FOSS	Free and Open Source Software
FRR	Future's Review Report
FSM	Fiji School of Medicine
FST	Faculty of Science and Technology
FTES	Full-time Equivalent Staff
GCDE	Graduate Certificate in Education
GIS	Geographical Information Systems
GOA	Government of Australia
HRD	Human Resource Development
IAS	Institute of Applied Sciences
ICT	Information and Communications Technology
IFM	Internal Funding Model
IJALS	Institute of Justice and Applied Legal Studies
IMR	Institute of Marine Resources
IOE	Institute of Education
IOSN	International Open Source Network
IPS	Institute of Pacific Studies
IRETA	Institute for Research, Extension and Training in Agriculture
IT	Information Technology
ITS	Information Technology Services
JICA	Japanese International Cooperation Agency
KPI	Key Performance Indicator

MACS	Mathematics and Computing Science
MBA	Masters in Business Administration
MIS	Management Information System
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MSP	Marine Studies Programme
NGO	Non-Governmental Organization
NUS	National University of Samoa
NZAID	New Zealand Agency for International Development
NZODA	New Zealand Overseas Development Assistance
OCAC	Oceania Centre for Arts and Culture
OHS	Occupational Health and Safety
ONOC	Oceania National Olympic Committee
OPAC	Online Public Access Catalogue
ORMP	Ocean Resources Management Programme
PACER	Pacific Agreement on Closer Economic Relations
PacLII	Pacific Islands Legal Information Institute
PDSU	Pre-degree Studies Unit
PGCE	Post Graduate Certificate in Education
PIAS-DG	Pacific Institute of Advanced Studies in Development and Governance
PICTA	Pacific Island Countries Trade Agreement
PIMD	Pacific Institute of Management and Development
PIMRIS	Pacific Islands Marine Resources Information System
PSA	Pacific Science Association
QAU	Quality Assurance Unit
RMI	Republic of Marshall Islands
SICHE	Solomon Islands College of Higher Education
SIDS	Small Island Developing States
SLAM	School of Language Arts and Media
SOA	School of Agriculture
SOH	School of Humanities
SOL	School of Law
SOPAC	South Pacific Applied Geoscience Commission
SPACHEE	South Pacific Action Committee for Human Ecology and the Environment
SPAS	School of Pure and Applied Sciences
SPC	Secretariat of the Pacific Community
SPREP	South Pacific Regional Environmental Programme
SSED	School of Social and Economic Development
SSR	Student-Staff Ratio
UE	University Extension
UGC	University Grants Committee
UNDP	United Nations Development Programme
UNESCO	United Nations Education, Scientific, and Cultural Organization
UNICEF	United Nations Children's Fund
URC	University Research Committee
USP	The University of the South Pacific
USPSA	The University of the South Pacific Student Association
USQ	University of Southern Queensland

Overview

*In our conception of such a [regional] university we have in our minds two main principles, both of which we hold to be of cardinal importance. The first is that in the whole field of higher education, whether in degree courses or diploma courses, the highest quality must be ensured in teaching and in student achievement. The second is that all courses of instruction, both for degrees and for diplomas, must be so designed as to take well into account both the interests and aptitudes of the students of the Region and also the circumstances and needs of the countries concerned.*³

1.1 Introduction

Since its inception in 1968, the University of the South Pacific has been committed to fulfilling the challenge issued by Sir Charles Morris regarding the need to provide the highest possible quality of education and research while addressing the changing circumstances and needs of its Member Countries. The University has reinforced this commitment in both word and in deed for the past 38 years in spite of dramatic changes to the socio-economic and political situation in the region.

With a newly arrived senior management team and academic structures recently in place, the University is moving into this new triennium with a renewed sense of purpose and optimism. It acknowledges the cogent recommendations made over the years by a variety of reports, most particularly the work of the University Grants Committee and the more recent Future's Review Report⁴, and it is poised to contribute much more significantly to the development of its Member Countries and the peoples that it serves. Over the years USP has tried to keep pace not only with the regional situation, but also the higher expectations of tertiary institutions worldwide. At this juncture, we are pleased that USP is widely regarded as an exemplary model of successful regional cooperation and a respected tertiary and higher education provider in the region.

The University recognises that it cannot rest idly on its achievements to date, but must continue to be a dynamic institution with a clear sense of purpose and vitality in this globalized world. At the same time it must be mindful of member governments' development priorities as well as the available resources. As mentioned in the Future's Report, USP can not be all things to all people. It must capitalize only on those opportunities which further its mission in a substantial way within acceptable risk levels, and it must have the strength to curtail activities and programmes that are either not financially viable, or which are not as relevant to the needs of the Region or the University. USP, in consultation with its Member Countries, must also devise and implement immediate measures to manage enrolments, which have dramatically outpaced the available financial and physical resources and have had negative impact on the learning and teaching environment for our students and staff.

Over the past two years, USP has endeavoured to improve the academic offerings, support mechanisms, and infrastructure to our Regional Campuses. This is an ongoing process and will require further investments to improve connectivity, personnel, equipment, and learning spaces at these Campuses. A consolidated report has been developed to guide some of these activities and excellent progress has been made. Subject to fiscal constraints, USP is planning on increasing the face-to-face offerings at Regional Campuses, placing priority on campuses where demand and

³ *Report of the Higher Education Mission to the South Pacific*, Morris, Sir Charles, et. al., 1966, paragraph 65.

⁴ *A Regional University of Excellence: Weaving Past and Present for the Future*, USP Review Sub-Committee of Council, 2004.

enrolments are highest in order to trial which methods are most effective in terms of student achievement and are most cost efficient.

USP is committed to being not just a University of excellence in and for the Pacific, but also a University of excellence internationally. As the largest regional organization in the Pacific we accept the responsibility upon us to provide an interface between Pacific societies and the global community. The Pacific is a complex archipelago of historical relationships with a rich heritage and cultural diversity. Pacific wisdom contained in the traditions and values of respect, tolerance, and reconciliation can offer the world a valuable perspective during these times of global tensions.

This will be a triennium of transformation as USP moves beyond just discussing good ideas to the much more difficult task of implementing them. The new senior management team is acutely aware of the challenges ahead and has embarked on a number of consultative exercises to sort through the competing priorities and develop strategies to make efficient and strategic use of our resources. Wherever possible, USP will engage in innovative private-public partnerships and other mechanisms to tap potential financial resources. However, the key to the University's future lies with the ongoing support, commitment, and involvement of its Member Countries and other stakeholders.

1.2 The Futures Review Report

The Futures Review Report has provided an invaluable framework to guide the strategic direction of the University. The report was an exhaustive undertaking that involved many months of preparations in terms of drafting background papers, committee meetings, and consultations both within and outside the University before it was finally endorsed by the Council in October of 2004. According to the Futures Review, "...*higher education is a critical element not only because it provides essential support for the holistic education system but because it is vital to capacity building and for socio-economic development in an increasingly globalized Pacific.*" (p.12)

The report repeatedly stressed the two main themes of *quality* and *relevance*. Quality in this context is more than just a measure of final outcome; it is philosophy of self reflection and assessment that must be embedded into all of the University's processes, activities, and sections. In terms of relevance, USP recognizes that our job is service to the peoples and governments of the region and that our programmes and research must have a direct benefit to finding regional solutions to regional issues. Both of these themes resonate strongly with the leadership of the University and will continue to be yardsticks by which to measure our activities.

The Futures Review Report contained 29 recommendations in a variety of strategic areas. USP has made excellent progress on several of these recommendations and they have been incorporated into the new Strategic Plan for the University. A status report on the implementation of these recommendations is provided in Annex 4.

1.3 A New Strategic Plan

Building on the consultative work done for the Future's Review Report and the revised Vision, Mission, and Values adopted by the Council, the University has developed a new five-year Strategic Plan for 2006-2011, which incorporates and reflects the recommendations and philosophy of that report. The Strategic Plan will serve as the primary engine behind the University's planning cycle, which will include the development of annual operational plans as part of a budget and resource allocation process.

The vision for USP is:

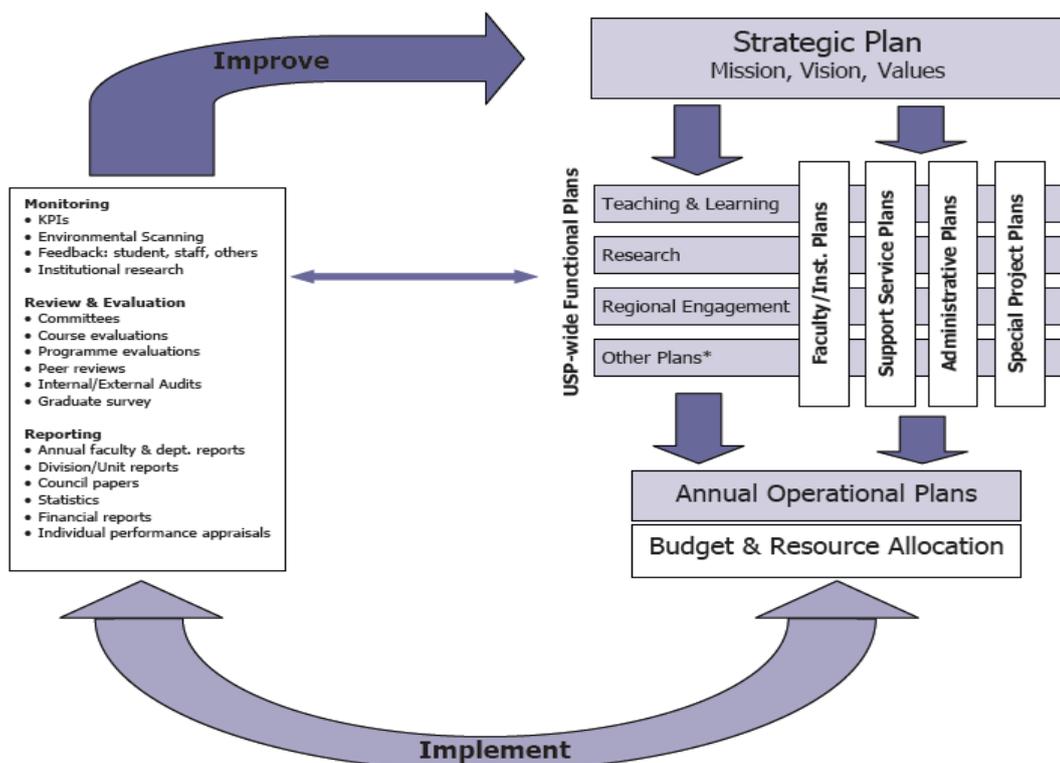
- *to be a Pacific centre of excellence in the pursuit of knowledge and wisdom in the service of Pacific communities*
- *to enhance Pacific peoples' capability to lead free and worthwhile lives*
- *to provide the foundation for Pacific Peoples to be proud of their heritage and take pride in creating their future, the heritage for the next generation.*
- *to be an active partner in the social, economic and political development of Member Countries.*

The new Strategic Plan 2006-2011 was approved in principle by Council in October 2005 and has set out broad strategic areas where the quality and relevance of the University are considered of critical importance. They include:

- Teaching and Learning
- Research
- Student and Staff Support
- Constituent and External Relations
- Governance, Administration, and Management

1.4 The Planning Cycle

To operationalise the new Strategic Plan, each Faculty and Section will develop annual support plans to guide their work in the new triennium in accordance with the priorities identified. Budget allocations will be based, in part, by the success of activities to advance the goals of the University.



1.5 The Planning Context

The Futures Review Report has already set out the context and challenges which the University is facing as it moves into this new era and the new triennium 2007-2009. The report recognised that while USP has come a long way since inception in 1968, the region has changed dramatically over time, especially in the past few years. It was under such circumstances that the governing Council embarked on an exercise to rethink and reassess the University's role and to map out how the University will respond to such changes (*responsiveness*), and for it to continue successfully into the future and still be able to meet the needs of the region (*relevance*).

USP is unique in many ways: Being owned by twelve member governments, all at varying stages of economic, social and political development provides a challenge in itself. Its wide geographical spread; its cultural diversity; its long experience in distance and flexible education; its long association and early adoption of satellite communication technologies (USPNet) for use in its distance learning; its mix of regional and international students and staff in campuses throughout the region—all of these combine together to create an institution with special strengths and challenges as it strives to ensure the quality of its services.

1.5.1 Today's Higher Education Environment

The University is planning for the 2007-2009 funding triennium at a time of accelerating changes in the higher education sector. A recent World Bank Report⁵ states, "*developing countries are facing significant new trends in the global environment that affects not only the shape and mode of operation but also the very purpose of tertiary education systems.*"

Three of the most critical dimensions of change have been:

- the convergent impacts of globalisation
- the increasing importance of knowledge as a main driver of growth and
- the information and communication revolution.

While the above changes have provided increased opportunities, most developing countries continue to face difficulties arising from inadequate responses to long-standing problems facing their tertiary education systems. These unresolved challenges include, *inter alia*, the need to expand tertiary coverage in a sustainable way, inequalities of access and outcomes, problems of educational quality and relevance, and rigid governance structures and management practices.

In other words, our world is changing rapidly and USP is no less affected by the above forces. USP has been a pioneer in distance education and has embraced satellite communications technology to educate and provide information linkages to our students even though they might be far from a 'normal' classroom. However, maintaining these linkages and keeping pace with the increases in both technology as well as the expectations of access to information, requires significantly larger investments in equipment and connectivity.

1.5.2 The Pacific Plan

The University has been an active member of the Forum's Pacific Plan Task Force, and it has been given a lead role in a number of areas including human resources development, education, governance, sport, and ICT. As the largest regional organisation in the Pacific, last year's endorsement of the Pacific Plan by the leaders of the Pacific Islands Forum will have a great bearing on the University's activities.

⁵ *Constructing Knowledge Societies: New Challenges for Tertiary Education*, World Bank, 2002

The goal of the Pacific Plan is to, “*enhance and stimulate economic growth, sustainable development, good governance and security for Pacific countries through regionalism.*”⁶ Most of the strategic objectives of the Pacific Plan are in close alignment with current University activities including:

- Governance programmes (PIAS-DG)
- Applied research for sustainable development
- Pacific Studies, Culture, and Heritage
- Labour markets and economic analysis
- Information and Communications Technology
- Policing and Human Security
- Sport
- Gender issues

With a large cadre of experts, USP recognises that it has a central role to play in the implementation of the Pacific Plan and it has been identified as a major collaborating agency for sections on environment and sustainable development issues, marine resources, leadership, business and economics, and research. In its strategic planning and budget submission, the University has made the necessary requests to address its Pacific Plan responsibilities. It will also take on the task of organizing a series of lectures, talks and preparation of awareness material on the Pacific Plan. The USP Planning and Development Office will continue to liaise with the Forum Secretariat regarding the implementation aspects of the Pacific Plan.

1.5.3 Sustainability of growth

In the last triennium and up to 2006, the University has seen an exponential growth in terms of student numbers as USP. While relatively high enrolment growth rates have been a concern in the last four triennia, it has not been University policy to cap or introduce enrolment quotas. While this has increased access and coverage of University services to students, it has also resulted in severe pressure on existing University services and infrastructure, and has resulted in a large per-student decrease in the amount of funding. This issue has been foreseen and noted in at least 15 years of UGC reports. When resources do not match growth, quality of service is inevitably compromised.

USP has always kept the education and welfare of its students and staff central in its thinking and has done much to find savings in order not to affect the student experience. However, the pressures are being keenly felt across the University – both in Laucala and in the Regional Campuses – where there are severely overcrowded classrooms, heavy staff workloads, deteriorating facilities, cramped office spaces, and aging equipment. These factors compromise the quality of services the University is able to provide as well as quality of outcomes (graduates) produced.

In close consultation with the Member Countries, it is time for the University to define and adopt immediate strategies to manage student numbers through an explicit enrolment/admission policy. A consultant has been hired by the University to suggest an optimum student enrolment profile for USP, and to compile data on pass rates and retention rates so that strategies can be targeted to affected groups and individuals.

The demands on the University services must be matched by a corresponding level of resources and contributions from member governments to enable the University to sustain a healthy funding

⁶ The Pacific Plan for Strengthening Regional Cooperation and Integration, Pacific Islands Forum Secretariat, October 2005.

level per student (EFTS) and deliver its services effectively. If the demand is for the University to do more with less, then there cannot simply be incremental reductions across all sections of the University. To do so would result in increased frustration and mediocrity at most levels. Instead, the University would have to make deep and painful cuts in particular programmes and services in order to preserve the quality in other areas.

Although USP is aggressively pursuing other creative sources of funding, these are likely to be attainable only for specific infrastructure or research projects and hence will not alleviate the need for core funding. As an example, the University has secured private investment in building student accommodation for Laucala – a partnership that will result in easing student housing pressures and offers the investors a modest return on their investment.

The University is mindful of the current economic conditions prevailing in its Member Countries and the pressures that countries face. At the same time, Member Countries must understand the important role that tertiary education plays as a driver of economic and social growth and a key to their future prosperity, and commit to investing in a quality education for their people.

1.6 USP and Regionalism

As a transmitter of the social and cultural values of the region, and as a place for the meeting of minds of persons from different countries, not to mention the promotion of personal friendships and professional relationships, the University serves as a powerful force for regional cohesion.⁷

Over the past ten years various forms of regionalism have emerged or been strengthened all around the world. The Pacific has not been different in this regard. Shared geography, similar histories, and comparable postcolonial experiences have reinforced regional cooperation as a means to overcome common difficulties or pursue mutual opportunities. Over the past 35 years many institutional examples of regional cooperation have been successful: USP, PIFS, FFA, SPC, SOPAC, and SPREP — each specializing in specific tasks. In addition, sporting bodies, religious and cultural groups, NGOs, and CSOs have also successfully demonstrated the value of regional cooperation.

Nonetheless, Pacific regionalism is not all plain sailing. Considerable hurdles exist, perhaps the most important being the fact that the Pacific Islands are not economically tied to each other. Consequently, no virtuous cycle of economic development exists to cement regionalism as it does in eastern Asia. Since the benefits of cooperation are often not so easily observed at the grassroots, this means that the Pacific Islands have to work harder at maintaining the consensus required for cooperation.

However, in recent years the changing nature of the global economy, with which all Pacific Islands interact, has also reinforced regionalism. New trade agreements such as PICTA and PACER are one manifestation of that change, requiring Pacific Islands to act in concert to determine regional priorities and negotiate trade outcomes. In this manner regionalism assists to overcome the capacity constraints of individual countries while also providing a platform from which to tackle many shared challenges often grouped together as the consequences of globalization. Regionalism consolidates markets, garners investments, and coordinates responses and planning to better manage Pacific Island futures. Crucially, it also provides a shared platform to further human resource development, toward which USP has played an exemplary role.

⁷ Irvine, Dennis H. *The Economic and Social Benefits to Countries from Membership of the University of the South Pacific*. The University Grants Committee. 1999.

As acknowledged in the widely accepted Irvine Report,⁸ USP's major contribution to the region is in the vital human resource development it provides for the individual member countries. As a regional institution, USP provides three additional benefits to the region it serves:

First, USP acts as a positive force for regional cohesion. Students from across the Pacific converge on its campuses, binding the region with friendships, common educational experiences, and greater understanding of their different backgrounds. Many of these students are later employed in public services, in schools, and in private enterprises and they take with them their experiences and new knowledge, which they impart to others. National universities whether inside or outside of the region lack this regional impact that is so essential to the region as it finds it necessary to act more and more as a single entity on the world stage. The University's programmes, courses, and research reinforce this outcome. For the most part they focus on the region and its priorities in ways that external and possibly national universities cannot. Hence, the activities of the University are much more regionally relevant and regionally creative. In the area of the arts, for example, this is most apparent and has seen the merging of different national practices into new and vibrant regional expressions of music, dance, literature, and visual art.

Second, it is a centre of excellence for the region. This is in part a function of its size and breadth. As a single regional body, it has the critical mass that national institutions are not able to achieve in many islands. That critical mass enables it to offer a wide range of programmes and undertake research on scale that smaller national institutions would find difficult. Its size and representativeness also enables the University to attract external funding for its recurrent budget, research, and for infrastructure. Donors prefer a body with regional coverage rather than funding a host of smaller national institutions as it makes more effective use of scarce development assistance. Countries like Australia and New Zealand also recognize that support for USP benefits their own national interests through strengthening regional capacity in the Pacific.

Critical mass enables USP to compete more effectively with external universities. It is able to offer academic staff salaries that are at least 82% of comparator universities, thus contributing to its ability to act as a centre of excellence in the region. It has a growing reputation as a provider of consultancy services, as an important regional capacity builder, and as the centre of strategic regional alliances with governments, NGOs, CSOs, regional bodies, and international organizations.

Third, a regional university provides member countries considerable savings. USP costs its member governments approximately F\$55 million a year in total. Sending the same number of students to universities outside the region would cost at least F\$125 million – a relative increase of over 50%. Not only does USP represent a considerable savings to member governments in tuition costs, it also represents a savings in foreign exchange. In addition, students succeed better at a regional university because they face fewer cultural adjustments, and more return home than is sometimes the case when students are sent to foreign universities.

There are of course many other benefits that USP provides the region through the salaries and taxes of its staff members, and through the independent industries and services that feed off USP activities. In many respects there is not a regional body comparable to it in terms of the scope, depth, and positive contributions that the University has made and continues to make to the diverse region it serves.

1.7 The Restructuring of the University

The 7th Vice-Chancellor, Professor Anthony Tarr, commenced on 1 January 2005 and immediately moved to institute some of the changes that had been discussed by Council and the

⁸ Ibid.

UGC for quite some time. Already, a new culture of action has been felt throughout the university where changes are not discussed indefinitely, but are implemented once due diligence has been completed.

A major academic restructuring of the University is underway with new faculties in operation since 1st January 2006. The new Faculties are discussed in Section 2, and some other changes are outlined below.

1.7.1 Senior Management Team

To assist the Vice-Chancellor, a new Senior Management Team is in place comprising of the Vice-Chancellor, Deputy Vice-Chancellor, three Pro Vice-Chancellors, the Registrar, the Director of Finance, the Director of Planning and Development, and the four Faculty Deans. Collectively, the Senior Management Group will be proactive in advising the Vice-Chancellor in meeting the strategic objectives of the University and its Member Countries.

1.6.2 New Pro Vice-Chancellors

The Vice-Chancellor, through Council, strengthened the senior management team through the appointments of new Pro Vice-Chancellors. Previously, the Pro-Vice-Chancellors were appointed from senior academic staff and were responsible for one of the main campuses of Laucala, Emalus, and Alafua. With these new appointments, the intention is to move away from Pro Vice-Chancellors having campus responsibilities toward having responsibilities across the University and the Region.

While retaining the three positions, they became the PVC Graduate Affairs and Research, the PVC Academic, and the PVC Regional. In the new triennium, it is expected that these Pro Vice-Chancellors will lead the University in the areas to which they have been assigned, and which reflect three of the priority areas in the new Strategic Plan 2006-2011.

