INCREASING ACCESS AND SUPPORT TO TERTIARY EDUCATION

Lessons learnt from CSI-funded bursary programmes in South Africa

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The research was commissioned by the FirstRand Foundation as part of its communications strategy to document and share learnings under the theme: CSI that Works. The overall purpose of the communications strategy is to positively influence corporate social investment (CSI) in South Africa.

RESEARCH OBJECTIVES
The overall aim of this research is to highlight the lessons learnt from implementing CSI-funded bursary programmes focused on increasing access and support in tertiary education, especially among previously disadvantaged communities.

The specific objectives of the research are: to determine the appropriate levels of involvement of CSI entities in the management of bursary programmes; define the minimum requirements for a bursary programme; evaluate the significance of non-monetary support within bursary programmes; and to review government’s role in financing education through the National Student Financial Aid Scheme (NSFaS).

The research is premised on the realisation that tertiary education is critical in developing specialised skills, conducting research and evaluating knowledge, and job creation. Increasing access to tertiary education contributes towards poverty eradication and social and economic growth.

RESEARCH METHODS
The research relied primarily on qualitative research methods. These methods included a desktop study conducted to gather secondary data and information from literature, in-depth interviews with key professionals in selected organisations and profiling of selected case studies of interventions in teacher development and support.

RESEARCH FINDINGS
The research findings indicate that, since 1994, there has been a significant increase in the number of pupils completing primary and secondary education, and entering colleges and universities. Significant funding has been channelled through the NSFaS and National Skills Fund (NSF) providing opportunities for many students to study at colleges and universities. Other stakeholders including CSI entities, foundations, trusts and civic society organisations have also provided funding support to students through bursaries, scholarships and loans.

Although gender equity in tertiary enrolment has been achieved, racial inequality still remains with more White and Indian students than Black and Coloured students accessing higher education. The proportion of students graduating from tertiary institutions is lower than enrolment figures, signifying a high dropout rate. Although government funding for education has increased significantly over the years it remains inadequate and constitutes a major obstacle to accessing higher education by many students. However, the lack of adequate foundational academic skills and competencies to transition from secondary to tertiary education coupled with a lack of adequate support systems is further preventing many potential graduates from completing their studies.

The findings indicate that most CSI entities tend to outsource the administration and management of their bursary programmes to service providers with expertise in this area, except in the case of industry-based bursary programmes. The research also found that a mix of both financial and non-financial support is required to effectively support students. Non-financial support was found to be particularly crucial in providing mentorship and psychosocial counselling that helps students to deal with the demands of life on campus.

The lessons learnt that are pertinent to addressing access to tertiary education and transition to the workplace are highlighted below.

- Donors should judiciously assess the capacity, expertise and experience of bursary fund managers to ensure that investments in bursary programmes are effective, achieve intended goals and are sustainable.
- It is critical for donors to invest in and pay close attention to the selection of bursars and assessing their potential to excel in their chosen course of study.
- When donors commit to fund bursars they should also assume responsibility to ensure that these bursars graduate through funding student academic and social support needs.
- Donors should support mechanisms designed to expose bursars to the world of work through holiday attachments, learnerships or job placements.
- Donors should promote evaluation and impact assessment of their bursary programmes in order to determine the value and contribution they are making to society as well as the return on investment they are achieving.
- Donors should support the establishment of an alumni network of all bursars that they have supported in order to create a community of professionals who can safeguard the legacy of the programme.
- Donors should pilot innovative bursary funding models and programmes and leverage government funding to take these to scale.
Acknowledgements

This research was commissioned by the FirstRand Foundation as part of the Communication Campaign under the ‘CSI that Works’ theme. The research was conducted by Tshikululu Social Investments.

This research project benefited from the contributions of various individuals and institutions. Beth van Heerden was instrumental in providing the impetus to conduct this research. Her guidance and comments shaped the writing of this report.

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The following institutions and their representatives made significant contributions on which the lessons for bursary administration and management are derived. These institutions also form the basis of the case studies profiled in the report. These are:

- Rural Education Access Programme represented by Mr Russell Davies (Director);
- Thuthuka Bursary Fund represented by Mr Nthato Selebi (Project Director);
- Studietrust represented by Ms Zamabongo (Zama) Mojalefa (Communication Manager); and
- HOPE Project represented by Ms Linda Diedericks (Development Officer: Corporate & Foundations).

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Silvester Hwenha
Research and Knowledge Sharing Specialist
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### Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>CHE</td>
<td>Council for Higher Education</td>
</tr>
<tr>
<td>CTA</td>
<td>Certificate in Theory of Accounting</td>
</tr>
<tr>
<td>CTL</td>
<td>Centre for Teaching and Learning</td>
</tr>
<tr>
<td>CV</td>
<td>Curriculum Vitae</td>
</tr>
<tr>
<td>DHET</td>
<td>Department of Higher Education and Training</td>
</tr>
<tr>
<td>DOE</td>
<td>Department of Education</td>
</tr>
<tr>
<td>ECD</td>
<td>Early Childhood Development</td>
</tr>
<tr>
<td>FET</td>
<td>Further Education and Training</td>
</tr>
<tr>
<td>FYA</td>
<td>First Year Academy</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>HEI</td>
<td>Higher Education Institution</td>
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<tr>
<td>HEMIS</td>
<td>Higher Education Management Information System</td>
</tr>
<tr>
<td>REAP</td>
<td>Rural Education Access Programme</td>
</tr>
<tr>
<td>SACBC</td>
<td>Southern African Catholic Bishops’ Association</td>
</tr>
<tr>
<td>SAICA</td>
<td>South African Institute of Chartered Accountants</td>
</tr>
<tr>
<td>SDA</td>
<td>Student Development Advisor</td>
</tr>
<tr>
<td>TEFSA</td>
<td>Tertiary Education Fund of South Africa</td>
</tr>
<tr>
<td>TBF</td>
<td>Thuthuka Bursary Fund</td>
</tr>
<tr>
<td>MDG</td>
<td>Millennium Development Goals</td>
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<tr>
<td>NDP</td>
<td>National Development Plan</td>
</tr>
<tr>
<td>NPHE</td>
<td>National Plan for Higher Education</td>
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<tr>
<td>NSC</td>
<td>National Senior Certificate</td>
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<tr>
<td>NSF</td>
<td>National Skills Fund</td>
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<td>National Students Financial Aid Scheme</td>
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<tr>
<td>QE</td>
<td>Qualifying Examination</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
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1. Introduction

Investing in education is arguably the most effective strategy for combating chronic poverty and reducing pervasive inequality in South Africa and other developing countries. Education provides citizens, especially previously disadvantaged groups, with a real chance to transform their lives and break the cycle of poverty. In order for education to deliver transformative social and economic benefits, policies, programmes and resources must be in place to ensure that the entire education value chain, from early childhood development to tertiary level, is functional and of the highest quality.

South Africa has made great strides in improving access to primary education and is on target to achieving universal primary education by 2015 as outlined in the United Nations (UN) Millennium Development Goals (MDGs). However, equity and access to tertiary education remain major challenges. Furthermore, today’s global (and globalised) economy requires advanced knowledge and high level skills acquired in higher education institutions (HEIs) to function optimally. Noting the catalytic role of higher education in generating knowledge, skills development and job creation, government, through the Department of Higher Education and Training (DHET) has accordingly prioritised the expansion of tertiary institutions to increase access and learning opportunities. Civil society organisations, foundations, trusts and other CSI entities have also provided significant funding towards bursary programmes, scholarships and student loans to enable deserving students to study at colleges and universities across the country.