The PVC Academic has University-wide responsibility for all academic matters. Of critical importance is the question of academic excellence and quality. While a Quality Strategy has already been developed, the University needs to take it forward and be even more committed to running courses and programmes which are of high quality, as well as having students and staff of high calibre. The PVC Academic is Chair of the Academic Standards and Quality Committee and will implement a variety of mechanisms, such as student and staff feedback, to monitor the quality of academic delivery and student learning.

The PVC Regional has been deliberately appointed to enhance the University's relationship and interactions with its Member Countries. The PVC Regional also has responsibility for the management, operation, and promotion of regional campuses and centres. The PVC Regional will therefore take a leading role in the development of regional campus and centre plans, with each Campus Director directly responsible for the administration of each of their respective Campuses and reporting to the PVC. In addition, the PVC Regional has oversight of Distance and Flexible Learning (DFL), Continuing and Community Education, as well as the Centre for Educational Development and Technology.

Likewise, the PVC Graduate Affairs and Research will take the lead in managing and administering of the University Research Strategy, adopted in 2004, as well as developing strategies for the University to boost its postgraduate enrolments, especially PhD scholars.

1.7.2 A New Committee Structure

It has long been recommended that the University should streamline its Committee structures in order to deal with matters more quickly in a transparent way. Many of these changes have already

been made with a substantial reduction in the numbers of committees, but there may be additional changes in the coming year as needs arise from the new academic restructuring.

1.7.3 New Financial Allocation Models

The new triennium will see a review of two funding models used by the University. Firstly, the process by which allocation of recurrent funds to Faculties and Units (the Internal Funding Model) will be reassessed in light of greater devolution of responsibility and accountability under the new structures. Secondly, there will be a submission to review the External Funding Model which determines the amount of annual Government Contributions from each of the twelve Member Countries to the University.

The new Director of Finance has responsibility within the University for developing the Internal Funding Model to reflect the new structures as well as ensuring that the allocation of funds to Faculties is carried out in a transparent and consistent way. How the funds will be used by the Faculties will rest with the Deans who will be assisted by Faculty Finance Managers.

Likewise, the External Funding Formula, which the University has used over many years for the determination of Member Government Contributions to the University, will also be reviewed. Any changes to the formula will only be made after close consultation with the Member Countries.

1.8 The Research Strategy

Research and knowledge management has become a core activity of universities throughout the world and fuels the economic growth in many modern economies. Governments have come to expect that universities will contribute to the national and international research effort with both direct and indirect benefits to the countries.

Improving applied research outputs is one of the focus areas of the new Strategic Plan 2006-2011 and the University will be seeking additional seed funding to grow our capacity in areas where USP has competitive advantage, particularly in relation to the sustainable development of our islands and oceans. A Research Strategy was adopted in 2004 and the University looks forward to moving from a modest research output to a more vigorous applied research environment. The PVC Graduate Affairs and Research will be responsible for these initiatives.

1.9 The Quality Strategy

The University's Quality Strategy was endorsed in 2004 and a Quality Unit set up in the Planning and Development Office. The Quality Strategy of the University is based on three principles: that quality can always be improved; that quality is the collective responsibility of all members of the University; and that internal quality assurance benefits from the participation of external peers. A Quality Audit of the University will take place in 2008. A trial audit and self-review will be conducted in 2007 in preparation for this audit.

This page intentionally left blank.

2. Review of the last triennium: 2003-2005, and 2006

2.1 Student Numbers - Equivalent Full-Time Students (EFTS)

As mentioned elsewhere, the number of students at USP continues to grow at a rate which is outpacing the resources available to provide quality services to those students. The total number of students enrolled by headcount in 2005 was approximately 21,000 nearly double the number of students in 1996. While the total headcount of different students gives a sense of the number of individuals serviced at USP, the equivalent full-time students (EFTS) is a figure normally used to compare academic workloads and will be the predominant measure used throughout this submission.

The total number of Equivalent Full-Time Students (EFTS) at USP at the start of the triennium was 9,525 compared to 11,117 at the end of the triennium. This represents an increase of 16.7% over the triennium. The provisional figures for 2006 (Start Year) have shown an additional increase of approximately 10% for the same period in 2005.

2.1.1 EFTS by Level of Study

Table 2.1.1 below gives a breakdown of all EFTS by level of study during the last triennium. Undergraduate studies continue to be the mainstay of our business with 72.4% of EFTS doing bachelor-level study.

Both the Certificate and Diploma levels show declining enrolments over the triennium. Few teaching departments still offer courses at these levels. They include Education, Law, Management, and Agriculture. At the postgraduate level, there are positive signs in growth even though the increase from 2004 to 2005 is less than the previous year-to-year increase.

Table 2.1.1 EFTS by Levels 2003-2005

Year	EFTS by Level of Study					TOTAL
	Pre Degree & other	Certificate	Diploma	Bachelor	Postgraduate	
2003	2,001	79	29	6,960	457	9,525
2004	2,181	70	24	7,652	515	10,441
2005	2,429	55	21	8,051	561	11,117
% change 03-05	21%	-30%	-28%	16%	23%	17%

2.1.2 EFTS by Mode of Study

Until recently students were classified as either Internal or External and the split was based purely on the location, Campus or Centre, where a student was studying. If a student was studying at Laucala, Emalus, or Alafua Campus, then that student was presumed to have face-to-face instruction and was classified as "Internal." On the other hand, if a student studied by distance from one of the Regional Centres, then it was presumed that the student was studying by DFL (print-based or otherwise) and that student was classified as "External." Such classifications were sensible at that time and the students attracted different levels of services and support. Hence, course fees were different and the students were treated separately in terms of the calculation of Member Country contributions.

In recent years the distinction between Internal and External has become blurred. The University has moved toward a much more flexible mode of delivery of its courses and students have a wider choice of mode of study. Table 2.1.2 below shows, the University now has four different modes

of course delivery making up the External category. They are the Flexi-School⁹, Print-Based, Internet, and Video Broadcast. In the future even these distinctions may be inappropriate as individual courses are delivered using a combination of the various modes.

Face-to-Face mode is still the most frequently used mode with 60% of the University's EFTS taught this way. It is expected that, with the University Centres becoming Campuses and the University (and countries) wanting to teach some of the 100 level courses in country, the situation may change again. The impact of communications and information technology, specifically the enhancement of USNet, in the member countries has played an important role in the delivery of USP courses and servicing its most important clients – the students of USP spread over a wide geographical area.

Table 2.1.2 EFTS by Mode 2000-2005

Year	Face to Face	Flexi-school	Print	Internet	Video Broadcast	Total
2005	6,715.9	304.7	3,891.6	136.5	68.3	11,117.0
2004	6,450.7	278.4	3,559.6	75.5	76.9	10,441.1
% Change 2004-2005	4.1%	9.4%	9.3%	80.8%	-11.2%	6.5%

	Internal	External	Total
2003	5,352.8	4,172.5	9,525.3
2002	4,933.6	3,790.7	8,724.3
2001	4,464.7	3,292.0	7,756.7
2000	3,636.8	3,138.0	6,774.8

While Internet, or “online”, courses currently cover only Law courses, the use of this mode will increase substantially over this coming triennium and Faculties are already making preparations to offer many more courses using this medium. This should provide better, and more timely, access to course materials for students at Regional Campuses. However, USP will need to ensure that sufficient access to computers and internet bandwidth is available for student use.

2.1.3 EFTS by Country of Citizenship

Table 2.1.3 below gives a break down of EFTS by the country of citizenship over the period 2000-2005.

While citizens of Fiji have remained the largest share of EFTS over the triennium, its proportional share has declined from 69.2% in 2003 to 66.8% in 2005. On the other hand Solomon Islands citizens have increased their share from 7.8% in 2003 to 11.4% in 2005. This is expected as Solomon Islands has one of the fastest growing populations amongst USP member countries, and the second largest total population after Fiji. The Solomon Islands population is relatively young with 53% of its population under 20 years old. The current and future USP students come from this young age cohort.

Among the larger member countries, citizens of Vanuatu, Tonga, and Samoa have absolute increases of EFTS over the triennium whereas Kiribati has shown signs of modest decline in the last two years of the triennium. An increasing number of international students come to USP, a trend that USP would like to see continued in order to bring in much-needed revenue.

⁹ Previously known as Summer or Winter School.

Table 2.1.3 EFTS by Country of Citizenship 2000-2005

Citizenship	2000	2001	2002	2003	2004	2005	% change 2000-2005
Cook Islands	47	57	82	105	95	120	155%
Fiji	4,752	5,344	6,116	6,589	7,185	7,431	56%
Kiribati	354	433	560	634	562	540	53%
Marshall Islands	50	70	51	54	45	36	-28%
Nauru	28	23	26	25	30	59	111%
Niue	55	54	55	51	34	26	-53%
Samoa	223	321	324	346	360	379	70%
Solomon Islands	448	504	609	742	957	1,266	183%
Tokelau	6	6	3	5	7	6	0%
Tonga	264	249	313	355	430	457	73%
Tuvalu	107	141	96	93	127	166	55%
Vanuatu	293	332	381	378	479	512	75%
Others	83	76	99	115	110	117	41%
Unknown	65	147	10	34	20	2	-97%
Total	6,775	7,757	8,724	9,525	10,441	11,117	64%

2.1.4 EFTS by Campuses

Table 2.1.4 below presents EFTS by the various Campuses and by teaching mode for two years only (since coding of data into the various modes only began in 2004). This table is indicative of the accessibility of USP courses in the region and the extent of regionalisation of USP services – in this case, delivery of courses to its member countries.

Overall, EFTS by Campuses have shown that Laucala Campus has increased its EFTS from 2004 to 2005 period by only 5% whereas some of the Campuses outside Fiji have significant increases, notably Solomon Islands Campus with a 47% change over the same period. Some of the smaller campuses also recorded significant increases notably Cook Islands Campus and Nauru Campus. The two original campuses of Alafua and Emalus also recorded increases but their increases may be an impact of the merger of the Samoa and Vanuatu Centres into the Campuses respectively.

Table 2.1.4 EFTS by Campus 2004 and 2005

Campus	Face to Face		Flexi-school		Internet		Print-based		Video Broadcast		All Modes	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Alafua*	110	130	13	7		8	105	105	4	5	232	255
Emalus*	269	302	40	55	19	13	333	349	6	6	667	725
Laucala	6,031	6,199	26	31	51	105	1,338	1,457	3	1	7,449	7,792
Cook Islands			32	47		0	43	48	2	1	77	96
Kiribati		1	31	31		0	256	256	0	3	287	291
Labasa, Fiji		2	26	24	2	4	236	184	19	10	282	225
Lautoka, Fiji	13	24	73	75	1	2	403	374	26	26	516	501
Marshall Islands		1	15	9		1	20	19	3	0	38	31
Nauru Campus							26	54			26	54
Niue Campus							18	15	1	0	18	15
Solomon Islands			13	15	1	2	511	754	2	4	528	775
Tokelau							2	3			2	3
Tonga	5	2	8	9	2	2	245	247	11	11	270	270
Tuvalu	23	56	2	2	0		22	25	0	1	48	84
Vanuatu			39	21			333	349	6	6	378	376
Total	6,450	6,716	278	305	76	137	3,560	3,892	77	68	10,441	11,117

* Samoa Centre merged with the Alafua Campus and the Vanuatu Centre merged with Emalus Campus.

While Face-to-Face teaching is concentrated in the larger campuses of Laucala, Emalus and Alafua, there is some limited face-to-face teaching at a few campuses such as Lautoka and Tuvalu. In the latter case, the figures reflect the special arrangement between USP and the Tuvalu government to offer the Augmented Foundation Programme from the USP Tuvalu Campus.

The second most popular mode of study has traditionally been the print-based materials, where all campuses have widely used this mode. Laucala Campus, with its larger face-to-face teaching also has the largest share of print-based materials. There are two reasons for this, the first being the pre-degree studies at the Statham Campus, which is included in the Laucala Campus figures. Secondly, it also reflects the availability of a wider selection of courses by print mode. In some cases, the modes of delivery interchanges from one semester to the other with the same course offered on-campus in the first semester, and, in the second semester, offered by distance (print mode).

2.1.5 EFTS by Faculties

The EFTS or student loads are shown in Table 2.1.5 below using the new faculty structure.

Table 2.1.5 EFTS by Faculties 2003-2005

TOTAL USP	EFTS by Level of Study					TOTAL
	Pre Degree & other	Certificate	Diploma	Bachelor	Postgraduate	
2003	2,001	79	29	6,960	457	9,525
2004	2,181	70	24	7,652	515	10,441
2005	2,429	55	21	8,051	561	11,117
% change 03-05	21%	-30%	-28%	16%	23%	17%

Faculty of Arts & Law

2003		79		2,062	187	2,328
2004		70		2,205	199	2,474
2005		55		2,268	236	2,559
% change 03-05		-30%		10%	26%	10%

Faculty of Business & Economics

2003			18	2,201	128	2,347
2004			13	2,551	169	2,733
2005			12	2,846	187	3,044
% change 03-05			-33%	29%	46%	30%

Faculty of Islands and Oceans

2003			11	662	53	725
2004			11	753	48	811
2005			9	795	44	848
% change 03-05			-18%	20%	-17%	17%

Faculty of Science and Technology

2003				2,035	90	2,125
2004				2,143	100	2,248
2005				2,142	95	2,237
% change 03-05				5%	6%	5%

The Faculty of Business and Economics (FBE) is the largest in terms of EFTS and contains 27% of all USP EFTS, followed by the Faculty of Arts and Law (FAL) with 23%. Both these two faculties have shown encouraging signs in the growth of postgraduate studies. This also reflects the inclusion of intensive coursework-based postgraduate studies units in FAL and FBE, namely the Pacific Institute of Advanced Studies in Development and Governance (PIAS-DG) in FAL and the Graduate School of Business in FBE.

FAL is the only Faculty offering Certificate level courses while both FBE and FIO offer Diploma courses. All of these are declining in numbers and the financial viability of continuing to offer these courses will be reviewed.

2.1.6 EFTS by Teaching Departments

Table 2.1.6 gives a breakdown of EFTS by the various teaching departments under the faculty structure. The School of Computing Science, Information and Mathematical Sciences has the most EFTS in 2005 even though it declined from the level reached in 2004. The three departments that attracted the most students are: a) School of Computing Science, Information and Mathematical Sciences; b) the School of Accounting and Finance; and, c) the School of Education. Larger departments tend to attract more resources in the internal funding allocation. However, this must also be seen in the context of staff workloads as these school also have high student-staff ratios. The new funding model that will be devised by the Finance section will address this issue.

Table 2.1.6 EFTS by Teaching Departments, Schools and Faculties 2003-2005

FACULTY/SCHOOLS/DEPARTMENTS	EFTS		
	2003	2004	2005
FACULTY OF ARTS AND LAW			
Dept of History and Politics	165	194	174
Dept of Literature, Language & Media	495	490	494
Dept of Sociology & Social Work	172	196	240
PIAS-DG	48	63	76
School of Education	1,070	1,067	1,029
School of Law	379	464	546
TOTAL FACULTY OF ARTS & LAW	2,328	2,474	2,559
FACULTY OF BUSINESS AND ECONOMICS			
Faculty of Business and Economics	123	148	159
Graduate School of Business	99	115	126
School of Accounting & Finance	916	1,008	1,147
School of Economics	610	749	819
School of Management & Public Admn	598	713	793
TOTAL FACULTY OF BUSINESS & ECONOMICS	2,347	2,733	3,044
FACULTY OF ISLANDS AND OCEANS			
Department of Geography	309	360	341
Department of Land Management	57	58	80
Dept of Tourism & Hospitality	87	122	145
School of Agriculture & Food Tech	185	178	173
School of Marine Studies	87	93	110
TOTAL FACULTY OF ISLANDS & OCEANS	725	811	848
FACULTY OF SCIENCE AND TECHNOLOGY			
Faculty of Science-Technology	20	27	41
School of Biological Sciences	175	192	211
School of Chemical Sciences	224	259	265
School of Computing, Information & Maths Sciences	1,420	1,451	1,376
School of Engineering	121	137	165
School of Physics	165	177	179
TOTAL FACULTY OF SCIENCE & TECHNOLOGY	2,125	2,243	2,237
ALL FACULTIES	7,525	8,260	8,689

2.1.7 Student Completions

Table 2.1.7 Completions by Programme Level 2000-2005

Programme Level	2000	2001	2002	2003	2004
Certificate	96	93	88	126	111
Diploma	147	149	162	171	148
Bachelors Degree	984	1,089	1,091	1,077	1,131
Postgraduate Certificate	62	83	43	94	76
Postgraduate Diploma	124	144	197	141	136
Masters	66	72	75	75	78
Doctor of Philosophy	0	1	1	0	1
ALL AWARDS	1,479	1,631	1,657	1,684	1,681

Over the triennium, there has been a steady growth in student completions. The latest available data on completions is for the academic year 2004 since the 2005 academic year will cover those that will be graduating in April 2006. Most completions are at undergraduate level but there has been some growth in the postgraduate levels, especially postgraduate diplomas.

2.2 From Schools to Faculties

After much discussion and planning in the past triennium, the University embarked on a restructuring exercise in January 2006 that integrated Schools, Departments, and Institutes into four new faculties for greater cohesion and to improve efficiency and flexibility through devolved decision-making and accountability. This arrangement ensures that decisions that impact our core business of teaching, learning, and research are made closer to the point of implementation.

The University commenced work on this restructuring in 2004 with a series of meetings and discussions amongst senior management, heads of schools and departments on the best possible departmental combinations into new faculties. Initially, after a retreat of Heads of Department in September 2004, the thinking was to have three Faculties:

- Business and Economics
- Law, Social Sciences and Humanities
- Science and Technology.

This was further refined by the addition of a fourth faculty, the Faculty of Islands and Oceans. This was a response to two particular areas needing special attention, that of agriculture and marine studies, with the University agreeing that this restructuring exercise will provide the opportunity to bring these two areas into the mainstream faculties in order to improve quality assurance mechanisms, enable more effective deployment of shared resources, and benefit from the support that can be offered by a Faculty management structures.

The recruitment of the Deans was conducted through an extensive regional and international search. Four very highly qualified Deans are now in position to lead the individual Faculties.

The current compositions of the new faculties is outlined below, though there may be some additional changes as the University monitors the realities of undertaking such a major academic and managerial restructuring. The Senior Management Team will continue to discuss ways to maximize the benefits of this restructuring as it proceeds through the new triennium.

Faculty of Arts and Law (FAL)

School of Education
 School of Law
 - Institute of Justice and Applied Legal Systems
 School Language, Arts, and Media
 School of Social Sciences
 Institute of Education (IOE)
 Pacific Institute of Advanced Studies in Development and Governance (PIAS-DG)

Faculty of Business and Economics (FBE)

School of Accounting and Financial Management
 School of Economics
 School of Management and Public Administration
 Graduate School of Business

Faculty of Islands and Oceans (FIO)

School of Agriculture and Food Technology
 School of Marine Studies
 Department of Geography
 Department of Land Management
 Department of Tourism and Hospitality
 Oceania Centre for Arts and Culture (OCAC)
 Institute of Marine Resources (IMR)
 Institute of Research, Education and Training in Agriculture (IRETA)
 Pacific Centre for Environment and Sustainable Development (PACE-SD)

Faculty of Science and Technology (FST)

School of Biological, Chemical and Environmental Sciences
 School of Computing, Information and Mathematical Sciences
 School of Engineering and Physics
 Institute of Applied Sciences (IAS)

2.3 Institutes

During the discussions and plans for academic restructuring, the position of the Institutes was also considered. In terms of financing and management, it was seen as advantageous that the Institutes be included as part of the Faculty structure. In January 2006 when the academic restructure came into effect, the Institutes were requested to consider their future status and affiliation. Discussions have taken place between the various Faculties and Institutes and a number of changes have occurred. The Institute of Justice and Applied Legal Studies is now part of the Faculty of Arts and Law. The Pacific Centre for Environment and Sustainable Development and the Institute for Research, Extension & Training in Agriculture are now part of the Faculty of Islands and Oceans. The Institute of Applied Sciences is now affiliated to the Faculty of Science and Technology. The Institute of Education currently operates as an Institute within the Faculty of Arts and Law as does the Pacific Institute of Advanced Studies in Development and Governance.

The Institutes are expected to continue their operations in teaching, research, and consultancy and expected to earn revenue to support staff and operation costs. The University will continue to provide an amount equal to the Director's salaries to the Faculties to which the Institutes are associated or attached.

2.4 From Centres to Campuses

Greater “regionalization” of USP activities was a major recommendation of the Future’s Report and is a prominent part of the plans in this submission. The Council in its October 2005 meeting changed the designation of the major USP operation in each Member Country from “Centre” to “Campus” as a reflection of the important role and growing presence that each of these Regional Campuses has in their respective countries. Due to their substantial enrolments the two largest Centres in Fiji at Lautoka and Labasa were also designated as Campuses. Significant subsidiary operations in each country – previously sub-centres or learning centres – are now known as Centres.

However, the changes go well beyond a new appellation. During the last triennium, with the strong support of the governments of Australia, New Zealand, and Japan, USP invested over \$3 million into the improvement of the basic infrastructure needs at most of the Regional Campus facilities — upgrading science laboratories, building computer laboratories, replacing equipment and furniture, adding new staff, improving the Libraries, and greatly expanding the Internet connectivity.

In the coming triennium, we will be further enhancing the services at the Regional Campuses. Please refer to Section 3.3 for specific information.

During this period the Vanuatu and Samoa Centres underwent partial integration with the respective campus administrations. Vanuatu DFCL retains a distinct identity, however, while the Samoa DFCL is more completely integrated into the administration of the Alafua Campus.

2.5 Administrative Achievements

- **Restructuring of the former Academic Office**
A major restructure of Academic Office saw the establishment of a flatter team-based structure around key functions of student academic services. Savings generated by the disestablishment of a number of out-dated roles were reinvested into new areas such as the establishment of a new team focussed on IT development and on-line services. The entity was renamed Student Academic Services (SAS).
- **Restructuring of the former University Extension**
The structural changes that saw the moving of University Extension (UE) to the Distance and Flexible Learning Centre (DFLC), also saw the amalgamation of University Extension Student Services with the newly reconfigured SAS.
- **Restructuring of Fiji Centre (Suva)**
During this period, the operations at the Fiji Centre based at Raiwaqa were folded into the Laucala Campus. The main impact was in the area of student services as the support for all DFL students based in the greater Suva area were moved to SAS.
- **MIS-Online**
The establishment of a new team focussed on Banner led to the implementation of on-line registration and a comprehensive range of on-line services available to students throughout the region.
- **Restructure of the Alafua Campus Administration**
Vacancies in key posts at the Alafua Campus over this past triennium provided an opportune time to make a number of far-reaching changes to the structure of the Alafua Campus administration. A key change was the amalgamation of the Chief Accountant and Campus

Secretary roles into one Business Manager position. Other changes included the establishment of a Student Academic Services office thereby consolidating a number of separate operations that were previously duplicating services.