1.1 PROBLEM STATEMENT

Persistent poverty, unemployment and low incomes have had a combined effect of limiting access to tertiary education for a significant proportion of young people in the country. Although access to higher education among Black students has increased since 1994, there are still young people who do not have access due to high costs associated with tertiary education and the limited number of spaces available in HEIs. Currently, there are approximately 3.2 million young people between the ages of 18 and 24 who are not in education, employment or training. Given this disconcerting reality, bursary programmes, scholarships and student loans have been effective in increasing access to tertiary education for a significant proportion of young people, thus contributing towards equity in education. According to the Fourth Annual Handbook, there are now close to a million students in public and private HEIs and approximately 507 000 students in FET colleges.

It is now evident that conventional and partial bursaries providing only financial support, usually in the form of tuition, are increasingly becoming inadequate in the face of the following challenges:

- students from poor families with limited financial options drop out of colleges and universities due to lack of livelihood support;
- students progressing from Grade 12 are often academically unprepared for tertiary education and the majority drop out before graduation; and
- the language (English) of teaching and learning often poses challenges to most first year students.1

An appropriate mix of financial and non-financial support is required in order to provide comprehensive support to students to help them successfully complete tertiary studies and graduate with acceptable passes.

1.2 RESEARCH OBJECTIVES

The overall aim of this research is to highlight lessons learnt from implementing CSI-funded bursary programmes focused on increasing access and support in tertiary education, especially among previously disadvantaged communities.

The specific objectives of the research are to:

- determine appropriate levels of involvement of CSI entities in the management of bursary programmes;
- define minimum requirements for a bursary programme;
- evaluate the significance of non-monetary support within bursary programmes; and
- review government’s role in financing education through the National Students Financial Aid Scheme.

The research methodology adopted in order to address the above objectives is attached in Appendix 1.

1.3 JUSTIFICATION OF THE RESEARCH

Tertiary education is the bedrock for skills development, research and job creation. Access to tertiary education enables citizens to actively participate and contribute towards national economic growth. However, the cost of tertiary education is generally beyond the reach of many families, especially among previously disadvantaged communities. Without tertiary education most youths are absorbed in the economy as unskilled labourers with little or no chance of climbing up the economic and social ladder. With access to tertiary education, many people from poor families have a real chance of lifting themselves and their families out of poverty.

This research provides an opportunity to reflect on the experiences of institutions managing CSI-funded bursary programmes. It is of great importance that CSI spend on bursaries is guided by a comprehensive understanding of student support needs. Furthermore, the intervention strategies designed to enable students to successfully graduate from universities can also contribute towards the strengthening of the tertiary education system.

In South Africa education has received considerable attention since the demise of apartheid. More pupils are now completing primary and secondary education and entering colleges and universities than ever before. Although access to education opportunities has improved, the quality of education has remained questionable.

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In tertiary institutions, student numbers are increasing at a rate faster than tertiary institutions can cope with, thereby affecting the quality of tertiary education. For instance, while student numbers in universities have doubled since 1994, the number of teaching staff has remained almost the same and resources continue to be limited. Ironically, access to higher education in South Africa is still below international standards. Despite the increasing numbers of students entering higher education, skills shortages remain a critical challenge. Whether or not the tertiary education sector is appropriately configured to be responsive to the skills needs of the country is becoming a cause for concern.

Tertiary education remains vital to the economy despite the persistent challenges. As the world moves towards a global knowledge economy, the responsibility for the development of high level skills and knowledge, as well as entrepreneurship and job creation, lies with the tertiary education sector. It is, therefore, important to understand the multiple roles of tertiary education in the economy. Success in tertiary education is dependent on mastering foundational competencies and skills in literacy and numeracy developed in primary school. While focus on primary education remains relevant, demand for specialised skills developed in higher education must be addressed simultaneously.

2.1 THE ROLE OF TERTIARY EDUCATION IN THE NATIONAL ECONOMY

In order to address the challenges besetting higher education and to design and implement effective interventions, the tertiary education system has to be put in perspective. This includes understanding the significance of tertiary education in the economy and its role in reducing poverty through increasing livelihood options for individuals and fuelling national economic activity and productivity.

2.1.1 The economic impact of tertiary education

It is universally accepted that tertiary education and skills development are significant determinants of innovation and economic growth. Education provides both private and public benefits to society. Investment in education enhances the chances of individuals finding work and participating in the labour market. As more individuals acquire education and skills and enter the labour market, aggregate productivity grows, leading to economic growth. Studies in labour economics have shown that the level of education of an individual is related to earnings in the labour market. As more individuals acquire education and skills and enter the labour market, aggregate productivity grows, leading to economic growth. Other studies have concluded that productive capacity is related to earnings. It has thus been suggested that other qualitative measures such as cognitive aptitude, social background and location need to be considered in the analysis.

The relationship between education, earnings and economic growth is complex and it is not easy to establish the level of causality. Despite the complexity of this relationship, it remains a fact that schooling does have an effect on earnings.

2.1.2 Education and urban growth

Trends in urban growth and prosperity have shown a positive correlation with tertiary education. Human capital development has been proved to influence urban development far more than physical capital. Studies conducted in the United States since the 1980s indicate that the per capita gross product of a city increases as the proportion of college graduates increases. For instance, a 10% increase in the proportion of individuals with college degrees in a city resulted in a 22% increase in the per capita gross product between 1980 and 2000.

2.2 EDUCATION REFORM AND POLICY LANDSCAPE IN SOUTH AFRICA

Since 1994 education reform has contributed towards efforts to address the inequalities created by apartheid. Progress has been made in education legislation, policy development and curriculum reform. More learners now have access to education at all levels. However, inequalities still exist in access, governance and funding of higher education.
2. Understanding tertiary education continued

Before 1994, there were 36 HEIs divided according to their type: universities, technikons and colleges. Scientific research and knowledge production were the prerogative of universities, while technikons focused on technical application. The quality of teaching and learning and levels of community engagement varied along racial lines.12,13

After 1994, the provision of higher education was assigned to the National Department of Education and basic education remained under provincial departments. The Higher Education Act 101 of 1997 provides the legal foundation and framework for South African higher education.

In 1996, the South African Council on Higher Education (CHE), an independent statutory body responsible for advising the Minister of Education on all higher education policy issues and for quality assurance in higher education was established. The responsibilities of CHE derive from the Education White Paper 3: A Programme for the Transformation of Higher Education produced in 1997.

In 2009, the National Department of Education was split into two: Department of Basic Education (DBE) and Department of Higher Education and Training (DHET). The DHET is tasked with the responsibility for the coordination of the education and training sub-systems of post-school education, including universities, Further Education and Training (FET) Colleges, Sector Education and Training Authorities, and Adult Basic Education.

2.2.1 Education White Paper 3: A Programme for the Transformation of the Higher Education System

The White Paper outlined the framework for the transformation of the higher education system proposing that it must planned, governed and funded as a single national coordinated system. Such a system was envisaged to address the fragmentation, inequality and inefficiency of the old system. This new system was expected to address the inequalities perpetuated under apartheid and create opportunities for previously disadvantaged groups.

The White Paper makes note of the increasing role of knowledge in the economy and outlines the role of higher education as follows:

- human resource development in order to increase human capital to sustain national development;
- high-level skills training to enable national social and economic development and social transformation while remaining globally competitive; and
- production, acquisition and application of new knowledge to enhance national growth and competitiveness.

However, in order to attain the successful transformation of the higher education system it was noted that three criteria should be met: increased and broadened participation, responsiveness to societal interests and needs, and cooperation and partnerships in governance. It was noted that student enrolment and participation in tertiary education needed to reflect the demographic realities of the broader society.

The White Paper set the basis for the transformation of the higher education system. Further plans and programmes geared towards the transformation of the education system have been articulated in subsequent policies.