- **Establishment of Marketing and Communications Office**

The last triennium approved the establishment of much needed positions to support marketing and communications at USP. A new corporate communications strategy has been devised and full implementation is imminent.

- **Restructure of Personnel**

Over this period, a range of structural changes and key appointments have been made to the Personnel Office. As with SAS, a flatter team approach to support HR functions in anticipation of the new faculty structure has been the main focus of this initiative.

This page intentionally left blank.

3. Plans for the Triennium 2007-2009

Education is the most effective means that society possesses for confronting the challenges of the future. Indeed, education will shape the world of tomorrow. Progress increasingly depends upon the products of educated minds: upon research, invention, innovation and adaptation. Of course, educated minds and instincts are needed not only in laboratories and research institutes, but in every walk of life. Indeed, access to education is the sine qua non for effective participation in the life of the modern world at all levels.¹⁰

3.1 Main Issues in Submissions

Building on the positive momentum of the recent academic restructure and the infusion of new leadership, USP is faced with an abundance of new ideas and opportunities. However, with the limited resources available, the University will carefully need to consider which initiatives will receive support. As the Futures Report points out, the University cannot be all things to all people and must take a close, hard look at its activities in order both to increase the quality of education as well as take advantage of new opportunities that arise. The University will continue to manage its resources wisely and invest in low risk-high return ventures that are aligned with the strategic objectives of our Member Countries.

Requests were submitted from throughout the University about how to improve our core responsibility of educating students, and new initiatives that would enable the University to increase its standing and meet the needs of the region for applied research as well as skilled human resources and future leaders. These requests were made in response to the key question, “How can USP increase both the **quality** and **relevance** of its activities?”

Seven fundamental areas emerged as priorities:

- 1) **Improvement of Student Achievement** - Foremost in the University’s thinking is the issue of how best to improve student performance through high standards, quality instruction, adequate resources, and increased academic support. USP must ensure that the degrees that students earn are marketable and comparable with international standards. Managing student enrolments and admission standards is a significant factor as is the incorporation of a new performance management system for staff which recognizes and rewards excellence in teaching in addition to research. This is also impacted by large class sizes, deteriorating facilities, and the recruitment and retention of quality staff.
- 2) **Regionalization** - USP recognizes the need to improve the learning experience of students at our Regional Campuses, especially those studying by DFL. This will entail several major improvements:
 - Increased course offerings by DFL
 - Facilities & Infrastructure
 - Enhanced Connectivity
 - Increased face-to-face instruction and interactions with academic staff
 - Student access to Library resources and digital materials

¹⁰ *Educating for a Sustainable Future: A Transdisciplinary Vision for Concerted Action*. UNESCO, 1997

- 3) **Increase Applied Research & Post Graduate Studies** – Research should be focused in areas of importance to our Member Countries such as sustainability issues affecting island nations–biodiversity, natural resource management, environment, governance, etc. Other coursework-only postgraduate degrees should also be expanded to increase the skills of regional professionals and government employees.
- 4) **Rebalance Internal Resources and Workloads** - Having implemented the academic restructuring, imbalances in resources between units and individuals is becoming apparent. A new and transparent internal funding model is needed and there must be greater equity in staff workloads. In some cases, new staff positions will be required, but the University expects the Faculties to rebalance their staffing profiles wherever possible to cover new positions in order to strengthen existing programmes.
- 5) **Capital Improvements** – There is a serious need to increase and improve classrooms, lecture theatres, laboratories, staff offices, and student spaces such as covered walkways, computer laboratories, outdoor study areas, and lavatory facilities. Funding is also needed to perform essential maintenance on deteriorating facilities.
- 6) **Equipment** – Much of the computer equipment used by students and staff will exceed its life expectancy during the coming triennium and will need to be replaced. Since a large percentage of these equipment purchases were made possible through donor assistance, this replacement cycle has not yet been adequately budgeted for. In addition, technical equipment will be needed for new science and engineering programs.
- 7) **New academic programmes** – While there must be a rationalization of less strategic programmes with low course enrolments, the University must also be willing to expand offerings to meet the changing needs of the Region giving careful consideration to potential enrolments and financial costs of any new courses.

3.2 Faculty Plans and Initiatives

3.2.1 Faculty of Arts and Law

Member Countries highlighted teacher education and training as a top priority for the Region. Student enrolments for FAL reflect this strategic importance with nearly 40% of the EFTS being in the School of Education. As such, the School of Education remains the largest part of this Faculty, followed by the School of Law with close to 30% of the EFTS. The School of Law has a strong reputation in the region and the PacLII project has recently been assured of additional funding to complete the building of an online searchable database of Law collections of most Pacific countries. The continued strength of both of these schools is of great importance to both the University as well as the Member Countries.

PIAS-DG has been integrated into the Faculty of Arts and Law and for administrative purposes will function as a fifth school of the Faculty. PIAS-DG staff are already represented on all major Faculty committees and efforts are being made to establish ways in which programmes and projects of the Institute can complement the work in the other schools of FAL.

School of Education

The FAL Support Plan emphasizes, *inter alia*, a strengthening of the teacher training activities of the School of Education. Unfortunately, this school has faced high student-staff ratios over the past years and has experienced difficulties in the recruitment and retention of high quality staff.

This has resulted in some past criticisms of the School, particular in terms of the quality of its graduates as teachers in the region.

In order to ensure the quality of teacher education in the region, the School of Education will refocus its endeavours to place more emphasis on pedagogy; on training teachers how to teach rather than on the teaching of substantive areas, which might best be left to other sections of the Faculty or University. In order to achieve this shift in focus it will require sound academic leadership at the most senior level.

The School has been without a mainline Professor of Education since 1999 and it requires someone with extensive pedagogical experience and leadership. One or two other senior levels of appointment will be required to guide the development of the education programme over the next important years. Such leadership will have to: a) resurrect its profile in areas such as teaching, research, and community service to the region; b) develop an adequate strategic plan for the School; c) implement quality strategies; and, d) develop the core business of the School which is the production of quality teachers for the region.

Expressive Arts

Performing and creative arts are areas which are central to the Pacific region and to Pacific culture. Formal training in these areas is provided by USP in a marginal way at the present time. Music and arts training are provided by way of courses in the School of Education and are usually undertaken by a small number of education students. Creative writing, theatre studies, and dance are available as formal programmes in the School of Language Arts and Media (SLAM), although often some of these courses have not been offered or promoted widely due to shortages of staff.

The Oceania Centre for Arts and Culture does valuable work in these areas and has elevated the profile of the fine arts as an element in Pacific culture in a highly significant way at USP. However, its mandate is distinct from academic offerings and the Faculty of Arts and Law has a role to play in this area of formal training by building on what it has already established. Its undertaking here can complement the activities of OCAC and add to the development profile of USP in this important area.

The formal programmes in SLAM will have an emphasis on the development of a uniquely Pacific dimension in performing and creative arts. In music, for example, it will concentrate on Pacific modalities and techniques of instrumentation, composition, harmony and tonality and performance. There would be similar expectations in the other areas indicated.

3.2.2 Faculty of Business and Economics

Aggregate enrolments in FBE programmes are the largest at USP and are growing rapidly with accelerated demand at all Campuses resulting in severe overcrowding for many of the courses. Conversely, the FBE has the smallest full-time faculty of any of the four Faculties. The EFTS per full-time equivalent staff (FTES) was substantially higher than the ratio for USP as a whole. In comparison, the FBE student-staff ratio is double the average for Faculties of Management and Commerce at Australian Universities (2003 figure).

The growth in demand for management education (broadly defined) at all levels continues unabated. There exists significant unmet demand for face-to-face business and economics undergraduate instruction in virtually all of our Campuses. Likewise, there is unmet demand for post-graduate study in business, economics, and public administration. However, before FBE can begin to meet the call for new programmes the imbalance in staffing levels and the availability of facilities — classrooms and offices — must be addressed.

Thus, the goals for FBE in the next triennium are:

- Address the lack of classroom facilities.
- Equalize teaching loads.
- Prepare for increased enrolments.
- Begin Hotel Management programs

Management Education Classroom Facility

There has not been a major addition to the stock of lecture or tutorial space available for the FBE in more than a decade. Increasingly, classroom pedagogy in management education around the world is moving toward discussion-based instruction at all levels. In addition, modern classroom facilities around the world make extensive use of wireless networks that allow students and faculty to share work products through laptop computers in real-time.

Both private and public employers in many industrialized countries are increasingly expecting that employees form teams to solve the problems faced in their organizations. As a result, employers want to see evidence that the management education their employees receive includes team-based projects. In summary, case-based instruction, the increasing use of technology, and the need to develop team-based management skills all point to the need for a modern stand-alone classroom facility.

Equalizing Teaching Loads

Student-staff ratios in the FBE are more than 30% higher than the average for USP. Over 70% of the undergraduate class offerings in the first semester of 2006 have enrolments in excess of 100 students, with over 1/3rd having enrolments of 200 or more. In the first semester of 2006 the FBE captured 35% of all enrolments yet it has only 20% of the full-time faculty at USP (as of 2005). This teaching load is unsustainable without causing significant faculty turnover and diminished student performance.

Consistent with the USP goal of raising student achievement, FBE proposes a reduction in the student to faculty ratio to 40:1 by 2009. This is a very modest target as the average student:staff ratio in Australian universities is about 21:1 for 2004¹¹. Based on current enrolments, FBE estimates that it would require an additional 24 faculty members and I&J support staff to meet that ratio **today**.

Preparing for Increased Enrolments

Resources permitting, the FBE plans to offer a new instruction-only Masters in Commerce along the lines of the MBA programme through the Graduate School of Business. This would be a stand-alone program, entirely self-financed through the Graduate School. Likewise, with an expansion of FBE faculty, an undergraduate major in Financial Management could be offered.

Hotel Management Programs

There is substantial regional demand from the Tourism & Hospitality industry for management programmes at the graduate level. Degree programmes offered by the Tourism and Hospitality Department have traditionally accentuated the social and cultural aspects of tourism and the role of centralized planning by the government. The FBE, in close coordination with the Tourism and Hospitality Department in the Faculty of Islands and Oceans, proposes to develop programmes that address the management challenges in the hotel industry, particularly luxury and resort

¹¹ AVCC 2004 *Student to Teacher Ratio*. Australian Vice Chancellors' Committee, 2005.

facilities. It is expected that the popularity of such a programme would generate revenues that would offset the initial start-up and ongoing operational costs.

3.2.3 Faculty of Islands and Oceans

Being a completely new entity comprising units from former schools and other sections of the University, it is critical to the future success of the Faculty in meeting its vision, mission and objectives to ensure that its structure, learning and teaching programmes as well as its research agenda addresses the needs and requirements of its stakeholders.

The Faculty will institutionalise a multidisciplinary Pacific focus and therefore the drive for excellence in the study of things Pacific, especially in terms of environmentally sustainable development, regional relevance, innovation and creativity, increasing capacity in science, social science and technology and the critical importance of linking these to the management of island, marine and human resources in the Pacific region.

Several disciplines encompassed by FIO are among the most vibrant and research-active in the University, with a consistently high output of quality research. The Faculty includes the Pacific Centre for Environment and Sustainable Development (PACE), the Oceania Centre for Arts and Culture (OCAC), the Institute of Marine Resources (IMR) and the Institute for Research Extension and Training in Agriculture (IRETA). The Institute of Applied Science (IAS) is physically located on the Lower Campus and there are substantial synergies with close cooperation with it. Its Director is acting as Associate Dean for Research and Services in the Faculty. Areas of special research expertise and focus in FIO include:

- Integrated resource management for islands and oceans
- Conservation and development for Pacific societies
- Climate change and variability
- Food security and biotechnology

The present relocation of the FIO to the Lower Campus has been a zero-sum game where space liberated in the Laucala main campus has been allocated to other faculties. No net space has been created to serve the needs of FIO students and staff in terms of computer laboratories, research centres and ancillary services. There is also a great need for student facilities including a covered bus area and lavatory block.

Three major Regional infrastructure proposals closely associated with FIO activities are currently under consideration:

- 1) A Centre for Sustainable Development of Atolls and Small Islands to be located primarily in Kiribati with possible extensions in Tuvalu and Tokelau pending financial resources. The Government of Kiribati is committed to providing the land and working with USP to secure funding for this project.
- 2) Rebuilding the Institute for Marine Resources facility in the Solomon Islands. This will depend largely on available funding and local political stability.
- 3) A multi-functional Conference Centre at the Alafua campus to cater for Regional conference needs.

The School of Agriculture and Food Technology will greatly expand its postgraduate course offerings and research in areas of agribusiness, plant protection, agricultural extension, and animal products. Improvement in core research/teaching facilities such as screen houses for crop research

and livestock facilities are a vital need as well as higher quality support by technical staff. The decision to incorporate food technology as one of the major areas for attention at Alafua campus will require substantial investment funding for staff, facilities and equipment.

A partnership agreement has been signed with Cornell University's College of Agriculture and Life Sciences and this partnership covers collaboration in teaching, research, and other areas like student exchanges.

3.2.4 Faculty of Science and Technology

The Faculty is focusing its development into a number of regionally relevant areas which will address improvement of student learning and achievement and increase the quantity and quality of applied research.

Computing information and communications developments

Development of expertise and research in information and communication technology is clearly of benefit to the region as a driver for economic development. The School of Computing, Information and Mathematical Sciences plans to enhance the undergraduate and postgraduate programmes in the areas of computing science, information systems and mathematics. The new Japan-Pacific ICT Centre is being established at USP with the objective of becoming a regional and international centre of excellence in ICT related matters. The School will be one of the pillars of this new centre; and teaching, training and research objectives will be aligned with the Centre. The School is building up its skills in circumstances where recruiting academic staff is highly competitive. One of the challenges faced by the School is the high student-staff ratio and increasing enrolment demands.

The School has also become a lead role in the Free and Open Source Software (FOSS) movement and has received modest funding from UNDP and support from the International Open Source Network (IOSN) to create a Pacific node to encourage developments in this area. This project will be implemented in conjunction with the Faculty of Arts and Law.

Research

Research in the Faculty will be focussed into a number of priority areas and strategies will be introduced to increase PhD student numbers, by easing the transition from masters to PhD research, seeking external scholarships, and using Graduate Assistantships to support local PhD students. Themes for research in the FST are:

- To develop appropriate technologies for sustainable energy provision by focussing on renewable sources which meet the region's needs in a clean, safe and economically viable manner.
- To conserve, protect and utilise natural (including genetic) resources.
- To support research on the quality and safety of food materials throughout the food supply chain.

Environment & Energy Research

The development of themed research in the area of environment and energy has been identified as a priority. The Faculty offers a multidisciplinary approach to research activity with teams of physicists, engineers, environmental scientists, chemists and biologists. We intend to develop an international reputation for excellence in energy and environmental research, which will allow us to serve the needs of the South Pacific effectively. Biofuels and biotechnology are emerging areas and have excellent potential to address sustainable development needs.

General Wet Laboratory Upgrading and Re-equipping

The limited funds made available during the last triennium were used to upgrade our scientific instrument facility, but major investment is needed to achieve even basic international standards. Investment in the last triennial period was insufficient to establish the proposed Instrumentation centre and funds were not available to carry out any extensive infrastructure or laboratory expansion plans. Laboratory and office facilities continue to be over-stretched. A comprehensive review of our laboratories reveals serious shortfalls in basic OHS provision. These facilities must be brought up to standard and meet the OHS requirements.

Furthermore, given the high cost of large scientific instrumentation and its distribution within different sections of the University, FST proposes to build a new, shared large instrumentation facility to provide centralised analytical services. This would require an extension of approximately 200 m². Most of the equipment to outfit this lab has already been purchased. However, an X-Ray Fluorescence spectrometer is needed to conduct elemental analysis, and an Atomic Absorption spectrometer is required for environmental research.

Engineering

The School of Engineering and Physics proposes, within the 2006-2009 period, to:

- (i) establish a 4-year professional Bachelor of Engineering (BE) operational from 2007 in its current areas of electrical/electronic engineering and mechanical/manufacturing engineering;
- (ii) expand its offerings to include civil engineering from 2007 since it has been ascertained that there is a great demand for Civil engineers in Fiji and the region.

This is in response to survey results showing that industry and Government Ministries need to employ qualified professional engineers and not rely on overseas provision. An analysis of the USP BETech graduate employment records shows that most of the graduates are soon employed after their graduation but not at the level of professional engineers. The cost of a student from the communities of the South Pacific studying for a 4-year Bachelor of Engineering degree at most New Zealand and Australian Universities is at least three times the cost at USP.

Careful reorganization and relocation of existing space will accommodate all proposed developments for an expanded Engineering program, except the need for a project laboratory of approximately 250 m². However, adequate provision for professional accreditation of these programmes requires essential outfitting and equipment for laboratories in the following areas: Machines, Power and Energy, Signal Processing, Thermodynamics, Manufacturing & Metrology, and Solid Mechanics. An equipped Civil Engineering Laboratory will also be required for the top up year from the FIT programme. A proportion of the Faculty's current equipment allocation will be used to equip these laboratories but this will need to be augmented by the University if plans are to move forward in these areas.

Sports Science

The Faculty plans a significant contribution to the university's "Sports Programmes Framework" should this initiative go forward. Currently, the regional provision in teaching sports science is extremely limited. This situation hinders the development of sporting excellence within the region, affecting our ability to compete at an international level and develop sporting activity at grass-roots level. Internationally, sports science forms an integral part in the preparation of elite sportsmen and women. This forms part of a major development at USP in the provision of sporting facilities including a gymnasium supporting high performance sport activities.

Our intention initially is to offer courses in sports science. Key components include: Functional Anatomy; Fundamentals of Exercise; Cell Metabolism and Biochemistry; Exercise Physiology; Nutrition, Health and Performance; Exercise Testing and analysis. In collaboration with other faculties we also intend to contribute to programmes involving “sports management”, sports psychology” and “sports medicine and drugs”.

3.3 Regional Campuses

Nearly all of the Regional Campuses have shown increased enrolments over the last triennium, though at different rates and in different areas and for different reasons. The upsurge in Flexi-Schools has been one major factor, with many more intensive face-to-face courses now being offered on a larger number of Campuses than was the case in the past. The switch by several regional high schools to USP’s Foundation programme has also brought about increased enrolments at this level. Cook Islands stands out as an interesting case where close to 10% of the adult population of the country enrolled in one or more courses and most of the enrolments are outside of USP’s “normal” term schedule.

NZAID provided NZ\$3 million for the period 2004-2006 to improve infrastructure and learning facilities at the regional campuses, and the University has contributed additional funds for this endeavour. As a result, several computer laboratories and science laboratories have been built, renovated, and equipped. These funds have also contributed to an expansion of library offerings as well as a recent upgrade to the server in each of the libraries accompanied by a host of digital resources. In 2005, some of these funds contributed to the upgrade of USPNet in order to enhance connectivity and increase bandwidth to the Regional Campuses.

With more and more courses being offered by DFL, especially at the 100-level, it is anticipated that many regional students could complete a sizeable portion of their degree programme in-country and only have to come to Laucala for a limited time. This should provide some relative savings for governments and scholarship providers enabling those funds to be distributed more widely. However, this would require a substantial shift in resources as most regional campuses are quite crowded as it is and there would be challenges to cater for a large influx of additional students.

One of the mandates for the Regional Campuses is to position themselves as information resource and training centres for the communities in which they serve. To this end, most Campuses have reported an increase in Continuing and Community Education activities, with the most popular being courses in basic and intermediate computing.

Again, the objectives in the coming triennium to meet Regional needs are:

- Increased course offerings by DFL
- Facilities & Infrastructure
- Enhanced Connectivity
- Increased face-to-face instruction and interactions with academic staff
- Student access to Library resources and digital materials

3.3.1 Major infrastructural development

While much has been done over the last couple of years to improve both infrastructure as well as support at the Regional Campuses, there is still much that is needed to improve the learning environment for our regional students. As noted above, most Campuses are now of a size where

expanding student numbers can no longer be properly and successfully catered for, and extensions on the existing site, or totally new buildings on a different site, are highly desirable, with the situation in the Solomon Islands being the most critical.

In accordance with long-standing Council and UGC policy, major infrastructure developments are the primary responsibility of the local government. This includes the selection and demarcation of suitable land as well as securing funding, often through bilateral support from external donors, to build the actual facilities. The University will continue to work closely with the Member Countries to define the scope of such works and budget to account for any increased staffing, connectivity, administration, and other operational costs.

Currently being considered are:

- **SOLOMON ISLANDS.** The current Campus in Honiara is woefully inadequate for present operations, let alone any future expansion. Discussions have been ongoing with the Solomon Islands Government for some time for a suitable resolution of this problem, and will continue later in the year with a view to a final decision being made by mid-2006. The exact nature of this resolution, however, significantly affects the planning process in relation to this Campus. If a new site is to be built, then there will be considerable staffing as well as infrastructural implications. If, on the other hand, the suggestion that USP and SICHE combine to offer a joint program, then there will be a different set of staffing implications and renovation costs (though much lower than the cost of a new facility).
- **KIRIBATI.** Negotiations are well advanced with the Kiribati Government, to provide AU\$2 million for a major expansion of the current campus on its present site and on adjacent plots of land which the Government will make available, on which will also be housed a proposed Centre for Research into Sustainable Development on Atolls and Small Islands associated with the Faculty of Islands and Oceans.
- **COOK ISLANDS.** Development of a new campus to house an entrepreneurial study abroad program, and to provide improved facilities for local students. Estimated costs are approximately \$NZ 10 million. A paper is being prepared for the Cook Islands Cabinet to consider.
- **MARSHALL ISLANDS.** Negotiations are in process with the Government to provide funds and a site for the construction of a totally new campus.
- **LAUTOKA and LABASA.** During 2006 there will be an active search for a suitable site, and funding, for totally new campuses, the current premises in each case being inappropriate and inadequate for current student numbers, let alone projected enrolments.
- **TUVALU.** The Tuvalu Government will allocate land and seek funding for a new Campus.
- **VANUATU.** Council has approved the construction of a new Library building but funding still needs to be identified. Discussions are being held with the Vanuatu Government. Meanwhile, the Campus Management is negotiating with the Vanuatu National Provident Fund for a joint venture agreement to construct housing (student and staff), conference facilities, a commercial centre and a gymnasium, all of which would be revenue-generating projects.

3.3.2 Improvements in face-to-face teaching for current programs

As at nearly all modern universities, pass rates for distance learners are lower than for those that benefit from full-time face-to-face interactions with academic staff. Though more and more courses are being offered by DFL, with the majority of 100-level courses already available, attention has turned to the success rates of those students studying at the Regional Campuses who

do not always have opportunities for extended interactions with instructors or tutors. All four Faculties agree that this is a priority during this coming triennium and that more needs to be done to increase student-staff interaction and raise the achievement levels of our DFL students.