2.2.2 National Plan for Higher Education

The National Plan for Higher Education (NHPE) was designed to guide the transformation of the higher education sector through the provision of an implementation framework and identification of strategic interventions in the sector. The NHPE is premised on the vision for higher education articulated in Education White Paper 3: A Programme for the Transformation of the Higher Education System.

The NHPE provides an opportunity and challenge to chart a path that locates the higher education system as a key engine driving and contributing to the reconstruction and development of South African society. In line with the multiple roles of higher education and in response to the persistent challenges in the sector, the purpose of the NHPE is to ensure that:

- the higher education system achieves the transformation objectives set out in the White Paper and is responsive to societal interests and needs [see section 2.2.1 above];
- there is coherence with regard to the provision of higher education at the national level;
- limited resources are used efficiently and effectively and there is accountability for the expenditure of public funds; and
- the quality of academic programmes, including teaching and research, is improved across the system.

The NPHE addresses five key policy goals and strategic objectives that are central to the transformation of the higher education system. The goals and strategic objectives are:

- To provide access to higher education to all irrespective of race, gender, age, creed, class or disability and to produce graduates with the skills and competencies necessary to meet the human resource needs of the country.
- To promote equity of access and to redress past inequalities through ensuring that the staff and student profiles in higher education progressively reflect the demographic realities of South African society.
- To ensure diversity in the organisational form and institutional landscape of the higher education system through mission and programme differentiation, thus enabling the addressing of regional and national needs in social and economic development.
- To build high-level research capacity to address the research and knowledge need of South Africa.
- To build new institutional and organisational forms and new institutional identities through regional collaboration between institutions.

2.3.1 Structure of higher education system

The National Development Plan (NDP) was drafted by the National Planning Commission (NPC) after consultations with ordinary South Africans and provides a framework to eliminate poverty and reduce inequality by 2030.14

The plan acknowledges the critical role of education in improving the social and economic circumstances of the citizenry, especially the historically disadvantaged and youth, and enhancing the country’s global competitiveness.

According to the NDP, the higher education system is currently not responsive to the needs of the economy. The plan envisions that by 2030 there will be clear linkages between various levels of the education system from early childhood development (ECD) to higher education. By 2030 the higher education system is expected to produce university and college graduates with the skills and knowledge to meet the changing needs of the South African economy. The NDP projects that over a 30-year period the number of graduates with a minimum bachelor’s qualification will have increased from a baseline of 2.6 million graduates in 2010 to 10 million graduates in 2030. However, this forecast can only be attained with adequate improvement in the quality of education.

The NDP proposes that all students who qualify for the NSFAS be awarded “full funding through loans and bursaries to cover the costs of tuition, books, accommodation, and other living expenses. The value of each bursary depends on the cost structure of the university at which the student will study. Generally, university fees vary and may range from R25 000 to R75 000 or more per annum. Students who do not qualify should have access to bank loans, backed by state sureties.”15 This proposition is meant to minimise the risk of loan default by students. The plan further proposes that NSFAS be extended to students in private colleges in order to promote expansion in this sector.

The NDP recognises that collaboration and innovation are central to the improvement of the higher education system. Universities should collaborate with science councils and research and development institutes to spur innovation and produce new knowledge. The NDP clearly identifies a set of goals and assigned responsibilities to various stakeholders. This includes private sector providers of higher education.

2.3.2 Access to tertiary education

2.3.2.1 Structure of higher education system

Until the mid-1990s the South African higher education system consisted of universities and technikons. The higher education landscape was then restructured primarily in response to the challenges faced in teacher training colleges. The restructuring programme was intended to create fewer but larger and more efficient multi-disciplinary institutions offering teacher training in addition to other studies. This process resulted in the incorporation of teacher training colleges into the higher education system. The 102 public teacher training colleges, 20 universities and 15 technikons were consolidated into only 23 HEIs, disaggregated as follows: 11 universities, 6 comprehensive universities and 6 universities of technology.16 Comprehensive universities are those that came into being as a result of the mergers of traditional universities and technikons. These comprehensive universities offer traditional university courses as well as vocational courses. Universities of technology are effectively technikons that have been upgraded and renamed.17