A variety of solutions have been suggested, from full-time lecturers being assigned to campuses in subject areas where there are sizeable enrolments, to providing intensive “block” instruction at different points in the term. Along with these suggestions is the need to use USPNet to increase the exchanges between academic staff and remote students. Changes to Campus computer servers will enable USP to store large amounts of passive course content locally and reserve bandwidth for interactive exchanges between students and academic staff. These options will be trialled and evaluated in the coming triennium with the aim of both improving pass rates and producing a more mature cohort of students moving to Laucala Campus for later year studies.

3.3.3 USPNet Upgrades

USPNet is the lifeline of the University in terms of linking the campuses and centres as well as making education more widely accessible to students in the region. The network has pushed the boundaries of current technology and there is a real need to enhance the capacity of USPNet further so as to meet growing demands. To adequately support students and staff in the Regional Campuses and provide the connectivity to enable them to access information and course materials in a timely and efficient manner, additional upgrades will be required during the coming triennium.

This next phase has a series of related sub-projects:

- Double the current bandwidth to enable improved interactivity
- Improve local networking at each campus
- Interconnect campus phone systems over the satellite network
- Major upgrade to local server infrastructure to store information locally as a “mirror site” instead of downloading and using vital bandwidth
- Provide equipment redundancies to limit any “downtime” of the network
- Ensure equipment and power supplies are properly protected to reduce equipment failures

3.3.4 Campus Libraries

The development of the libraries at Regional Campuses and Centres is a priority and there are two main issues to address:

- 1) **Access to information** – this is being accomplished through increased connectivity and the upgrade to USPNet. It is also being addressed with NZAID funding to increase local digital resources and enhance the library server and database.
- 2) **Human resources** – Even if there are information resources available, students need to be trained in how to access and discriminate important from extraneous information. This is a growing challenge for educational institutes worldwide and is especially acute for students in remote regions who have had little or no experience with information management prior to commencing studies at USP. Thus, it is essential that the University provides trained personnel to manage the Campus and Centre libraries.

The Campus Libraries should also position themselves as Community Resource Centres in service to the public. In some of our Member Countries, the local USP library is the largest collection of

texts available in the country. These should be accessible to the broader public and would enhance the integration of Continuing and Community Education as well.

3.3.5 Continuing and Community Education

Continuing and Community Education (CCE) Coordinators are to be established in a number of Campuses. To date, only LAUTOKA Campus has appointed a CCE Coordinator. Campuses which have requested these posts include KIRIBATI, LABASA, MARSHALL IS., SOLOMON IS., TONGA, and VANUATU. These posts, where approved, will be filled, and they will begin to provide increased community education programmes to meet the in-country market demands.

3.3.6 Support Staff

As enrolments increase at most of the Regional Campuses, additional support staff are needed in addition to the academic staff previously mentioned.

3.3.7 Rural Centres

In order to improve access to USP courses to sizeable communities beyond the capital cities, four Campuses propose to establish rural Centres during the coming triennium period. These proposed centres would be located in areas with a reasonable population base and where enrolments have already been increasing. It is not clear at this stage how involved the national or provincial/local governments will be in supporting the necessary infrastructure for these developments, but USP should plan for possible staff and equipment implications.

3.3.8 New Program: Pacific Studies – COOK ISLANDS CAMPUS

A proposal has been developed for the delivery of a Pacific Studies programme aimed at the international study-abroad market, taking maximum advantage of the program's location in the cultural and environmental context of the Cook Islands. Syllabuses for this programme have already been developed and is linked to the establishment of an '*Are Ta'unga* (learned society of Pacific experts).

This programme will be initially launched as a northern summer programme and subsequently as a full semester programme from Semester 2, 2007 comprising 8-10 full credit courses and an internship, recognized and accredited by USP and overseas institutions and available to local, regional, and international students. It will be staffed by sessional and full-time local and overseas lecturers with an intake of 100-120 international students by 2009. Estimated annual revenues are projected at around \$NZ 1 million.

This proposal advances the University's objective of positioning itself as a Centre of Excellence for all things 'Pacific' including Pacific values, ethics and knowledge systems. It will provide a model for other small islands campuses in overcoming imposed diseconomies of scale to become a self-sustaining/income generating unit, and a source of significant cultural and economic multipliers for its host country.

3.4 Academic Support Units

3.4.1 Library

The USP Library plays a major role in delivering quality academic support to students and staff of the University throughout the region. The Library must maintain excellence in the quality and access of our collections and delivery of services despite the following challenges:

- Rising demands and expectations of users
- Rising student numbers across the Pacific
- Shortage of trained personnel
- Limited budgets coupled with the rising cost of information and currency exchange fluctuations
- The need for infrastructure development
- The “digital divide”
- The availability of information in many formats (print, multimedia, electronic, etc.)

In addition, there have been radical changes in educational methods, with more emphasis on self-directed learning and discovery methods which have profoundly affected library and information services. A major change at USP has been the mainstreaming of distance and flexible learning. The Library has been confronted with the increasing demands and challenges posed by these changes, and must develop information services that respond to the more complex demands of today’s users. USP Library has used technology to drive many fundamental changes in its operations and will continue to do so. Although the benefits have been mostly felt by the larger libraries, USP intends to extend these to the smaller libraries.

Major Library Initiatives

Regional Campus Libraries

As mentioned previously, the development of the libraries at Regional Campuses and Centres is a priority and there are two main issues to address:

- 1) Access to information
- 2) Human resources

Qualified and experienced human resources are essential. The development of the Campus libraries cannot take place without excellent professional staff and USP must ensure that there is a “Librarian” position for each Campus Library. This can be phased in during the next triennium addressing the needs of the larger libraries first. Another possible way of meeting this need is to institute an extensive “Library Graduate Trainee” programme so that regional staff members are trained into these responsibilities.

There must be also higher levels of funding for collection development with an emphasis on digital resources. Large physical collections are difficult to store, access, and maintain at many of the Campuses.

Cataloguing and Archival

There is an enormous backlog of Pacific materials waiting to be indexed and therefore not accessible by users. The need is for additional staff to focus on this cataloguing as well as to develop the metadata necessary for digital documents for efficient interfacing with a larger database. Additionally, when the Curriculum Resource Unit was dismantled in 2005, the Library inherited more than 100 boxes of educational resources – a special project is required to make these resources accessible. Of further need is ongoing digitization of important documents and texts for the archives and access by students and scholars.

3.4.2 Information Technology Services

IT Services provides USP with the Information and Communications Technology (ICT) foundations for learning, research, and economic development in all USP member countries. As such, IT Services is a key enabler of all initiatives in the Strategic Plan, and is of particular importance to the Strategic Plan's ICT objective.

IT Services maintains the geographically largest ICT network in the South Pacific, extending USP's academic and research activities along with the benefits of Fiji's Internet connection via the Southern Cross Cable to all member campuses. With more than 70 technical resources spread among USP member countries, IT Services also represents one of the region's largest and most technologically skilled collection of human resources.

In the new environment where all communications are converging onto a single, unified Internet platform, IT Services' previous accomplishments have provided USP with many key opportunities in ICT. If pursued successfully, these opportunities will yield a more efficient learning, research, and administrative environment. In addition, these opportunities will provide practical training and consultancies that will better prepare graduates and stimulate high-paying technical jobs to keep graduates in the region.

During past triennium and ongoing, IT Services has succeeded in several major accomplishments.

- Connection to the University to the Southern Cross Cable via AARNet has tremendously increased bandwidth to the Internet.
- The nearly completed phase one enhancement of USNet has extended greater access to all regional campuses, with a faster, more flexible, and more cost-effective satellite communications infrastructure.
- A complete upgrade of the University local area networks in all campuses
- Dramatic increase in student computer labs with quality printing and extended access hours (24-hours on Laucala campus),
- Development of online student registration system
- Negotiated discounts on Internet access for staff and students, as well as a discounted laptop purchase programme through local vendors.

Strategic IT Services Initiatives for the New Triennium

Infrastructure Maintenance Program

It is essential that USP maintains the ongoing security, legal compliance, and sustainability of IT Services computing infrastructure. Of most significance is the fact that many of the University's computers will face obsolescence in the next few years and will need replacement. It is vital that the University plan and budget for this inevitability.

This initiative also includes capacity planning and monitoring, improved data backup and security, and ensuring all software license requirements are met. Neglect in this area jeopardizes the USP operations through disruption and degradation of services over time; increased service, parts, and labour costs; data integrity and security; and licensing compliance issues.

ICT Infrastructure Enhancement

As mentioned in the section on Regional campuses, the ICT Infrastructure Enhancement initiative further improves capacity, cost-effectiveness, distribution, and access to University and Internet

resources through USPNet and the Southern Cross Cable. This initiative spans a variety of sub-projects including cross-linking to other educational and regional networks, increasing capacity and efficiency of satellite installations in all campuses, increasing local network reach including wireless access, interconnecting campus phone systems over the satellite network, server infrastructure to store information at the regional campuses, and expanding locations to new centres.

Online eLearning and eAdministration

Building on the success of the online registration project, the Online eLearning and eAdministration initiative would improve overall University efficiency and costs through process re-engineering and online tools for electronic collaboration and document management, calendar and booking, and workflow management. In addition, expanded online course delivery modes will be offered through an enhanced online course and content management system. Finally, departments and faculties will be able to maintain all administrative content online, without the need for expensive web developers. Free and Open Source Software (FOSS) will be given priority to lower up-front costs as well as attract donor funds.

Direct Educational Opportunities

The Direct Educational Opportunities initiative leverages IT Services' unique collection of technical human resources and infrastructure to expand non-degree technical courses offered to USP and the general community, and providing regional technical education and consultancies. Courses and consultancies provide revenue opportunities.

3.4.3 Media Centre

The Media Centre's central mission is to provide leadership in the development and production of practical, innovative educational media resources and training to enhance the learning experience for students, thus promoting educational, economic and social development in Member Countries.

Over the past triennium there has been an increased demand for technical backup in classrooms and the provision of broadcasting services through USPNet of both audio and video content. This demand will only increase in the coming triennium as more DFL courses take advantage of multi-media content and distribution. There has also been a marked increase in the request for video documentation of research activities and the development of supplementary teaching resources. If this trend continues, more staff and equipment will be needed to expand the capacity of video, audio, and multimedia productions.

Key Media Centre Initiatives:

Develop studio and location multi-camera and audio recording capabilities

USP has one of the largest recording spaces in the Pacific region and its potential has never been realized. With modest renovations and basic equipment upgrades, this studio could be used for to provide professional commercial services to outside customers, bringing revenues that would cross-subsidize the activities of the Media unit.

Following client research, the facilities could be marketed for income-generating external hires to be scheduled around USP needs. Operation out of normal business hours will be offered to production, advertising and events companies, choirs, bands, schools, government departments and NGOs, locally and from around the region. The emphasis will be on recording live, multi-

camera events to minimize pressure on staff time for post-production involvement, which is labour-intensive, lengthy, and complicated.

This capacity is important in our role as content providers for academic and research staff across many disciplines, to broaden the range of instructional product through demonstrations, interviews, panels, live performance and arts (music, theatre, dance, writing, visual art), DFL course content, campus news, and numerous other applications. Product can be distributed to the USP's regional constituency via delivery platforms such as delayed broadcast, streaming over the internet, inclusion in DFL course materials, and on faculty websites. Visiting lecturers, researchers and dignitaries will whenever possible, include a visit to the studio in their itinerary. There is potential to increase USP profile on Fiji One TV within the SPC slot "Pacific Way" and as regional broadcasters may have similar programming windows, the impact could be considerable as it extends USP exposure through the Pacific.

Develop educational resources

In recent times, production has been increasingly engaged in producing documentary-style resources in support of numerous teaching and research components across a number of faculties. These can be packaged in various durations (short clips for the internet, 20-30 minute, 50-minute formats, series, multimedia applications) for classroom use, research documentation and promotional purposes.

With an increasing number of tertiary institutions and government agencies around the world offering courses or programmes in Pacific studies, there is an international educational market available for visual resources focusing on the region in areas such as marine and island environments and ecology, arts and culture, history and language. USP is uniquely placed to create and package a range of video, multimedia and audio resources for wider distribution within the region and elsewhere.

Income from such resources will not be large initially, but returns will be steady and secondary markets might be available for some product destined for broadcast television, especially cable. Overheads will be minimal in terms of establishing an office, necessary infrastructure, and possibly a marketing coordinator at some stage in the future. This will require collaboration as we work in close conjunction with existing production staff, researchers and academics across the university and related agencies. Potential exists for attracting production funds from government and NGO sources such as SOPAC, SPREP, UNESCO and other philanthropic or donor agencies. Our own students, especially those around the region, will benefit in the first instance by being involved in these productions, and secondly by having access to resources depicting stories about Pacific people, places, communities, and research and teaching activities outside their own locality.

Develop Radio Pacific

Radio can have a significant impact in the region and work is being done to redefine the capacity of Radio Pasifik to improve the vitality and quality of this service to our student and academic populations as well as the general community. With limited initial investment, it is positioning itself as the alternative service for increasingly sophisticated audiences wanting accurate and informed access to a broad range of dynamic local and regional discussion, research, factual and music programs. Additional funding would enable a more powerful transmitter and antenna system to broaden its footprint.

3.5 Centre for Educational Development and Technology (CEDT)

The Centre for Educational Development and Technology (CEDT) was established in August of 2005 and is an amalgamation of three pre-existing University sections: the Distance and Flexible Learning Support Centre (DFLSC), the Centre for Excellence in Learning and Teaching (CELT), and Continuing and Community Education (CCE). This restructuring was one part of the extensive University-wide restructuring exercise, which is still in progress. The new CEDT promotes and facilitates excellence in learning and teaching in all delivery modes amongst all University staff and students. It plans, develops, and executes an extensive range of professional learning materials for regional students of the University, and promotes professional staff development in all areas related to achieving an excellent quality of learning and teaching. It also creates and delivers extensive courses and programmes in Continuing Education, meeting the varied needs of communities in the University region.

3.5.1 Distance and Flexible Learning Support Centre (DFLSC)

The last triennium was a period of great change and restructuring for DFLSC. In 2003 the DFL Student Support staff and their responsibilities moved to the Registry (Student Academic Services) and the Bursary. In 2004, the DFLSC Production and Despatch Unit moved to the Book Centre. In addition, the Pre-Degree Studies Unit ceased to be part of DFLSC and moved to the Statham Street Campus as the College of Foundation Studies. DFLSC no longer has operational or administrative responsibilities for the campuses beyond Laucala and the Director of DFLSC position no longer exists. DFLSC's small Operations section has moved under the CEDT Directorate, as have the Satellite Communication Officers. DFLSC now essentially consists of the former Distance Education Unit plus the Head of Distance and Flexible Learning and the Secretary to that position. The Centre is therefore smaller and can be more focused on supporting high quality and innovative teaching and learning materials and environments at USP.

During the last triennium, the AUSAID-sponsored DFL project enabled collaboration and attachments with other Universities in Australia, presentations at international conferences, participation in local seminars and conferences, and formal studies in DFL. Notably, two staff completed Masters in Educational Technology studying online part-time with the University of Southern Queensland. DFLSC's website, a DFL showcase and other staff development workshops were also supported. JICA gave DFLSC valuable assistance in providing visiting experts, enabling two staff to attend Multimedia training courses in Japan, supporting Computer Science course development and building a well-resourced Multimedia Lab in DFLSC.

The most significant factor affecting future directions is the projected exponential growth in DFL at USP. The USP Council through the endorsement of the Future's Review Report has recommended that all USP Programmes should be available by DFL by 2010. In 2006 there are 340 courses available by DFL from a total of 763 courses and 157 programs. This means that DFLSC would expect its course development and maintenance workload to increase substantially over the next triennium.

Because of the intensive workload required to fulfil this recommendation, the University suggests that this be reviewed with the objective of *optimizing* the number of courses offered by DFL by 2010. While DFLing all courses is an admirable goal at first glance, it is not practical and would not be the best use of University resources, particularly for courses with low enrolments. Instead, USP will expand and prioritize its DFL offerings to ensure that all major 100-level courses, with high demand or which are particularly vital for progressing to the next level of an award program, are offered by distance learning methods by 2010.

DFLSC has a strong role as an agent of change, leading and supporting the use of networked and online learning as the technology becomes more developed and accessible to the whole USP

region. DFLSC staff are becoming more skilled and specialized. Staff development, technically and academically, is a high priority. DFLSC staff must be able to meet USP's significant DFL challenges with a well-informed, qualified, and professional team.

3.5.2 Centre for Excellence in Learning and Teaching (CELT)

The University's decision in November 2005 to rename CELT the Centre for Excellence in Learning and Teaching coincided fittingly with its vision for the future. While many of the projections made for the 2003-05 triennium proved to be achievable and relevant guidelines for growth, each year's experiences generated new ideas for improvement and development. These were added to annual activities plans so that by the end of the triennium nearly all of CELT's programmes had expanded beyond triennium projections.

Some notable highlights included:

- Expanding CELT's staff and student support beyond the Laucala Campus and entrenching a positive CELT profile throughout the Region;
- Regular staff workshops each semester to enhance teaching skills;
- Establishment of the English language programme as a self-funding project supported by student fees to enable its growth;
- Development and validation of four versions of the English Language Skills Assessment (ELSA) test;
- Establishment of EL001 as an integral part of the University's academic programme, which will be available from 2006 to distance students in print mode;
- Increased recognition and demand for academic and study skills development by departments, students, and Centres;

It is important to note here the AUSAID-sponsored DFL project enabled many skills-development and training opportunities for staff involved in distance and flexible learning delivery. This additional funding enabled CELT to boost its outreach to other campuses, to facilitate travel by both trainers and trainees to project locations, and to enable teaching and DFLSC staff to enrol in formal programmes of study.

3.5.3 Continuing and Community Education (CCE)

Continuing and Community Education programmes respond to the ongoing needs of adult learners throughout our Member Countries address the holistic learning needs of Pacific communities. CCE provides an inclusive service to communities by offering learning opportunities to various levels not traditionally served by universities.

The CCE mission is to:

- provide bridging courses for individuals wishing to do degree level studies,
- collaboratively develop innovative multi-modal experiences for the region in both formal and continuing and community education
- encourage and facilitate research on life skills issues in the region
- engage consultants where and when appropriate on CCE academic activities in the USP region
- develop partnerships with regional academic, inter-governmental and NGO institutions in training and community education areas needed in the region

- develop partnerships with donor agencies and the private sector on project and sponsorships which meet relevant regional needs.

3.5 Administration/Other initiatives:

There are several other University ideas that have been under consideration for several years, and which warrant implementation at this time.

- **Establishment of an International Students Office**

Long- and short-term International students are as source of significant potential revenues for the University as well as for raising the profile of its programmes and research on the international stage. A strong and conservative business plan has already been developed that indicates this is a high-profit, low risk investment. Conservative estimates are that the University will stand to generate over \$F3 million profit per annum by the fifth year of operations.

- **Alumni Relations**

The case for an Alumni Relations office has been made several times in the past and is reiterated in recommendation 4.1 of the Future's Report. If USP wants to seriously pursue this initiative, then it needs to budget for a couple of staff positions at the minimum.

- **Sports**

A number of sporting initiatives, such as the "USP All-rounder" scholarship programme, club sports, etc. have been started, but with no staffing or operational funding. There is no doubt that sports is being increasingly recognised as a key vehicle to drive a range of development objectives. In terms of campus relations and in accordance with recommendation 2.2 of the Future's Report, sports is recognised as an important mechanism to promote a pan-Pacific consciousness. While some of the operational costs could be absorbed in current funding levels, the costs of additional staffing cannot. At least two positions at Assistant lecturer/Lecturer level are required to support this initiative.

- **Auckland Campus**

The Council Committee that looked at the future of the University, extensively discussed the possibility of USP setting up a presence in Auckland, New Zealand. Greater Auckland (particularly the South Auckland area) has a very high Pacific Island population and numerous tertiary education providers are targeting that market as a source of revenue growth over the next decade. A few years ago, USP signed a MoU with Auckland University of Technology to explore ways in which we could collaborate. As part of the discussion, AUT offered to provide space at their Auckland campus for USP. There are a number of exciting possibilities emerging vis-à-vis USP law courses in Auckland and AUT sports science courses here at USP. Funding for this in the form of a lecturer level position and a number of tutors needs to be foreshadowed. Undoubtedly, a business plan will be forthcoming over the next few months to support this initiative and assess its financial viability.

3.6 Capital Improvements

As mentioned several times in this submission, the University faces severe overcrowding at many of its campuses and there has been a general deterioration of buildings and facilities due to lack of sufficient funds for maintenance, improvements, and new structures. In addition to long-term

budgeting to meet these needs (at least a level commensurate with depreciation), the University is seeking a one-time grant to address the deficiencies that have accumulated over the past several years.

Classroom Space

Classroom space has been a critical need for many years and is highlighted in several previous budget submissions. However, enrolments continued to increase and efforts to manage these enrolments have not been successful. Even if USP were to implement draconian measures to tightly manage enrolments during the coming triennium, classroom space would still be inadequate. Increasing the number of courses offered through DFL at Regional Campuses may redistribute space needs, but will not relieve the pressure. Time and again, overcrowding is one of the greatest concerns mentioned by teaching staff and students as having a negative impact on the teaching and learning environment. Furthermore, many of the spaces that are available are in poor condition with horrible acoustics and rundown furnishings and equipment. Combine poor acoustics with a variety of staff accents and variable English language comprehension by students, and the mix is not conducive to successful teaching and learning.

OHS compliance

Along with a general upgrade needed for science laboratories throughout USP, these facilities in particular must be brought into compliance with OHS standards. This has been noted for several years, but funding has not been available to complete these improvements.

Large Equipment Facility

Scientific research is being conducted in a variety of departments and has needs to for specialized laboratory equipment. In order to promote more efficient use of resources, a centralized Large Equipment facility should be developed so that these departments could more efficiently share the use of expensive equipment.

Student and pedestrian spaces

With an increased number of students at both Upper and Lower Campuses at Laucala, it is apparent that student and pedestrian spaces must be improved. This ranges from the creation of covered walkways, to bus shelters, to lavatory facilities, to pedestrian overpasses, to covered outdoor study spaces. All of these are needed to enhance the learning environment of our students.

Japanese ICT Centre

Information and communications technology is vital to the future of the region in terms of economic development as well as governance. In recognition of USP's strong leadership role in developing regional capacity in ICT, the Japanese government has committed to fund the construction of a FJ\$30 million ICT Centre at USP. The University has agreed to contribute FJ\$3 million toward the preparation of the site and to cover additional preliminary costs.

Private-Public partnerships

The University has already embarked on a number of private-public partnerships wherein USP will benefit from infrastructure developments through private investments. This approach has been taken to increase and improve the availability of student residences at Laucala as well as renovate a new state-of-the-art gymnasium. Further discussions are taking place for additional projects where there is a sound business plan for investors.

3.7 Major Equipment

Over the years the University has been fortunate to have received support from donors to build its IT infrastructure including student computer labs, staff equipment, library computers and databases, as well as connectivity enjoyed now through AARNet and USPNNet. However, much of this equipment is now nearing the end of its useable life and needs replacing if USP is to maintain basic computing needs.

This is especially critical as USP has moved toward offering more flexible modes of learning to cater for our distance students. All Law programmes are currently offered as web-based courses and the University has been charged with the task of optimizing the number of DFL courses to ensure that more students at the Regional Campuses are able to complete most 100-level courses as well as select programmes of study. This will place additional expectations on the extent of computer equipment and access for both students and staff.

3.8 Non-financial initiatives

The University is in the process of implementing several initiatives that require no additional financial investment, but will improve the quality of education at USP. Among these are:

Performance management – USP is revising and developing an extensive performance management system. This system would not only set annual performance management goals for all staff, but would also be based on the concept of developing staff skills in a supportive manner.

Reward good teaching – USP is primarily a teaching institution with some specialized areas of research. Recognition and reward of quality teaching will be part of the new performance management system for academic staff and will be a key factor in promotions.

Student feedback – In addition to strengthening the role of the Student Association, a number of student feedback mechanisms are being developed to ensure that the opinions and ideas of students are included in University decision-making. Among the formal instruments are: student evaluation of courses, student evaluation of teaching, a first-year experience questionnaire, the graduate destination survey, and a graduate evaluation of programs.

Staff feedback – The recruitment and retention of quality staff is essential to fulfilling the mission of USP. Staff will continue to have a strong role in, and responsibility for, providing suggestions for improving the learning, teaching, and research environment of the University. Staff feedback will be sought in a number of key areas.

3.9 Funding of Priorities

Table 3.9.1 Aggregated Requests from Faculties and Sections

Priority Area	2007	2008	2009
Improvement of Student Achievement	6,401,549	6,819,290	7,877,102
Regionalization	5,790,813	5,857,303	5,757,590
Applied Research & Postgraduates	1,548,758	4,080,308	6,379,558
Rebalance Resources	2,396,667	2,116,667	2,116,667
Capital Improvements	17,782,651	2,456,063	1,897,779
Equipment	6,528,770	3,967,549	3,647,892
New Academic Programs	1,781,400	1,401,700	1,484,300
Total	42,230,608	26,698,880	29,160,888

Table 3.9.1 is a summary of the requests that were received from Faculty Deans and Senior Managers of support areas. It should be noted that these requests represent only a fraction of the requests made by the Schools and units. Clearly, the perceived need is far greater than what will be realistically attainable.

In considering the financial strategy outlined in Section 4, a more realistic request for this coming triennium is as follows:

1. An annual 2% increase in real terms (about FJ\$1 million) plus FJ\$3 million per annum over the coming triennium to bring government contributions to 70% of the 1996 value. The total value over the triennium is about FJ\$12 million. This would complement new measures to manage enrolments and enable the University to rebalance some of the workloads between departments, but not be sufficient to cover new initiatives.
2. Additional funding of FJ\$7.5 million over the triennium to enable USP to implement initiatives outlined in this submission, particularly to enable greater Regionalization (\$3.3m) and improve student achievement (\$4.2m).
3. A one-time facilities grant of FJ\$8 million to renovate and construct classroom and office facilities for students and staff. In addition, there is also a need for FJ\$3.0 million as USP's contribution toward the \$30 million Japanese ICT Centre.
4. Direct research funding of FJ\$5.1 million from Member Countries over the next triennium to stimulate and support applied research in areas specific to the needs of the Region. Results from this research should be able to be leveraged to get additional funds for the following triennium, 2010-2012.
5. Equipment replacement funds of FJ\$6 million over the triennium.

Thus, the total requested increase in funding from our Member Countries averages just under FJ\$14 million per annum. Of the seven broad areas into which we have requested funding, two - the rebalancing of resources and new academic programmes - will be funded out of the \$3m + 2% real terms increase in the recurrent grant.

Table 3.9.2 Triennium Funding Request

FUNDING REQUIRED	2007	2008	2009	Triennium
Increase in Government Contributions to recurrent funding (2% + \$3m annually)	4,000,000	4,200,000	4,400,000	12,600,000
(1) Improvement of student achievement	1,400,000	1,400,000	1,400,000	4,200,000
- <i>Improve Student Resources</i>	<i>800,000</i>	<i>800,000</i>	<i>800,000</i>	<i>2,400,000</i>
- <i>Increased Academic Support</i>	<i>350,000</i>	<i>350,000</i>	<i>350,000</i>	<i>1,050,000</i>
- <i>Increased Admin. Support</i>	<i>250,000</i>	<i>250,000</i>	<i>250,000</i>	<i>750,000</i>
(2) Regionalization	1,100,000	1,100,000	1,100,000	3,300,000
- <i>Increased Academic Support</i>	<i>300,000</i>	<i>300,000</i>	<i>300,000</i>	<i>900,000</i>
- <i>Facilities & Infrastructure</i>	<i>150,000</i>	<i>150,000</i>	<i>150,000</i>	<i>450,000</i>
- <i>Increased F2F Teaching - USP Net</i>	<i>300,000</i>	<i>300,000</i>	<i>300,000</i>	<i>900,000</i>
- <i>Student Access to Library & Digital Material</i>	<i>350,000</i>	<i>350,000</i>	<i>350,000</i>	<i>1,050,000</i>
(3) Increased applied research	1,700,000	1,700,000	1,700,000	5,100,000
(4) Rebalance Internal Resources & Workload				
<i>Funded through increased recurrent Govt. Grants</i>				
(5) Capital Improvement	4,970,000	3,370,000	2,670,000	11,010,000
- <i>Japanese ICT Centre</i>	<i>2,300,000</i>	<i>700,000</i>	-	<i>3,000,000</i>
- <i>Classroom & Lecturer Theatres</i>	<i>1,720,000</i>	<i>1,720,000</i>	<i>1,720,000</i>	<i>5,160,000</i>
- <i>Laboratories</i>	<i>400,000</i>	<i>400,000</i>	<i>400,000</i>	<i>1,200,000</i>
- <i>Staff Offices</i>	<i>200,000</i>	<i>200,000</i>	<i>200,000</i>	<i>600,000</i>
- <i>Student space</i>	<i>350,000</i>	<i>350,000</i>	<i>350,000</i>	<i>1,050,000</i>
(6) Equipment	2,000,000	2,000,000	2,000,000	6,000,000
- <i>Computers</i>	<i>1,200,000</i>	<i>1,200,000</i>	<i>1,200,000</i>	<i>3,600,000</i>
- <i>Other Equipment</i>	<i>800,000</i>	<i>800,000</i>	<i>800,000</i>	<i>2,400,000</i>
(7) New Academic Programs				
<i>Funded through increased recurrent Govt. Grants</i>				
TOTAL	15,170,000	13,770,000	13,270,000	42,210,000

4. Financial Management

4.1 Introduction

However measured – whether by enrolments, numbers or full-time equivalents – the student population of the University has been growing substantially for a very long time. The University Grants Committee (UGC) recognised the problems that sustained growth causes if not matched by increases in the University resources. In its last mid-term review it stressed the impact upon the University should the rise in student numbers not be aligned with increased funding:

*“Growth on this scale without commensurate increases in funding must pose a threat to the quality of the student experience and hence to the reputation of the University.”*¹²

Whilst the last UGC review warns particularly starkly of the potential dangers to the University of uncontrolled growth, in fact the Committee has commented on the issue over many years:

*“[USP should]...ensure that the rate of increase in student numbers does not rise significantly above the rate of increase in the overall budget.”*¹³

*“Present funding levels do not enable the University to maintain standards of teaching and research at a competitive international level. Student-staff ratios are considerably higher than in Australia and New Zealand. They could be improved if student enrolments were limited.”*¹⁴

*“The University should limit the increase in enrolments...”*¹⁵

*“In future, the University must manage its first year and total enrolments to avoid admitting more students than it can adequately cater for.”*¹⁶

*“The University’s resources are limited. The Committee therefore urges it to institute arrangements which will allow it to exert better control over the number of enrolments.”*¹⁷

*“Unrestricted enrolment growth can not be permitted to continue unless additional funding is provided.”*¹⁸

For almost twenty years the University has been told that it needs to plan and control its student numbers; clearly this has not happened. All parties are at fault for letting the situation continue for so long – the University for failing to introduce effective control measures and the Member Countries for wanting more of their population to benefit from higher education but being unprepared to fund the cost fully. The results of this long term malaise can be seen all around USP: unmanageably high staff-student ratios, low levels of research output, old and obsolescent equipment, poorly maintained buildings, an insufficient supply of residential accommodation, over-crowded classrooms, lowly paid academic and professional staff with subsequent difficulties

¹² Paragraph 32, University Grants Committee Mid-Term Report 2004

¹³ Recommendation J, UGC Report 2003-2005 Triennium

¹⁴ Executive Summary, UGC Mid-Term Report 2001

¹⁵ Recommendation 2, UGC Report 2000-2002 Triennium

¹⁶ Executive Summary, UGC Report 1997-1999 Triennium

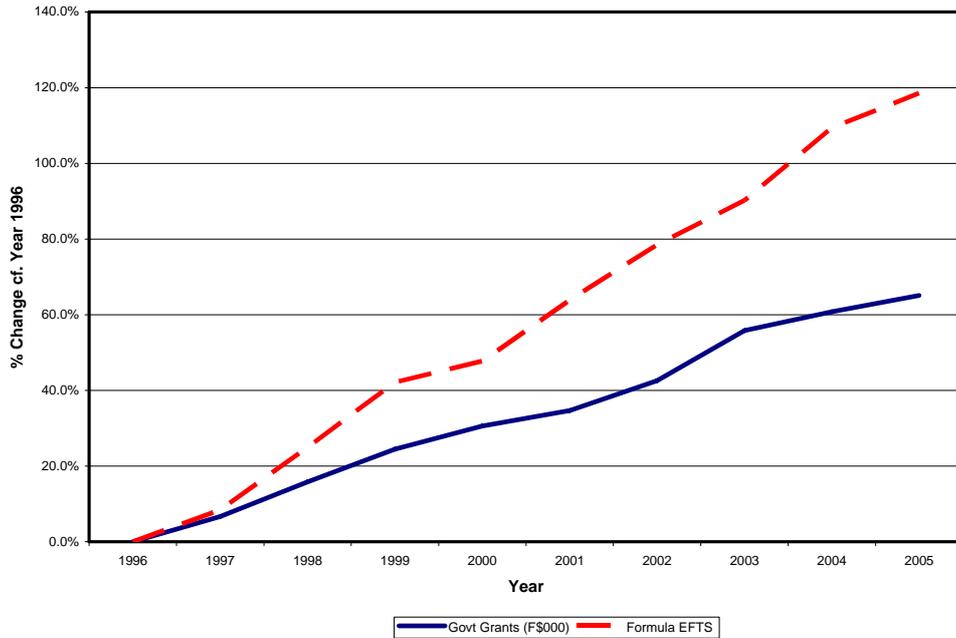
¹⁷ Paragraph 4.1.5, UGC Report 1991-1993 Triennium

¹⁸ Paragraph 5.1.1, UGC Report 1988-1990 Triennium

in recruitment, underdevelopment of the regional campuses, and so on. There is an urgent need to stop the unplanned growth in the student population and invest additional resources back into the University's infrastructure.

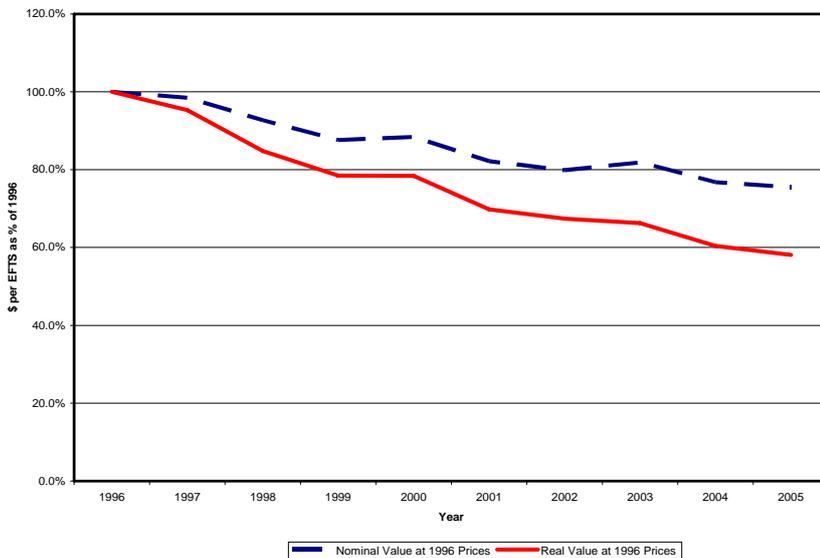
To illustrate the divergence between growth and resources, the following chart compares the rise in EFTS (equivalent full-time students) over the past nine years to increases in Member Country grants:

Comparison of Growth in Government Grants to Growth in Students (Last 9 Years)



Another way of viewing the same issue is to consider the amount of dollars per full-time student being paid by the member governments. When compared to 1996, the decline in funding per student in nominal and real terms is shown below:

Government Contribution per EFTS - Comparison to Year 1996



In other words, in 2005 Member Countries granted only around **75%** in dollars per student of the contribution they made nine years earlier or only **58%** in value if inflation is taken into account.

This situation needs to be tackled as follows:

- In the short term, over the next triennium, there also needs to be significant “catch up” funding so the University can invest properly in its facilities and resources in order to meet the requirements arising from its present size.
- The University has to have a long term student plan, and then ensure operationally it has the systems to manage numbers against that plan. If the University wishes to expand its range of subjects for students – for example, in sports, tourism or music – then it will also have to decide at the same time where it is going to cut numbers to keep within its planning target. This is likely to lead to tension and strain between Faculties and academics.
- The financing of the University needs to be amended and linked to any agreed growth in student numbers.

4.2 Planning and Managing Student Numbers

As well as providing warnings about the unfettered growth in student numbers, the UGC has at various times tried to assist the University by providing maximum targets for enrolment numbers¹⁹. These targets have always been exceeded, often by significant amounts. The failure to meet targets reflects either a systemic unwillingness to do so or an absence of effective policies and procedures to plan and manage student numbers, or both.

High staff turnover, particularly in the senior academic positions is likely to create a growth culture. New people come in with new ideas for new courses or areas they wish to see expanded. At the same time these people do not want to be labelled as the “bad guy” that closes down struggling areas but instead want to appear as having the required skills, energy and enthusiasm to turn things around. Hence there is growth in some areas but no real contraction elsewhere. For example, low student numbers in the School of Agriculture was highlighted as a concern in the UGC Triennium Report of 1984; eighteen years later this concern is still being echoed in the equivalent Report for 2002. The reluctance to close down an academic area is not unique to USP – universities across the world find it hard to grapple with – but now is the time when it should be addressed here.

The University should therefore take a long hard look at the courses it offers and close down those where enrolments have historically been low unless they are of vital strategic importance to the University and its Member Countries. When new courses are offered they should be monitored carefully and, if there is no proven demand for the course after, say, three years, then they also should be ceased.

As a first stage in controlling enrolments the University will carry out an audit to ensure that the current admission policy in regard to bachelor level programmes is being followed, particularly in the regional campuses. If the audit finds significant breaches of policy, then the University will consider centralising the admission processes for all University level programmes (but not continuing education or foundation study courses).

The University will also consider the admission policy itself to see whether this should be amended in order to manage student numbers. Increasing entry requirements is likely to slow

¹⁹ See, for example, the UGC Triennium Reports for 1997-1999 and 2000-2002

down the rate of growth. However the overall effects of adopting such a policy need to be thought through carefully.

The University will also look at what entry mechanisms need to be put in place in order to set quotas or targets (whether at course, program, major or level). First come, first served is the easiest system to operate but would not be fair on students from countries whose school results come out later than others. A ranking system would be complex and could delay admission decisions until quite late, possibly involving a change to start date of the academic year. Also, the basis for ranking would have to be determined and all admission categories across the various regional countries would need to be able to be compared. Nevertheless some sort of planning targets will be required to manage numbers. These targets will be built into the University's internal funding model to ensure the Faculties have an incentive to remain within planned numbers.

4.3 Changes in the Formula for Government Contributions

Having said that the University should take action to plan and manage student numbers effectively, there are pressures from the Member Countries themselves for numbers to grow. There is high demand for tertiary education and a desire that all who are qualified to attend University may have the opportunity to do so. However the Member Countries must realise that, if they wish this demand to be met, they must be prepared to pay for it.

The existing funding formula for calculating Member Country contributions does not take into account growth in student numbers. This has led to the issue highlighted earlier – that the growth in Government contributions has not kept up with the growth in student numbers. Students now have less invested in them than the students five or ten years ago, and their educational experience must therefore be relatively worse than it used to be. Hence it follows that, if the Member Countries themselves either individually or together support the notion of continued growth, then the contributions' formula must be changed so planned and agreed increases are properly funded.

A detailed explanation as to how Member Countries' contributions are currently calculated is set out in Annex 2 to this paper. There are a number of points to note about the present methodology:

- It was first agreed in the 1980s and has not substantially changed since then.
- A country's contribution is calculated in two parts with one element (the **General Grant**) reflecting the benefit to the country from educating its students and the other (the **Special Grant**) reflecting the local economic benefit arising from USP's physical presence.
- The total amount of funding available to USP does *not* change in line with changes in student numbers. Student numbers only determine how much of the **General Grant** countries pay relative to one another. Therefore if one country sends an increasing number of students to USP it will start to pay a relatively larger proportion of the total grant *but the funding per student for students from all countries will go down* – i.e. the students from all countries will be worse off because less can be spent on their individual education.
- The amount due from each country in each year can change during the course of the year. This is because the calculation of the **Special Grant** takes into account salary increases awarded in Member Countries, and these awards are often back-dated and made in the middle of the year. This makes budgeting and financial planning difficult for the Member Countries.
- The **Medium Works** grant has not been revised since 1999 and at \$F678,000 is totally inadequate to cover the annual cost of works needing to be carried out by the University. An indication of the shortfall is that the figure in the annual financial statements for

depreciation on properties is around \$F2.2m, over three times higher than the current grant. In fact, substantially more than this is required in order to deal with the backlog maintenance that has not taken place over the years due to the under-funding.

It is proposed that any new funding mechanism is based on the following principles:

- Admission policies are set and regularly reviewed to ensure that those students admitted to USP have a reasonable probability of succeeding. Admission decisions remain solely the responsibility of the University and should be applied equally across the University. *This principle provides assurance to Member Countries that their monies are being used appropriately.*
- Eligibility for admission does not automatically entitle a student to a place at USP. Places are dependant on the availability of resources within USP and the willingness of member governments to contribute, fully or partially, to students' education. (At present, governments fully contribute towards sponsored students' education and partially contribute, via the funding formula, to private students' education.) *This principle will ensure the quality of student education is not impacted by unfunded increases in enrolments.*
- Member Country contributions will continue to be partially based on actual enrolments and partially to reflect the differential benefits each individual country receives. Contributions by individual countries will not be increased or decreased by changes in enrolment patterns in other countries. *This principle will also allow USP to receive some additional funding for any increases in enrolments within the triennium.*
- USP will work with countries to set targets and quotas, and to determine appropriate mechanisms to manage excess enrolment growth. *This principle will allow Member Countries to tailor their contributions to budget priorities.*
- Member Country contributions will be agreed and fixed ahead of each financial year. This principle will allow Member Countries to build the anticipated cost into their own financial plans.

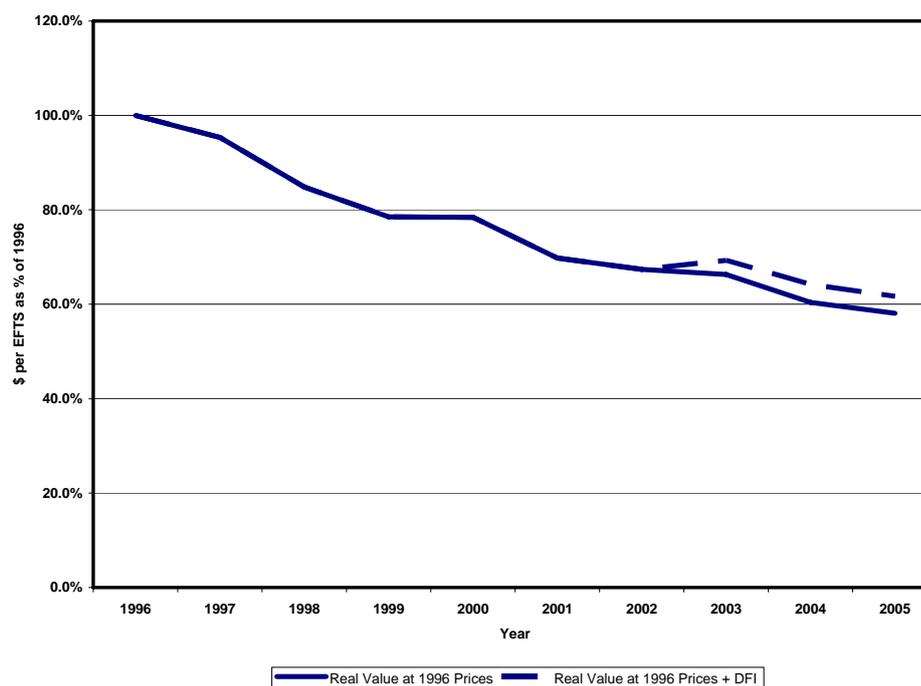
Any new funding mechanism needs to be agreed by the Member Countries themselves. Two possible options, based on these principles, are set out in Annex 3 and will be discussed with key Member Country officials.

4.4 Student Fees

The University recognises that one reason why Member Country contributions per student has declined for a long period time may be that of affordability – the Member Countries themselves may no longer be able to afford to provide the same level of support, as measured in dollars per student, as they could ten years ago. This is not unique to the region – governments across the world are grappling with the question of how to fund their universities adequately. In last few years many countries have realised the value of increasing the taxpayer contribution towards higher education because of the future benefits that will accrue to their economies. However at the same time they have also asked students themselves to bear a larger share of the burden.

In the last few years USP has also partly met its expenditure needs by being allowed to set differential fees for certain of its courses. The chart below shows the impact differential fee income (DFI) has had on funding per student:

Government Contribution per EFTS - Comparison to Year 1996



Even with the additional income it has generated, DFI has only temporarily alleviated the downward path and there has still been a decline in funding over the past couple of years.

One option for the University to deal with its financial challenges is to increase student fees in real terms, not just for those courses where differential fees have been established but for all fees across the board. From a University perspective, this would not only generate additional income (assuming demand is relatively inelastic for university places) but might also have some effect on reducing the growth in student numbers. However this may mean that the number of students that Member Countries are able to sponsor would be fewer, and that some talented students may feel they can no longer afford to follow a path in tertiary education at USP.

4.5 A Financial Strategy for the Triennium

It is proposed that the University sets the following goal as the basis for its financial strategy for the next triennium:

That the University's finances and student numbers are re-balanced so that the funding per student in 2009 is 70% of the 1996 figure as measured in real terms.

In fact, it is more appropriate to see the next triennium as the first stage of a far longer term plan to restore the financial position of the University and that the ultimate financial goals for USP are:

That the University's finances and student numbers continue to be adjusted over the next three triennia so that the funding per student in 2012 is at least 85% of the 1996 figure as measured in real terms and funding per student has been restored to its 1996 level in real terms before or by the year 2015.

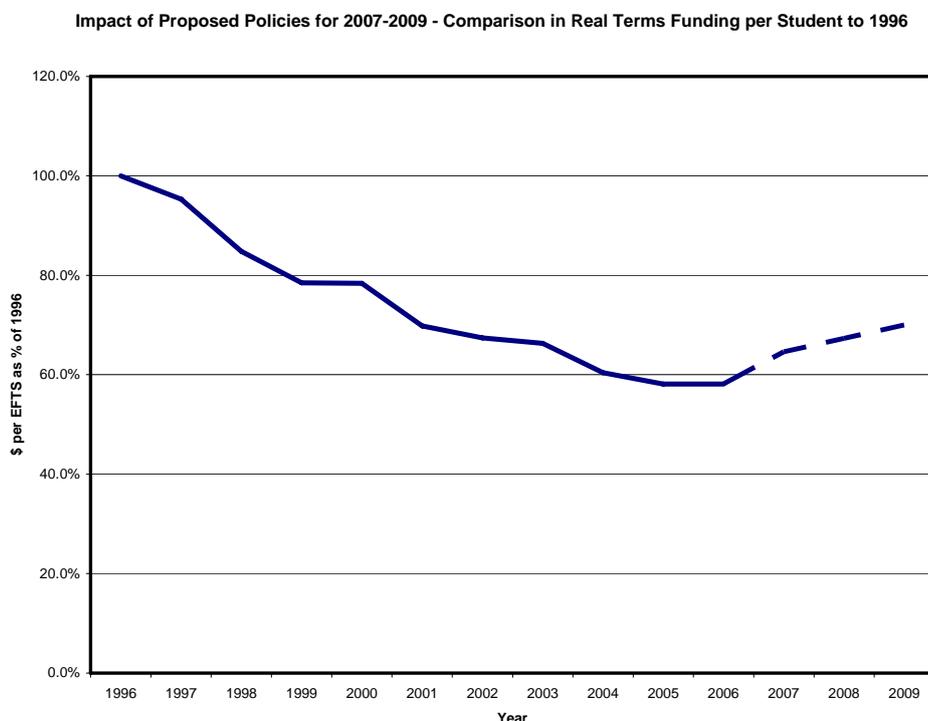
Some within the University itself may regard these goals as moving too slowly back towards equilibrium. However, note must be taken as to what can be afforded by the economies and

individuals contributing towards the University’s costs, and even to achieve these goals will require sacrifices on the part of the Member Countries, students and the University itself.

The 2005 funding per student was around 58% of 1996 funding in real terms. To reach the 2009 goal of 70% it is proposed that a combination of policies is followed:

- i. There is an overall increase of F\$3m (three million Fiji dollars) in 2007 over and above the 2006 total grant for all Member Countries;
- ii. There is a further 2% real terms growth in the overall grant in each of the years 2007, 2008 and 2009;
- iii. There is a 3% real terms increase in student fees in each of the years 2007, 2008 and 2009;
- iv. There is a 2% reduction in EFTS in each of the years 2007, 2008 and 2009.

It is estimated that this combination of policies will achieve the desired goal:



These policies can be varied, but only at the expense of one another. For example, if it is felt that Member Countries could only afford an overall increase of F\$2m in 2007 then the real terms growth in Member Country contributions would have to be 2.8% (instead of 2%) for each of the three years 2007 to 2009.

It is also important to note that (b) and (c) both refer to real term increases. Estimated inflation needs to be added to indicate what the overall year-on-year effects will be. Hence, if it is thought that inflation will be around 3% per annum, the annual increase in government contributions will be 5% and the annual rise in student fees will be 6%.

4.6 Requests for Additional Funding

Within other parts of this submission are requests from the academic Faculties and support areas for additional funding. Some requests are to provide assistance where the growth of the University has meant that current resources are simply inadequate to continue to provide existing levels of teaching and research properly – for example, to pay for extra posts in order to address unmanageably high staff-student ratios. Other requests are for funding to support operations that Council or Member Countries have identified as being desirable to see carried out but where the resources have not been clearly identified or have proved to be too little to carry out the task in full. Yet other requests are to support work in new areas identified as being important to the region but are not yet being undertaken by USP.

Any additional funding received by USP to meet the financial target set out in the previous section will not be sufficient to meet the needs of the Faculties. Indeed the basis of the target is primarily to try to restore the University's baseline financial position, particularly with respect to the quality of teaching, rather than meet new needs. This means, to carry out new developments or even to meet certain commitments that Council and Member Countries already consider desirable, the University must generate the necessary funds internally. To do this the University will need to examine all its operations and budgets carefully. Activities seen as having a lower priority will need to be ceased in order to release funds for new areas. This will be a painful process and, if the requirement to divert resources is high, could be costly. It is possible the University may need to come back to Member Countries for additional one-off resources to support the change process.

4.7 Infrastructure

The additional funding requested by USP to meet its financial target does not cover infrastructure needs. These are significant. The University is already engaged with outside parties to bring in outside capital to help meet its infrastructure requirements – the student residences being supported by Yatu Lau and the new ICT building are examples of this – but the nature of many projects are such that they will not be attractive to potential third party sponsors. There are many essential schemes which simply will have to be funded by USP and its member countries. The list is long – new lecture theatres, offices, residences, laboratories, regional campus buildings and other facilities – and has been made longer by the lack of basic backlog maintenance over the years. This policy has meant that routine work which would have kept facilities maintained has been delayed to such an extent that it is now no longer a question of maintaining many of the University's assets but wholesale renovation or replacement. This applies as much to the University's regional campuses as it does to its central facilities.

This infrastructure requirement is in addition to the F\$3m already needed as USP's contribution towards the F\$30m ICT Centre. This sum has already been committed by Council and, when agreed, it was stated that the request for additional funding from member countries would be included within the 2007-2009 triennium submission.

Council also has recently agreed that the University may spend F\$3m out of its reserves in order to start to deal with its infrastructure requirements but this is insufficient for the size of the task in hand. Member Countries must decide what additional financial support they can provide to tackle the infrastructure needs of the University across the region. This infrastructure funding needs to be over and above the recurrent funding required for the financial strategy as set out in Section 4.5.

4.8 Other Activities

Consultancy policy – the University has reviewed and revised its consultancy policy. The Faculty Deans are now responsible for implementing the consultancy policy and maintaining an overall balance between academic and consulting demands. They must also ensure that any costs incurred by the University and directly associated with any consultancy project are recovered.

Furthermore, as the University's new Internal Funding Model is developed over the next triennium, the Faculties will be asked to contribute towards the indirect costs associated with their operations. The Deans are then likely to examine critically the contributions being made by consultancy projects to see whether they can pay more towards the Faculty's overall costs.

Project Contributions policy – the University has introduced an interim policy for contributions from projects towards recovery of its indirect costs. Over the next triennium the Finance Section will carry out detailed work on the University's costs. One purpose in doing this is to ensure that, when considering project activities, research grants, or other work from external sponsors, University staff members are properly informed of the full cost of the activities being planned and that this is taken into account when pricing the work.

International Students – in 2004 the University commissioned a report on increasing its international student population. This showed that, whilst some investment is required to set up an international office, a small increase in the number of international students from its current level of around 50 EFTS to, say, 120 EFTS would fund the cost of the office. Growth beyond this could provide resources that might be used to relieve the financial pressures, and fund priority developments, in other parts of the University.

4.9 Internal Funding Model

The University's internal funding model was last changed in 1995. Although a review was carried out of the model in 2002 no significant amendments were made to the methodology at that time.

The current model is neither transparent nor linked to the University's strategic objectives. In the report envisioning the future of the University, the comment was made that:

*“To achieve USP's strategic objectives the financial management system must allocate resources more efficiently, effectively and in a transparent way... The financial management system must ensure accountability and equity so that the budget process is integrated, transparent, open to scrutiny and linked to the University's strategic objectives.”*²⁰

A key task over the next triennium will be to develop a new internal funding model and, in particular one which is linked to the strategic goals of the University, which is readily understandable to those interested in knowing how it operates, and which provides incentives for academics and other University staff to make decisions in line with the direction in which USP wishes to go. Examples of how such a model can be used in this way are: to tie internal funding to planned student numbers so there is no financial incentive for Faculties to exceed these numbers (since they will not receive additional resources for doing so); not to fund courses with low enrolment numbers; to provide additional funds for improvements in student pass rates; and to provide extra resources to reward research being carried out.

It is also envisaged that the model to be developed could also help decision makers understand better how much activities cost. One aspect of the new methodology will be to include charges for space occupied (in particular) and other indirect services. Although an internal funding model is

²⁰ Page 33, A Regional University of Excellence – a vision for the year 2020

not a costing model, it can increase awareness of full cost and thereby encourage academics to seek to maximise contributions from outside sponsors.

4.10 Aid Budget

Since 2000, the University's donor support has grown substantially, from FJ\$7m in 2001 to well over FJ\$20m in 2005. These figures comprise cash grants, the value of technical assistance, training, equipment, and project assistance. While this funding has been primarily directed toward support of specialized projects, the University also acknowledges the tremendous contributions from the governments of Australia and New Zealand who also provide direct support to the University's recurrent budget.

Grant aid from the Government of Australia (GOA) has been guided by a 3-year Memoranda of Understanding between the USP and the GOA. The University has entered into a new arrangement with Australia for funding at A\$9.9m for the new triennium 2006-2008 to support strategic initiatives and the PacLII project. Support was directed in the past triennium to DFL activities, the BEd Primary programme for primary schoolteachers, and to an extensive governance project. Another substantial contribution from Australia was the AARNet connectivity project which increased internet speed at the Laucala campus from 1mbps to 155mbps at a cost of A\$2m.

New Zealand has also opted for a 3-year funding arrangement, having signed its first Memorandum of Agreement (MOA) with USP at NZ\$14m to cover the 3-year period 2005-2007. Its current programme supports improvements and developments at regional centres (campuses), arts and culture, and governance. Through this programme, the University has been able to significantly improve the facilities and services at its external campuses including library services and resources and a much improved internet connection. In addition, New Zealand has substantially increased their funding to expand the PacLII project to provide digital access to regional case law and legislation. New Zealand is also a co-partner with the EU in the €3m PRIDE project which is an initiative of the regional Education Ministers and the Pacific Islands Forum Secretariat, targeting improvements in basic education. It is also engaged with the University's IOE in Re-Thinking Pacific Education Initiative at a cost of NZ\$1.02m from 2004-2007. In addition, New Zealand has offered to engage with the University to provide additional funding to meet some of its strategic objectives, including areas that fit within their new environment policy.

The EU's Human Resource Development (HRD) project comes to an end in 2007 but it continues its involvement in the PRIDE project. The European Union's forthcoming 10th EDF Programme amounting to approximately €40m for the regional programme offers an opportunity for the university to bid for project funding depending on the focal areas agreed to. It is anticipated that these areas will support the Pacific Plan initiatives.

Japan has been a significant development partner for the University for the past 15 years, assisting the University to address critical infrastructure needs through its aid agency, JICA. Past JICA projects have been the marine studies complex, the USPNet Upgrade, the lower campus linkage and in the current triennium, the ICT Capacity Building @ USP project. Its principal project, the anticipated regional ICT project will cost nearly F\$30 million when established.

Also significant in the past three years, have been the opportunities offered by philanthropic foundations for targeted areas, mainly in environment and sustainability issues for small islands and building resiliency in poor populations. In 2004, the MacArthur Foundation provided US\$2 million for institutional support and for project support. This was directed to the Institute of Applied Studies (IAS) which also received smaller grants ranging from F\$70,000 to over F\$500,000 to support other projects in biodiversity and conservation. The University hopes to be

able to leverage the recent grants from McArthur and Packard Foundations to secure funding for other key areas related to applied research.

The University has been fortunate over the years that its donors have recognized the vital role of the USP to educate and develop the leaders of the future. As the University tries to push services out to the Regional Campuses, these facilities will need to be expanded – particularly in Solomons and Kiribati. Infrastructure developments of this nature have traditionally been the responsibility of the Member Countries and USP will work with them to secure donor support for the most vital needs.

4.11 Financial Policies

A number of financial policies have been agreed by Council and Member Countries over the years and now require review.

Reserves – a target was set that the University would hold reserves at least equal to 15% of its recurrent budget by the year 2007. This policy was introduced partly to ensure the University had resources of its own that it could call upon when economic problems were faced by some Member Countries, and partly to fund expansion in physical infrastructure. The recent decision by Council to agree to use F\$3m to fund infrastructure demands will mean that, if spent, the reserves will be depleted and hence will not reach the desired level by the target date.

However there is a question as to whether this is the correct policy, particularly if it has been adopted to deal with potential unexpected shortfalls in funding. The University may hold sufficient reserves but if these are not backed by cash then it will still be unable to pay its expenses. It is therefore recommended that this policy is amended and that instead the University should adopt a policy of holding one semester's total expenditure as cash and cash equivalents – i.e. the amount needed to cover its out-goings for approximately four months. If necessary, this would then allow the University to continue to pay its staff and creditors in the short term whilst it tried to put in place longer term financing arrangements.

Because in the short term the University is likely to call upon its reserves for reinvestment back into its operations, it is recommended that the timeframe for this policy is the end of the next three triennia – i.e. the University will set its budgets so that, by 2015, it holds one semester's expenditure as cash or cash equivalents.

DFL Fees – a second existing policy is that the University currently aims to align the tuition fees it charges for DFL and on-campus courses by the year 2010. However, not just at USP but at other universities across the world, students find it far more difficult to study and pass their exams without face-to-face contact with a tutor. By aiming at equalisation, the University is asking students to pay the same fee for what are markedly different learning experiences. Differences in fees could be explained to students as arising out of differences in cost but as the cost information on the two methods of teaching will not be available until well into the next triennium, it is recommended instead that the existing policy is amended to one where, for regional students, DFL tuition fees for undergraduate courses (except pre-degree) will be no higher than 90% of on-campus fees.

Differential Fee Income – Council has also agreed how the additional income attracted from differential fees is to be used (45% for departments, 5% for schools/faculties, 15% for student support and 35% for general administration). However if this arrangement is retained when the new Internal Funding Model is introduced then it could lead to distortions or create contrary incentives – for example, perhaps by encouraging Faculties to maximise differential fee income when instead the University wants them to manage student enrolments. The introduction of the new model is certain to lead to financial “winners” and “losers”, and one cause may be changes in

the way differential fee income is distributed internally; transitional arrangements will be needed to handle this. Differential fee income will still be required and therefore it is recommended that the existing agreement for the internal distribution of DFI is brought within the new internal funding model when it comes into effect.

5. Conclusion

Education is not the filling of a pail, but the lighting of a fire.

W.B. Yeats

The University is mindful of the economic challenges of its member countries and accepts its role in assisting the countries to increase the availability of skilled professional graduates to stimulate and manage those economies. As the economies of the countries in the region continue to respond to demands by international market forces to diversify and expand, the need for educated and skilled human resources will continue to increase.

This submission includes a number of priorities and new initiatives based on the Strategic Plan, 2006-2010, and previous recommendations of the University Grants Committee. We have endeavoured to include only those initiatives that will significantly enhance the education of our students and further the mission of the University and its Member Countries.

In order to rebalance the inequities that have been building over the last several years between the growth in student numbers and increases to the recurrent budget, the University is proposing substantial changes in the Financial Strategy. To accomplish this, it is requesting a \$14 million increase in support from Member Countries per annum over this triennium in order to:

- 1) Improve student achievement
- 2) Expand regional offerings
- 3) Increase applied research & professional postgraduate studies.
- 4) Rebalance internal resources and workloads.
- 5) Meet the needs for capital improvements and maintenance
- 6) Replenish vital equipment
- 7) Develop new academic programs

USP is grateful for the recognition and positive feedback we have been receiving as we continue to implement changes to increase both the quality and relevance of our programmes and to improve the operational efficiency and fiscal management of our resources. With the ongoing commitment and support from our Member Countries and partner organizations, USP will continue to be able to address the vital need for developing the human capacity and professional skills within the region.

Bibliography

- AVCC 2004 Student to Teacher Ratio*. Australian Vice Chancellors' Committee, 2005.
- Deloitte. *University Staff Remuneration & Resourcing*. New Zealand Vice Chancellors Committee, December, 2005.
- Irvine, Dennis H. *The Economic and Social Benefits to Countries from Membership of the University of the South Pacific*. The University Grants Committee. 1999.
- Markov, Andrei, et. al. *Constructing Knowledge Societies: New Challenges for Tertiary Education*. World Bank, 2002.
- Morris, Sir Charles, et. al. *Report of the Higher Education Mission to the South Pacific*. 1966, paragraph 65.
- Pacific Islands Forum Secretariat. *The Pacific Plan for Strengthening Regional Cooperation and Integration*. PIFS, October 2005.
- The University of the South Pacific. *A Regional University of Excellence: Weaving Past and Present for the Future*, USP Review Sub-Committee of Council, 2004.
- UNESCO. *Educating for a Sustainable Future: A Transdisciplinary Vision for Concerted Action*. UNESCO, 1997.
- The University of the South Pacific. *Triennial Submission, 2000 - 2002*. Suva: USP, 1999.
- The University of the South Pacific. *Triennial Submission, 2003 - 2005*. Suva: USP, 2002.
- The University of the South Pacific. *USP Strategic Plan 2006-2010*. Suva: USP, 2005.
- University Grants Committee. *Mid-Term Report, 2001*. Suva: UGC, 2002.
- University Grants Committee. *Mid-Term Report, 2004*. Suva: UGC, 2004.
- University Grants Committee. *Triennium Report 1988 - 1990*. Suva: USP, 1987.
- University Grants Committee. *Triennium Report 1991 - 1993*. Suva: USP, 1990.
- University Grants Committee. *Triennium Report 1994 - 1996*. Suva: USP, 1993.
- University Grants Committee. *Triennium Report 1997 - 1999*. Suva: USP, 1996.
- University Grants Committee. *Triennium Report 2000 - 2002*. Suva: USP, 1999.
- University Grants Committee. *Triennium Report 2003 - 2005*. Suva: USP, 2002.
- World Declaration on Higher Education for the Twenty-first Century: Vision and Action*. UNESCO, 1998.

Annexes

- Annex 1** **Selected Comments from External Advisor's Reports over the Triennium**
- Annex 2** **Explanation as to how Government Contributions are currently
calculated and apportioned between Member Countries**
- Annex 3** **Two Possible New Funding Mechanisms for Government Contributions**
- Annex 4** **Review of Recommendations of the Futures Review Report**
- Annex 5** **Review of Recommendations of UGC Mid-term Report, 2004**
- Annex 6** **Review of Recommendations of UGC Report, 2006**

Annex 1 – Selected Comments from External Advisor Reports

Overall I am satisfied that the courses constitute a menu of offerings that meet the normal scholarly and professional expectations and requirements, without wasteful duplication. More specifically, I am satisfied that the courses are appropriate for the various degree and diploma programmes of which they form a part.

Professor Malcolm Treadgold
External Advisor to the Department of Economics, 2004

I have no serious criticisms to make of the Department in terms of teaching, administration, research and related activities. All staff have a strong sense of professionalism and Professor Campbell is well equipped to lead the Department in introducing measures to improve aspects of the student experience and performance, as well as stimulate research in what little time the staff have available for it.

Professor Stephanie Lawson
External Advisor to the Department of History, 2004

It is evident that within the department there is a good team spirit, good support for students and a keenness and professional attitude to the teaching and research of chemistry. The teaching is generally of a high standard. The research undertaken is of international standard as well as often bring of immediate relevance to the region.

Professor M.J. Adams
External Advisor to the Department of Chemistry, 2004

In general the measurement for the units under consideration was both challenging and adequate for the purpose. The examination scripts demonstrates that there was a wide variety of competency levels but that by and large the assessments were able to be adequately dealt with by the students. It also implies that the quality of teaching was adequate for the purpose. I congratulate all of the academic staff that contributes to this educational program and deem that their work is satisfactory and equivalent to other institutions of higher education elsewhere in the English speaking world.

Professor Keith Houghton
External Advisor to the Department of Accounting and Financial Management, 2004

Annex 2 – Explanation as to how Government Contributions are currently calculated and apportioned between Member Countries

Calculation of Total Contribution due to USP

The level of total Government contributions is determined every three years, previously by the Ministers of Finance of the University Member Countries upon advice from the University Grants Committee (UGC).

In addition to any real terms percentage increase agreed, Government contributions are maintained at their real value by two actions:

- For salary increases granted by Council: the cost of the increase in the first year of its application is met from University resources but the cost of the increase in the second and subsequent years is added to Government contributions.
- For non-salary inflation: an amount equal to the inflation rate in Fiji is added to 25% of the Government contributions each year.

Thus total Government contributions rise each year by an amount equal to the sum of:

- (a) The second year cost any salary increase granted to University staff, plus
- (b) The rate of inflation in Fiji applied to 25% of total contributions, plus
- (c) Any approved real percentage increase.

Individual Member Country Contributions

Having calculated the total contribution due to the University, an assessment of each country's contribution is then made based upon a formula agreed by the Ministers of Finance in the 1980s. This formula shares out a predetermined amount; it does not impact on the absolute amount due to the University.

The current formula is based on the principle that contributions should be in relation to the services and benefits each country receives from the University. These are mainly the education and training of a member country's students at the University, and economic benefits a country derives from having a University presence on its soil.

The formula attempts to approximate these benefits by dividing the overall grant into General Grant (2/3) and Special Grant (1/3).

General Grant

Contributions to the General Grant are assessed according to respective student enrolments measured by Equivalent Full Time Students (EFTS). Regard is made for the fact that private students pay tuition fees. Thus, if their total enrolments were the same, then a country with relatively more private students will pay less than a country with a higher proportion of sponsored students.

Special Grant

Contributions to Special Grant are assessed on the basis of salaries paid in each country in the previous year. This serves as a measure of the economic activity of the University in each country.

Medium Works Fund

There is a small separate grant made for medium works. This grant has remained unchanged at \$F678,000 since 1999 and individual Member Country contributions are calculated on the same basis as the contributions to the General Grant.

Annex 3 – Two Possible New Funding Mechanisms for Government Contributions

OPTION ONE

Special Grant

It is proposed for the Special Grant that:

- (i) It is renamed the “Base Grant”.
- (ii) It continues to be allocated on the basis of salaries paid in Member Countries.
- (iii) It is set on a triennium basis with allowance for (a) inflation (particularly salary inflation) and (b) any real terms increase Member Countries wish to make.

Medium Works Grant

It is proposed for the Medium Works Grant that either (i) it continues to be a separate grant but is increased substantially to reflect the true cost of medium works and infrastructure replacement, or (ii) is rolled into the General Grant and treated as below.

If Option (i) is selected then a methodology should also be agreed, perhaps by reference to the annual depreciation charge on University property.

General Grant

It is proposed for the General Grant that:

- (i) It is renamed the “Enrolment Grant”.
- (ii) It is set on a triennium basis with allowance for (a) inflation (particularly salary inflation) and (b) any real terms increase Member Countries wish to make.
- (iii) The grant contribution from each country is initially determined on the basis of an average of the previous two years’ enrolments.
- (iv) Each country’s Enrolment Grant would then be adjusted to take into account any subsidies and sponsorships associated with students from that country.

The New Mechanism

USP determines total course fees (TCF) for regional students based on cost, demand and available resources. Part of the TCF will be met out of the Base Grant (when measured in \$ per EFTS).

- (i) *For fully sponsored students* – the Member Country pays both the Base Grant and, in its Enrolment Grant, the balance of the TCF not covered by the Base Grant.
- (ii) *Where a student makes a contribution* – the Member Country pays the Base Grant and, in its Enrolment Grant, the balance of the TCF not covered by the Base Grant and not covered by the fee paid by the student. (These students should be called “subsidised” students, rather than “private” students as at present, because they are still being subsidised out of Member Country Base Grant payments.)

-
- (iii) *Where a country decides not to fund a particular course or program* – the Member Country still pays the Base Grant and but no Enrolment Grant. The balance of the TCF is fully paid by the student.
 - (iv) *Full cost recovery courses (e.g. MBA) and third country award students* – the Member Country does not pay anything. The TCF is fully paid by the student or from the third country award.
 - (v) *Non-regional students* – the Member Country does not pay anything. The student pays the TCF and a capital contribution.

Impact

For USP:

- There would be some additional funding for increases in enrolments via the Enrolment Grant but this would be dampened by the fixed nature of the Base Grant.
- There would be some mechanisms to control unwanted enrolment growth.
- The University would have to work with any Member Country that wished to limit its student numbers in a particular category.

For Member Countries:

- There would be more control over which courses or programmes they wished to subsidise and hence more control over their budgets.
- Countries not wishing to control enrolments would share the costs of growth, but at a marginal rate.

Some countries may wish to subsidise all their students, others may wish to subsidise all DFL students but apply a selection mechanism to on-campus study, others may wish to subsidise pre-degree studies but not postgraduate, others the reverse.

OPTION TWO

Special Grant

It is proposed for the Special Grant that:

- (i) It is renamed the “Base Grant”.
- (ii) It continues to be allocated on the basis of salaries paid in Member Countries.
- (iii) It is set for each individual country based on changes to the two-year average salary paid in each country as measured in local currencies.
- (iv) It is also increased in real terms in accordance with what is agreed by Member Countries over the triennium.

Medium Works Grant

It is proposed that the Medium Works Grant is rolled into the General Grant.

General Grant

It is proposed for the General Grant that:

- (i) It is renamed the “Enrolment Grant”.
- (ii) It is determined for each individual country on the basis of an average of the previous three years’ EFTS enrolments.
- (iii) It is adjusted annually for each individual country based on changes to their three-year average EFTS enrolments.
- (iv) It is also adjusted annually in line with the triennium agreements for (a) inflation (particularly salary inflation) and (b) any real terms increase Member Countries wish to make.

Other

There would be no change to the existing arrangements for subsidised students who would continue to be counted, but with a lower weighting, in the Enrolment Grant.

Annex 4 – Review of Recommendations of the Futures Review Report**Teaching, Learning and Research**

Recommendation	Status
1.1 The University should develop a Teaching and Learning Plan that reflects its Pacific context, and appropriately balances education, training and professional development requirements. This Plan should ensure improved student retention, performance, progression and achievement.	<p><i>A draft Teaching and Learning Plan was submitted to the Senate in 2002 and was updated by the Quality Unit in 2005. Each of the new faculties has established a Teaching and Learning committee which have been tasked by the PVC Academic to develop Faculty-level Teaching and Learning plans.</i></p> <p><i>On the issue of improved student retention, performance, progression and achievement, the first step has been taken with the recruitment of a consultant to work on an admissions policy plus work on the retention and performance of students. An initial report on pass rates has been completed, but more analysis is required to identify key factors related to achievement and progression. Work is continuing.</i></p>
1.2 The University should continue to develop itself as a Centre of Excellence in Pacific Studies across all programmes.	<p><i>Several sections of the University undertake activities which incorporate “pacific studies” and it is believed that more benefit is achieved by integrating this topic throughout many disciplines rather than as a stand-alone program. Some examples are the work of the Institute of Pacific Studies (IPS) which is part of PIAS-DG; Theatre Arts; the Oceania Centre for Arts and Culture; the Law program; History and Politics, and others. During the new triennium, the University will coordinate all the above and try to enhance its position as a Centre of Excellence in all things Pacific.</i></p>
1.3 While the University must strive for competence in all its programmes, it must achieve global recognition in identified areas reflecting its Pacific, Oceanic and small islands context.	<p><i>The newly formed Faculties have this as their goal. In particular, the Faculty of Islands and Oceans is taking an integrated approach to their activities and concentrating on issues of sustainability for small islands and oceans.</i></p>
1.4 The University should expand its postgraduate studies and research, ensuring that these relate to the development needs of the communities of the Pacific including building the research capacities of national institutions and being part of the international research community.	<p><i>This is being accomplished in two ways: 1) there will be more coursework-only postgraduate programmes to address the needs of mid-level professionals for advanced degree; and, 2) expanding the number of postgraduate research activities. A Pro Vice-Chancellor Research has been appointed to advance this and ensure that applied research activities are relevant to the needs of our Member Countries and the Region.</i></p>

Student Support

Recommendation	Status
2.1 A comprehensive review of support services for students should be undertaken following which the University must develop and implement a coordinated strategic Student Support Services Plan.	<i>Improving student support is a major element in the Strategic Plan and a review of student services is being undertaken. Furthermore, a process for soliciting student feedback and evaluations to improve course content and delivery is also being implemented first semester of 2006. Other formal and non-formal student feedback mechanisms will also be employed.</i>
2.2 Throughout the University system, a pan-Pacific consciousness should be developed as well as knowledge and appreciation of the values that underpin good governance, while building respect and tolerance for ethnic, religious and political differences. The University must encourage formal student groups to ensure that their respective constitutions and activities move more firmly to promoting the ideals expressed above, rather than focussing on ethnic and cultural groupings.	<i>The University is very committed to this objective, but it will be an ongoing process and not easily quantified. An increased attention on activities such as sports whereby students of all ethnic and national backgrounds is an excellent way to reduce barriers and foster a sense of belonging to the Pacific as a whole.</i>

Decentralisation and Equity of Access

Recommendation	Status
3.1 All University courses should be designed for flexible delivery by 2010 with measurable improvements to be targeted each year from 2005.	<i>As discussed elsewhere in this document, USP believes that the goal of converting ALL courses to flexible delivery mode would not be an efficient use of University resources, nor would it be feasible in the time period indicated. Instead, the University will conduct an analysis and optimize conversion of courses based on demand and financial viability. In this instance, quality shall have precedence over quantity and USP will strengthen support for students at the Regional Campuses.</i>
3.2 The University must develop plans for greater decentralisation and dispersal of programmes and activities where these are shown to be feasible and sustainable. This will include the further development and strengthening of Centres and Campuses.	<i>Much has been accomplished in the last two years to improve infrastructure, equipment, and staffing levels at the Regional Campuses. However, more work is needed and this is a major part of this submission as well as a focus of the Strategic Plan. The PVC for Regional Affairs will take a strong leadership role in this area.</i>
3.3 The University should assist Member Countries to access bilateral and multilateral aid for its activities in Member Countries.	<i>The University is at the disposal of member governments to seek advice and help regarding assistance in this area. The countries must also show that they are committed to tertiary education and realise that tertiary education is not cheap. While some of the national governments are putting their efforts into developing their own national post-</i>

	<i>secondary/tertiary institutions, USP as a regional organisation and a trusted provider of tertiary education will continue to assist member governments where it is needed. Assistance from bilateral and multilateral organisations has always been appreciated by the University, and we will continue to strengthen these partnerships.</i>
3.4 The University should continue to give special attention to the needs of Small Island States, including their particular research requirements.	<i>The University is paying particular attention to the needs of SIDS members and has been actively involved in UN initiatives for the development of SIDS. Research plans include environmental sustainability, waste management, renewable energy, marine and terrestrial resource management, water and sanitation, governance, economics and trade, tourism, conservation, and other topics vital to the sustainability of small island ecosystems and economies.</i>

Community and Institutional Engagement

Recommendation	Status
4.1 The University should enhance its role within and outside the region by engaging with all sections of the community, including civil society, alumni, the public and private sectors and professional associations.	<i>USP is increasing its community engagement with partners at all levels within, and outside, the region. This includes new partnerships with universities such as Cornell and Waikato, as well as strengthening ties to regional industry through programme advisory committees. USP already has several programmes that are accredited with professional associations and will be increasing the number of these programmes in the future. Strengthening alumni relationships is also a priority initiative during this next triennium.</i>
4.2 The University should strengthen its relationship with international, regional and national post-secondary institutions to ensure greater co-operation in the delivery of programmes and a more comprehensive structure of articulation of education awards.	<i>In addition to previous arrangements with regional and international tertiary institutions, USP has recently discussed new partnerships with FIT, Cornell, Waikato, Auckland University of Technology, and others. We will continue to do so in an effort to develop greater efficiencies in the delivery of programmes as well as to stimulate quality and innovation.</i>
4.3 The University should continue to work closely with other CROP organisations commensurate with its mandate and role.	<i>The University is consciously aware of the need to work in partnerships with CROP organisations to avoid unnecessary duplication as well as be cost effective. There is already strong academic cooperation with SPC, SPREP, and SOPAC though there is room for additional coordination of activities, especially with respect to research and academic programmes.</i>
4.4 The University should build upon the strength of its existing relationships with development partners and broaden the range of aid partnerships to increase funding, and strategically position and harmonise approaches in addressing development priorities.	<i>Our external donors have been very generous and have recognized USP's vital role in developing human capacity and professional skills of future regional leaders and businessmen as well as provide essential applied research in areas such as education, governance, sustainable development, resource management, and conservation. USP will continue to discuss ways where external support is appropriate to advance regional initiatives and approach new aid sources including industry and foundations.</i>

Communications and Information Technology

Recommendation	Status
5.1 The University should respond more fully to needs relating to ICT, given the high degree of relevance of this technology to the needs of the University and its member countries.	<i>The University has developed very strong programmes in the area of ICT. Courses are being offered at all levels and in all regional campuses. Course enrolments in this field continue to climb and USP has committed resources and equipment to meet this demand. With a very generous donation by the Government of Japan, a new ICT Centre will be built at USP to further the activities in this area. In addition, USP has recently been selected as a key hub for the Free and Open Source Software movement and has received funding through UNDP to promote this movement. It has embarked on closer relations with the IT industry to develop related research and academic projects.</i>

Governance

Recommendation	Status
6.1 The Council Governance structures should be reviewed in view of changing circumstances, with the Executive Committee re-established.	<i>Many of these changes have already been reviewed and approved by Council and Senate.</i>
6.2 The status of the UGC as a possible formal component of the University should be considered.	<i>This is a matter for Council and the Member Countries to discuss further.</i>
6.3 The University Grants Committee should report to a Joint Committee of Ministers of Finance and Education.	<i>The role of the University Grants Committee needs to be clarified between Council and the Member Countries.</i>
6.4 The Charter, Statutes, Regulations, Ordinances and Rules of the University should be reviewed in view of changing circumstances.	<i>The University concurs with this recommendation.</i>
6.5 A full review of the Government funding formula should be undertaken in the medium term, together with discussions with the UGC and Council concerning the proportion of Government contributions to be paid as General Grant and the proportion to be paid as Special Grant.	<i>The new Director of Finance has been charged to undertake this in the new triennium and will be speaking directly with Ministers of Finance of our Member Countries to ensure equity in the new model and that there is provision to link student numbers to the amount of funding.</i>

Management and Finance

Recommendation	Status
7.1 A Human Resource Management Strategy, encompassing all staff, including academic and all support staff, should be developed to support the University's new directions.	<i>A new director of Human Resources has been appointed and is in the process of reviewing current practices and procedures. A Human Resource Management Strategy and revised performance management system as are being developed and should be implemented by January 2007.</i>
7.2 The decision-making authorities and processes within the University should be reviewed to ensure timely and effective decision-making through greater devolution, greater communication and enhanced performance.	<i>Many decision-making processes have been devolved to the Faculties and Section Heads, who will have control of (and be accountable for) managing their budgets. For greater efficiency, some financial systems will remain centralized.</i>
7.3 Resource allocation and financial management systems in the University must be refined to ensure more integrated budgetary planning processes, and greater accountability, efficiency, effectiveness, responsiveness and transparency.	<i>The University plans to introduce a new internal funding model in 2007 which is more transparent, and more closely aligned to its strategic goals, than its present allocation methodology. The model will be further refined and developed over the next triennium.</i>
7.4 The University should continuously ensure that its academic and organisational structures are appropriate, responsive and cost-effective in light of changing circumstances, opportunities and priorities.	<i>This type of continuous review and monitoring is part of the quality assurance processes of the University and has been undertaken by the Quality Assurance Unit in coordination with the Faculties.</i>
7.5 The University must diversify its funding sources and expand income from consultancies, commercial activities, philanthropic foundations, corporate donors and other agencies to complement government contributions.	<i>The University is well aware of the need to diversify its funding sources. While it has had recent success in securing investment monies for infrastructure developments, there are still some untapped areas that needs to be explored. There has also been success in securing industry donations for scholarships such as the All-Rounder Sports Scholarship.</i>
7.6 The physical expansion of the University should utilise diversified financing mechanisms including loans.	<i>The Vice-Chancellor has already explored partnerships with public and private investors to build student residences at Laucala as well as a new gymnasium. This business model is being considered for several other infrastructure projects where there is a possibility of a monetary return on the investment in a number of campuses.</i>
7.7 The University should encourage and reward innovation and creativity.	<i>Ways of rewarding excellence are being explored, particularly to recognize good teaching in addition to research.</i>
7.8 A University Trust Fund should be established to help fund strategic priorities.	<i>The University has a Trust Fund. The new Finance & Investment Committee will review the promotion and use of this fund, and how any financial returns generated might be maximised for the benefit of the University.</i>

Quality

Recommendation	Status
<p>8.1 The University must demonstrate its commitment to raising both the quality of the University services as a whole and in improving academic standards. It should do so by having a quality strategy in place. As part of the quality strategy, the University should implement and ensure compliance with an internationally benchmarked Quality Management Framework that ensures:</p> <ul style="list-style-type: none"> a. continual increase in student achievement levels b. sustained improvement in student retention levels c. improved graduate destination into relevant employment d. improved teaching, learning and assessment through a quality enhancement strategy e. improvement of the overall student customer experience f. improvement of the quality of research g. a guarantee of academic standards through internal and external audit procedures 	<p><i>The USP Quality Strategy was approved by Council in 2004 and the Quality Unit took the initial lead to implement the recommendations and has developed a draft Teaching and Learning Plan as well as a draft Academic Quality Handbook. Unfortunately, there has been high turnover in the Quality Unit, which has slowed down implementation. However, the University is on track for the development of a Performance Portfolio and conducting a self-review exercise in 2007 followed by an Academic Quality Audit in 2008.</i></p>

Annex 5 – Review of Recommendations of UGC Triennium Report, 2002-2005

Recommendation	Status
A. that the University be commended for the plans for improved academic administration, which should provide better leadership, gains in efficiency and better service to staff and students. As part of this process the University should be encouraged to think carefully about the most appropriate groupings of academic activities in the new faculties.	<i>The new academic structure came into effect on 1 January, 2006. The establishment of the new Faculties has progressed well and the majority of academic activities have been reconciled. That said, it is natural to assume that there may be a few additional changes in the coming triennium as the new groupings develop a stronger sense of identity and new initiatives arise.</i>
B. that the particular situation of marine studies and agriculture be given special attention as a matter of urgency with a plan for these two areas available for consideration at the mid-term review.	<i>There have been ongoing partnership discussions with Cornell University in the United States to strengthen the programmes in agriculture and make more efficient use of the Alafua resources. Marine studies is well-placed within the Faculty of Islands and Oceans and will be revitalizing the Institute of Marine Resources as well as working to develop a Centre for the Sustainable Development of Atolls and Small Islands.</i>
C. that the developments in decentralisation of the University and the proposals for the greater effectiveness of the regional Centres be supported and that these developments should proceed as an integral part of the broader restructuring plans.	<i>Over two million dollars has gone into the physical upgrade of regional centres (now 'campuses') over the last triennium. USPNet has also been upgraded and the connectivity will be increased during this coming triennium. As mentioned in this submission, additional plans are underway to ensure more courses are available at the regional campuses and better student support mechanisms put in place.</i>
D. that an activity-based costing study be undertaken to provide information about the relative costs of external and internal provision of courses.	<i>A study related to cost delivery in various modes is currently being conducted for the Foundation programme and will be expanded to include other undergraduate courses.</i>
E. that a comprehensive Research Plan be produced by the end of the first year of the 2003-2005 triennium.	<i>This has been completed and being implemented by the PVC Research.</i>
F. that particular effort be made to set out clearly the relationship between the Faculties and the Institute(s) in relation to research activity.	<i>All Institutes are associated with a specific Faculty and will coordinate research activities. Each Faculty has an associate Dean with responsibility for research activities and will coordinate activities with the Institutes.</i>
G. that a systematic review of all research support services be undertaken and they be restructured, if necessary, to produce efficient and effective support aligned with the University's agreed research priorities as set out in its Research Plan.	<i>The PVC Research has carriage of this and the review is currently underway. Urgent needs have been identified and an implementation strategy has been drawn up.</i>
H. that a comprehensive set of policies and procedures be put in place as quickly as possible in order to protect, manage and capitalise fully upon the University's	<i>A draft intellectual property policy has been developed and is in the final stages of review.</i>

intellectual property.	
I. that the University produce a Quality Plan by the end of the first year of the triennium.	<i>A Quality Strategy has been developed and is in the process of being implemented. The PVC Academic will be taking the lead role in ensuring that the University is prepared for an academic quality audit by 2008.</i>
J. that USP should operate as open an entry system as possible but managed to ensure that the rate of increase in student numbers does not rise significantly above the rate of increase in the overall budget.	<i>The introduction of Differential Fees was one approach to try and manage enrolments, but this approach has not successfully reduced student numbers. As discussed at length elsewhere in this submission, enrolments have continued to increase and the University is considering firmer controls to align student numbers with available financing.</i>
K. that the University continues with its systematic planning for the integrated University-wide development of its capital, space, equipment and IT facilities.	<i>The University supports this recommendation.</i>
L. that the University continues to explore all avenues that might lead to increased financial self-reliance.	<i>Over the past year, the University has increased funding from a variety of sources, including private-public partnerships to finance the construction of student residences and transitioning the Statham Street campus into a high-tech business park which will generate revenues and offer research synergies with academic programs.</i>
M. that the total government contributions should be increased by 3 percent in real terms in each of the years of the triennium (i.e. 2003, \$42.049M; 2004, \$43.290M; 2005, \$44.568M; in 2002 dollars)	<i>The University supports this recommendation.</i>
N. that the University establishes a number of key performance indicators in relation to all its major plans and developments, and be ready to show progress against them at the time of the Mid-Term Review.	<i>The University has identified key performance indicators in a number of areas and will be monitoring progress against them.</i>

Annex 6 – Review of Recommendations of UGC Report, 2006

<p>1. The Committee recommends that the member governments as the major stakeholders appoint an expert panel drawn both from within the region and from the wider Commonwealth to review the constitutional structures and practices that currently govern the University of the South Pacific.</p>	<p><i>The University supports this recommendation.</i></p>
<p>2. The Committee recommends that consideration of salaries and salary increases in the future should be incorporated as a significant part of the triennial submission and that no increases should be approved as a totally separate exercise.</p>	<p><i>USP concurs with this recommendation, but offers a slightly different solution. Please refer to section 4 in this document.</i></p>
<p>3. The Committee recommends that the 'Medium Works Fund' should be abolished and that the current annual amount of that fund (\$678,000) should be incorporated into the Government Contributions for 2006.</p>	<p><i>The University agrees with this recommendation, but the 'Medium Works Fund' is woefully insufficient to cover normal depreciation of USP infrastructure. USP recommends that, as a minimum, this figure be set to the depreciation value assessed on a triennial basis and this figure used for repair and upkeep of facilities across the various USP campuses.</i></p>
<p>4. The Committee recommends that the total Government Contributions for 2006 should be \$49,398 (being the sum of \$48.72M and the former 'Medium Works Fund' of \$678,000).</p>	<p><i>USP appreciates the support shown by the Member Countries in the interim year of 2006 as we transition to a new academic structure and senior management team.</i></p>
<p>5. The Committee recommends that, if Fiji is not able to accommodate the increase in Government Contributions of 11.4% then the Government Contributions should be \$47,097,575. This would represent an increase which is the same as the average annual percentage increase of the last twelve years.</p>	<p><i>USP agrees that significant additional funding is required to bring investment per student back to previous levels and comparable to the amount invested in higher education by other countries. It has set out a financial strategy to achieve this over the next nine years. If member governments do not believe they can afford to meet the requirements of this strategy, then this will affect both the breadth of educational experiences USP is able to offer and the number of students USP is able to enrol over the medium term.</i></p>
<p>6. The Committee recommends that the New Vice Chancellor should lead a process for the development of a new Strategic Plan for the Alafua Campus, building on the report to be received from the Cornell University team.</p>	<p><i>The Cornell review has been completed. The Vice Chancellor and the Dean of the Faculty of Islands and Oceans, who has management oversight of Alafua, are in the process of developing a long-term strategic plan for the Samoa campus.</i></p>
<p>7. The Committee recommends that Options for a farm for the Alafua Campus should be developed in the context of the new Strategic Plan being developed by the Vice Chancellor.</p>	<p><i>This suggestion is being strongly considered as part of the overall strategic direction for the Alafua campus.</i></p>

Appendices

Appendix 1 Completions by Level of Programme 1994-2004

Appendix 2 Total Assessed Government Contributions (1992-2004)

Appendix 3 Government Contributions to the General, Special Grants, and Medium Works Fund, 2000 - 2004

Appendix 4 Balance Sheet (2000 – 2004)

Appendix 5 Income and Expenditure (2000 – 2004)

Appendix 1: Completions by Level of Programme 1994-2004

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
CERTIFICATE											
Accounting Studies	6	4	1	2	5	1	2	-	-		
Administrative Studies	-	-	-	-	1	-	-	-	-		
Advanced Certificate in Teaching Agriculture	-	-	-	2	-	-	1	-	-		
Applied Computing	-	-	-	-	-	-	-	-	-		
Clothing & Design	2	3	-	3	6	1	1	-	1	1	2
Computing Studies	3	1	-	-	2	-	-	1	-		
Counselling & Guidance	-	-	-	2	1	3	3	2	4	6	5
Earth Science & Marine Geology	-	22	-	-	17	-	-	-	-		
Education	1	4	-	-	2	-	-	-	-		
Geographical Information Systems	-	-	-	-	1	-	-	1	-	3	
Journalism	-	-	-	-	-	-	-	-	-		
Law	12	25	16	20	14	37	19	15	18	12	13
Basic Skills in Library/Information Studies	2	4	1	-	-	-	21	31	24	50	38
Management Studies	18	16	18	12	22	14	25	21	12	17	26
Non-formal Education	6	7	10	4	2	4	1	2	-	3	2
Ocean Resource Management	-	-	-	-	-	1	-	1	-		
Pacific Language Studies	-	1	-	-	-	-	-	-	-		
Population Studies & Demography	10	3	3	-	-	1	-	1	1		
Social Services	-	-	-	-	-	-	-	1	-		
Teaching English as a Second Language	24	39	24	13	7	19	19	13	21	30	20
Teaching of an Expressive Art	-	2	3	-	2	-	1	-	-	1	1
Tourism Studies	-	-	-	1	-	2	3	3	4	1	1
Tropical Fisheries	-	-	-	-	2	-	-	-	-		
Youth & Development								1	3	2	3
Total Certificate	84	131	76	59	84	83	96	93	88	126	111

DIPLOMA	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Accounting Studies	26	22	19	25	16	14	10	12	22	12	13
Administrative Studies	1	1	-	-	-	-	-	-	-		
Applied Computing	1	1	-	-	-	1	-	-	-		
Applied Statistics	-	-	-	-	-	-	-	-	-		
Banking	3	1	2	1	2	4	2	2	2	3	2
Community Development	3	3	3	1	2	-	2	1	1		
Computing	1	2	3	4	1	2	5	2	1	6	4
Early Childhood Education	-	-	2	4	1	5	1	9	10	30	2
Economics	2	2	5	6	5	8	12	10	8	8	10
Education	1	6	1	1	3	-	1	1	-		
Education Evaluation	1	5	1	-	3	5	3	3	8	6	7
Educational Administration	17	17	19	19	26	35	14	21	20	13	9
Environmental Education	-	2	2	-	1	1	3	-	3	2	4
Fisheries Economics & Management	-	1	1	-	-	-	-	-	-	1	1
Geographical Information Systems	-	-	-	-	2	9	6	3	10	4	6
Guidance & Counselling	-	1	-	1	-	-	-	-	-		
Health Management	-	-	-	-	-	-	-	-	-		
Health Care Practice	-	35	-	-	-	-	-	-	-		
Industrial Relations & Personnel Management	-	1	5	7	7	7	10	2	2	4	6
Information Systems	1	3	2	1	1	4	4	9	2	3	5
Journalism	-	-	-	-	2	2	-	3	2		
Law	11	13	5	7	2	2	2	1	1		
Library & Information Studies	6	5	6	3	11	9	7	11	7	9	7
Management Studies	8	16	32	27	33	34	40	27	40	41	45
Ocean Resource Management & Policy	-	4	-	-	-	2	1	1	-		
Pacific Journalism	-	-	-	-	-	-	-	-	-	1	1
Pacific Vernacular Language (Hindi)								22	9	8	12
Population Studies & Demography	1	3	1	-	-	-	-	-	-		
Primary Care Practitioners	32	-	39	-	-	-	-	-	-		
Social Services	-	-	-	-	-	1	-	3	-	1	
Special and Diverse Educational Needs								1	2		

Teaching Agriculture	-	-	-	3	-	5	-	-	-		
Tourism Studies	1	2	2	1	-	-	-	-	-		
Town Planning	1	4	-	3	1	1	1	2	1		
Tropical Agriculture	22	17	6	-	4	-	6	1	11	9	6
Tropical Fisheries	-	-	-	-	3	3	-	2	-		
Youth Development										10	8
Unclassified		-	-	-	-	-	17	-	-		
Total Diploma	139	167	156	114	126	154	147	149	162	171	148

DEGREE	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Agriculture	18	15	17	16	10	28	10	18	25	31	42
Arts	327	343	356	364	391	427	425	410	452	460	455
Arts (Business Studies)	-	23	-	24	1	6	14	12	15	13	15
Arts (Environmental Studies)	-	-	-	1	-	-	3		2	4	6
Arts (Land Management)	-	10	-	8	-	-	3	6	4	8	6
Arts (Marine Affairs)								1	-		
Bachelor of Arts/Bachelor of Laws									1		
Education	11	20	63	59	106	186	252	330	242	282	258
Education (Primary)									35		30
Law	-	-	-	51	48	38	36	45	57	31	51
Medicine & Surgery	23	23	18	-	-	-	4	-	-		
Dental Surgery	-	-	-	-	13	-	-	-	-		
Marine Science	-	-	-	-	-	-	5	5	14	11	11
Science	75	84	92	138	213	193	170	217	192	202	222
Science (Environmental Science)	-	9	-	12	-	-	15	10	23	8	9
Engineering Technology	-	-	-	-	11	31	47	35	29	27	26
Total Degree	454	518	546	673	793	909	984	1,089	1,091	1,077	1,131

POSTGRADUATE CERTIFICATE	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Applied Science	-	3	1	-	-	-	-	-	-		
Business Administration	-	-	-	-	4	2	5	2	-	11	
Education											33
Human Resource Management	-	-	-	-	-	-	4	5	7	9	1

Postgraduate Certificate in Education	22	20	31	28	40	31	53	61	34	43	
Financial Management									1	2	3
Graduate Certificate in Tertiary Teaching								12	-	18	28
Climate Change	-	-	-	-	-	5	-	3	1	11	11
Total Postgraduate Certificate	22	3	1	28	44	38	62	83	43	94	76

POSTGRADUATE DIPLOMA	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Accounting & Financial Management	3	2	1	1	2	-	2	-	4	3	3
Agriculture	2	3	6	2	1	1	2	2	-	2	1
Applied Psychology	-	3	-	-	-	-	-	-	-		
Banking & Finance	-	1	1	-	3	1	3	-	1	1	1
Biology	1	5	1	3	5	2	7	5	4	5	6
Business Administration	-	-	-	-	3	5	3	5	10		6
Chemistry	1	3	-	4	8	6	8	7	10	12	4
Computing Science	-	3	-	2	3	2	5	4	6	10	8
Development Studies	2	14	10	13	14	13	4	20	9	11	14
Economics	1	2	3	5	1	3	5	1	2	3	
Education	11	20	8	5	8	13	15	27	34	24	19
Environmental Science								1	3	5	2
Environmental Studies									1	1	2
Geography	-	-	1	3	3	5	2	2	2	3	5
Governance									2	7	7
History/Politics	-	-	-	-	-	4	2	5	2	1	
Industrial Relations										1	
Land Management	-	-	-	-	-	1	1	2	1	1	
Legal Practice	-	-	-	-	57	54	39	30	48	19	29
Legislative Drafting	-	-	-	-	7	13	-	-	19		
Linguistics	-	-	-	1	3	1	1	1	1	3	1
Literature	-	1	-	3	3	1	1	1	1	1	
Literature and Language	-	-	-	-	-	-	-	-	-		1
Management & Public Administration	4	4	1	3	9	6	7	2	12	12	8
Marine Science								8	3	2	3
Marine Studies/Marine Affairs	2	1	-	1	2	6	4	6	2	4	2

Mathematics	1	2	1	3	2	4	3	6	3	2	2
Pacific Studies											1
Physics	2	2	3	3	2	2	2	4	3	2	1
Social Policy and Administration	-	-	-	-	-	13	6	5	9	2	6
Sociology	3	3	3	-	2	-	-	-	1	1	
Technology	1	-	-	-	-	-	2	-	2	2	2
Tourism Studies									2	1	2
Tropical Agriculture	-	-	-	-	1	-	-	-			
Total Postgraduate Diploma	34	69	39	52	139	156	124	144	197	141	136

MASTER	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Master of Agriculture	-	2	1	4	1	4	1	1	1	1	1
Master of Arts	2	10	9	13	9	19	12	8		15	
Master of Arts in Education									1		2
Master of Arts in Accounting & Financial Mgt									1		
Master of Arts in Development Studies									3		3
Master of Arts in Economics									1		1
Master of Arts in History Politics											1
Master of Arts in Land Management & Dev									1		1
Master of Arts in Management & Public Adm									1		3
Master of Arts in Resources/Marine Studies											2
Master of Arts in Sociology									1		1
Master of Arts in Tourism & Hospitality											1
Master of Business Administration	-	-	16	26	24	28	45	42	56	50	51
Master of Education									1	2	2
Master in Linguistics									1		
Master of Laws								3	3	1	1
Master of Philosophy	-	2	-	1	-	-	-	-			
Master of Science	5	4	7	5	4	11	8	18		6	1
Master of Science in Computing Studies											1
Master of Science in Chemistry									1		4
Master of Science in Environmental Science											1
Master of Science in Marine Science									1		

Master of Science in Mathematics										1		
Master of Science in Physics										1		1
Total Master	7	18	33	49	38	62	66	72	75	75	78	
DOCTOR OF PHILOSOPHY (PhD)	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	
Arts	-	1	-	1	-	-	-	1	1		1	
Science	-	-	-	2	1	1	-	-	-			
Total PhD	-	1	-	3	1	1	0	1	1	0	1	
ALL AWARDS	740	907	851	978	1,225	1,403	1,479	1,631	1,657	1,684	1,681	

* Revised Completion figures sourced from IJALS for 1998-2001

Appendix 2: Total Assessed Government Contributions (1992-2004)

in F\$'000s	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Cook Islands	528	534	470	390	409	361	312	297	358	344	286	312	374
Fiji	14,967	16,566	18,361	20,015	20,098	21,023	22,720	24,267	26,099	27,581	29,560	32,442	33,512
Kiribati	675	745	736	657	833	931	1,019	1,164	1,159	1,123	1,250	1,454	1,698
Marshall Islands	-	-	43	53	100	102	73	114	120	143	184	228	265
Nauru	133	119	162	153	113	83	101	118	128	123	115	109	104
Niue	73	60	61	62	73	68	83	111	123	140	175	195	204
Samoa	1,352	1,598	1,635	1,567	1,613	1,643	1,748	1,831	1,973	2,035	2,038	2,187	2,150
Solomon Islands	902	1,199	1,419	1,331	1,481	1,704	1,879	1,976	1,809	1,516	1,438	1,620	1,729
Tokelau	42	49	65	60	33	41	40	36	37	31	26	29	32
Tonga	937	1,057	1,194	1,051	1,029	1,067	1,157	1,224	1,092	978	964	944	977
Tuvalu	154	200	228	196	215	247	289	394	578	611	549	475	367
Vanuatu	659	808	944	956	910	1,450	1,744	1,960	1,669	1,615	1,791	1,930	1,842
TOTAL	20,149	22,934	25,319	26,492	26,907	28,720	31,166	33,492	35,145	36,240	38,376	41,925	43,254

Per Cent	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Cook Islands	2.6	2.3	1.9	1.5	1.5	1.3	1.0	0.9	1.0	0.9	0.7	0.7	0.9
Fiji	74.3	72.2	72.5	75.6	74.7	73.2	72.9	72.5	74.3	76.1	77.0	77.4	77.5
Kiribati	3.4	3.2	2.9	2.5	3.1	3.2	3.3	3.5	3.3	3.1	3.3	3.5	3.9
Marshall Islands	-	-	0.2	0.2	0.4	0.4	0.2	0.3	0.3	0.4	0.5	0.5	0.6
Nauru	0.7	0.5	0.6	0.6	0.4	0.3	0.3	0.4	0.4	0.3	0.3	0.3	0.2
Niue	0.4	0.3	0.2	0.2	0.3	0.2	0.3	0.3	0.3	0.4	0.5	0.5	0.5
Samoa	6.7	7.0	6.5	5.9	6.0	5.7	5.6	5.5	5.6	5.6	5.3	5.2	5.0
Solomon Islands	4.5	5.2	5.6	5.0	5.5	5.9	6.0	5.9	5.1	4.2	3.7	3.9	4.0
Tokelau	0.2	0.2	0.3	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Tonga	4.7	4.6	4.7	4.0	3.8	3.7	3.7	3.7	3.1	2.7	2.5	2.3	2.3
Tuvalu	0.8	0.9	0.9	0.7	0.8	0.9	0.9	1.2	1.6	1.7	1.4	1.1	0.8
Vanuatu	3.3	3.5	3.7	3.6	3.4	5.0	5.6	5.9	4.7	4.5	4.7	4.6	4.3
TOTAL	100												

Appendix 3: Government Contributions to the General, Special Grants, and Medium Works Fund, 2000 - 2004

By F\$'000s	GENERAL GRANT					SPECIAL GRANT					MEDIUM WORKS				
	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004
Cook Islands	280	270	211	247	307	70	66	69	59	60	8	8	6	6	7
Fiji	16,291	17,411	18,701	20,426	21,064	9,324	9,668	10,354	11,512	11,945	484	502	505	504	503
Kiribati	1,034	1,007	1,128	1,325	1,564	94	87	92	96	97	31	29	30	33	37
Marshall Islands	69	81	118	151	187	49	60	63	73	74	2	2	3	4	4
Nauru	85	83	73	66	62	41	38	40	41	41	2	2	2	2	1
Niue	90	100	133	146	153	30	37	38	45	47	3	3	4	4	4
Samoa	1,156	1,221	1,189	1,347	1,309	783	779	817	807	810	34	35	32	33	31
Solomon Islands	1,601	1,332	1,327	1,512	1,618	160	146	75	71	72	48	38	36	37	39
Tokelau	21	17	10	6	8	15	14	15	22	23	1	1	1	1	1
Tonga	965	856	839	828	860	98	97	102	96	96	29	25	23	20	21
Tuvalu	519	550	490	418	312	44	45	46	47	47	15	16	13	10	8
Vanuatu	864	778	912	1,026	940	779	815	854	879	880	26	22	25	25	22
TOTAL	22,975	23,706	25,131	27,498	28,384	11,487	11,852	12,565	13,748	14,192	683	683	680	679	678

By Percentage	GENERAL GRANT					SPECIAL GRANT					MEDIUM WORKS				
	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004
Cook Islands	1.2	1.1	0.8	0.9	1.1	0.6	0.6	0.5	0.4	0.4	1.2	1.2	0.9	0.9	1.0
Fiji	70.9	73.4	74.4	74.3	74.2	81.2	81.6	82.4	83.7	84.2	70.9	73.5	74.3	74.2	74.2
Kiribati	4.5	4.2	4.5	4.8	5.5	0.8	0.7	0.7	0.7	0.7	4.5	4.2	4.4	4.9	5.5
Marshall Islands	0.3	0.3	0.5	0.6	0.7	0.4	0.5	0.5	0.5	0.5	0.3	0.3	0.4	0.6	0.6
Nauru	0.4	0.3	0.3	0.2	0.2	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.1
Niue	0.4	0.4	0.5	0.5	0.5	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.6	0.6	0.6
Samoa	5.0	5.1	4.7	4.9	4.6	6.8	6.6	6.5	5.9	5.7	5.0	5.1	4.7	4.9	4.6
Solomon Islands	7.0	5.6	5.3	5.5	5.7	1.4	1.2	0.6	0.5	0.5	7.0	5.6	5.3	5.4	5.8
Tokelau	0.1	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Tonga	4.2	3.6	3.3	3.0	3.0	0.9	0.8	0.8	0.7	0.7	4.2	3.7	3.4	2.9	3.1
Tuvalu	2.3	2.3	1.9	1.5	1.1	0.4	0.4	0.4	0.3	0.3	2.2	2.3	1.9	1.5	1.2
Vanuatu	3.8	3.3	3.6	3.7	3.3	6.8	6.9	6.8	6.4	6.2	3.8	3.2	3.7	3.7	3.2
TOTAL	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Appendix 4: Balance Sheet (2000 – 2004)

	2000	2001	2002	2003	2004
CURRENT ASSETS					
Cash at Bank and on Hand	\$4,462,802	\$7,503,632	\$5,501,361	\$5,774,797	\$5,027,590
Term Deposits	7,638,774	10,355,025	13,419,207	14,464,567	30,997,879
Accounts Receivable	10,335,059	8,900,500	11,250,888	11,326,801	8,577,723
Inventories	4,177,293	4,448,760	4,408,575	4,265,757	5,285,474
Total Current Assets	\$26,613,928	\$31,207,917	\$34,580,031	\$35,831,922	\$49,888,666
FIXED ASSETS					
Property, Plant and Equipment	\$163,043,213	\$158,177,869	\$151,971,409	\$153,401,379	\$149,686,454
Investments		\$100	\$100	\$100	\$100
TOTAL ASSETS	\$189,657,141	\$189,385,886	\$186,551,540	\$189,233,401	\$199,575,220
CURRENT LIABILITIES					
Bank Overdraft	(\$304,343)	(\$426,670)	(\$285,955)	(\$532,165)	(\$45,411)
Medium Works	(\$718,351)	(\$602,451)	(\$1,059,194)	(\$1,334,956)	(\$1,259,038)
Gifts & Donations Unexpended	(\$3,654,076)	(\$4,401,137)	(\$5,551,154)	(\$7,174,413)	(\$4,911,109)
Creditors and Accruals	(\$12,454,870)	(\$11,105,266)	(\$11,825,000)	(\$8,903,915)	(\$19,547,495)
Endowment and Prize Funds	(\$731,709)	(\$903,078)	(\$680,535)	(\$440,516)	(\$500,134)
Total Current Liabilities	(\$17,863,349)	(\$17,438,602)	(\$19,401,838)	(\$18,385,965)	(\$26,263,187)
NON CURRENT LIABILITIES					
Provisions	-	(\$1,769,716)	(\$2,063,603)	(\$2,491,049)	(\$3,098,760)
Deferred Revenue	(\$106,655,300)	(\$102,260,762)	(\$96,878,332)	(\$94,848,771)	(\$92,795,447)
Total Non-current Liabilities	(\$106,655,300)	(\$104,030,478)	(\$98,941,935)	(\$97,339,820)	(\$95,894,207)
TOTAL LIABILITIES	(\$124,518,649)	(\$121,469,080)	(\$118,343,773)	(\$115,725,785)	(\$122,157,394)
TOTAL ASSETS less LIABILITIES	\$65,138,492	\$67,916,806	\$68,207,767	\$73,507,616	\$77,417,826
REPRESENTED BY:					
Capital Fund					
Capital Project Funds					
Endowment and Prize Funds	(\$2,518,547)	(\$2,518,547)	(\$2,518,547)	(\$2,518,547)	(\$2,469,267)
Special Funds	(\$4,555,623)	(\$7,164,857)	(\$6,735,476)	(\$9,898,067)	(\$12,229,400)
Provisions	(\$1,026,397)	(\$1,386,000)	(\$2,572,062)	(\$2,890,169)	(\$2,828,931)
Recurrent Reserve	(\$2,515,286)	(\$3,270,242)	(\$3,750,001)	(\$6,514,631)	(\$9,149,505)
Asset Revaluation Reserve	(\$54,522,639)	(\$53,577,160)	(\$52,631,681)	(\$51,686,202)	(\$50,740,723)
	(\$65,138,492)	(\$67,916,806)	(\$68,207,767)	(\$73,507,616)	(\$77,417,826)

Appendix 5: Income and Expenditure (2000 – 2004)

	2000	2001	2002	2003	2004
INCOME					
Government Contributions	(\$35,145,000)	(\$36,240,000)	(\$38,376,000)	(\$41,925,000)	(\$43,257,150)
Student Fees	(\$7,981,508)	(\$8,865,205)	(\$9,799,786)	(\$12,378,687)	(\$15,360,045)
Development Co-operation	(\$3,981,924)	(\$4,565,186)	(\$4,777,082)	(\$4,490,660)	(\$5,621,446)
Other Income	(\$2,363,585)	(\$2,422,517)	(\$2,818,930)	(\$4,503,721)	(\$3,803,941)
Total Income	(\$49,472,017)	(\$52,092,908)	(\$55,771,798)	(\$63,298,068)	(\$68,042,582)
EXPENDITURE					
Academic	\$21,956,507	\$22,648,750	\$23,747,355	\$27,185,448	\$28,307,775
Academic Support Services	8,763,627	8,761,231	9,581,453	10,915,972	12,055,341
Administration Support	7,389,079	8,404,280	9,472,197	10,036,437	10,996,098
Community Services	1,330,372	3,538,734	3,530,886	3,177,482	3,937,720
Utilities, Grounds & Maintenance	3,071,740	1,441,786	1,563,035	1,671,464	1,987,476
General Education Expenditure	1,820,932	1,606,979	3,054,533	2,482,695	3,609,740
Miscellaneous Expenditure	3,019,813	3,663,192	2,920,562	4,345,940	3,095,558
Medium Works	683,000	683,000	678,000	678,000	678,000
Contingency	78,382	-			
Total Expenditure before Depreciation	\$48,113,452	\$50,747,952	\$54,548,021	\$60,493,438	\$64,667,708
(SURPLUS)/DEFICIT FOR THE YEAR	(\$1,358,565)	(\$1,344,956)	(\$1,223,777)	(\$2,804,630)	(\$3,374,874)
Depreciation	\$5,548,800	\$8,103,265	\$8,616,011	\$8,363,596	\$8,363,596
Transfer from Asset Revaluation Reserve	(\$945,479)	(\$945,479)	(\$945,479)	(\$945,479)	(\$945,479)
Transfer from Deferred Revenue	(\$4,563,321)	(\$7,117,786)	(\$7,630,532)	(\$7,378,117)	(\$7,378,117)
	(\$5,508,800)	(\$8,063,265)	(\$8,576,011)	(\$8,323,596)	(\$8,323,596)
Income transferred to Deferred Revenue	\$4,203,442	\$2,832,090	\$2,280,252	\$5,534,523	\$5,534,523
Expenditure transferred to Capital Expenditure	(\$4,203,442)	(\$2,832,090)	(\$2,280,252)	(\$5,534,523)	(\$5,534,523)
	-	-			
Transfer to/(from) Specific Funds	\$200,000	\$550,000			
Transfer from JEF	(\$120,000)	-			
Transfer to Capital Project Funds					
Transfer from Special Funds	(\$580,000)	-			
Transfer to USPNET	\$651,000	-			
Transfer to Special Funds	\$641,974	-			
(SURPLUS) TRANSFERRED TO RECURRENT RESERVE	(\$525,591)	(\$754,956)	(\$1,183,777)	(\$2,764,630)	(\$3,334,874)