In 2012 there were also 88 registered and 27 provisionally registered private HEIs.18 The majority of these private institutions provide specialised programmes not offered in the public sector institutions.19 They vary in size from small colleges offering a single programme to large multi-campus organisations offering a wide range of programmes. They offer mostly certificate, diploma programmes and bachelor’s degrees. However, a few of the institutions offer programmes at the master’s and doctoral level. Although their overall contribution to higher education is minimal compared to public institutions, private sector HEIs add to the diversity of programmes. However, statistical data and information on private higher education has not been collected systematically. Consequently, its impact on higher education and contribution to national development is yet to be measured.

Distance education plays a significant role in extending access to higher education to those who would otherwise not be able to participate. Up to 40% of students in higher education attain their qualifications through distance learning. From a policy perspective distance education promotes lifelong learning and increases the capacity of the higher education system to enrol students within and outside the country.20 The University of South Africa (UNISA) dominates distance higher education with respect to student enrolments. For instance, in 2011 enrolment stood at 328 851 accounting for about 30% of all the students in higher education. Other notable institutions providing distance education include the North West University with 24 978 students, the University of Pretoria (13 383) and the University of KwaZulu-Natal (6 248).21, 22

2.3.2 Access to tertiary education

According to the Department of Education,23 higher education has multiple but interrelated purposes: fulfill individual aspirations for self-development, supply the labour market with specialised skills, develop an enlightened, reflective and critical society and contribute to the creation, sharing and evaluation of knowledge. In order to achieve the above outcomes, significant progress has been made towards increasing access to higher education, especially among previously disadvantaged populations. Promoting equity in...
higher education is fundamental to creating a balanced society where all races have equal opportunity to participate in and contribute towards national social and economic development. However, despite government efforts, the higher education landscape remains inequitable.

2.3.3 Trends in access and equity in higher education

Aggregate enrolment in higher education increased by 69% from 528 135 in 1994 to 892 936 in 2010. The major increase in enrolment has been at universities, where enrolment increased by 105% (from 360 250 in 1994 to 739 368 in 2010). Enrolment in technikons decreased by 8% (from 167 885 in 1994 to 153 168 in 2010).

The number of previously disadvantaged people accessing higher education has significantly increased at universities and universities of technology since 1995. As indicated in Table 1 below, the number of African students has increased by 108% over the past 15 years.

<table>
<thead>
<tr>
<th>Year</th>
<th>African</th>
<th>Coloured</th>
<th>Indian</th>
<th>White</th>
<th>Total</th>
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<tr>
<td>1995</td>
<td>286 000</td>
<td>33 000</td>
<td>37 000</td>
<td>214 000</td>
<td>570 000</td>
</tr>
<tr>
<td>2000</td>
<td>355 000</td>
<td>30 000</td>
<td>40 000</td>
<td>160 000</td>
<td>585 000</td>
</tr>
<tr>
<td>2005</td>
<td>446 945</td>
<td>46 302</td>
<td>54 611</td>
<td>185 847</td>
<td>733 705</td>
</tr>
<tr>
<td>2010</td>
<td>595 777</td>
<td>58 175</td>
<td>54 492</td>
<td>178 189</td>
<td>886 633</td>
</tr>
<tr>
<td>1995–2010</td>
<td>108.3%</td>
<td>76.3%</td>
<td>47.3% (16.7%)</td>
<td>55.5%</td>
<td></td>
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</tbody>
</table>

The number of Coloured and Indian students has increased by 76% and 47%, respectively over the same period. The proportion of White students attending higher education has decreased by 16% during the same period. Available data also indicates that from 2005 to 2010 the proportion of female students enrolled in higher education increased by 28% compared to 14% for male students. Enrolment trends between 2007 and 2010 also indicate 85% of the students enrolled were at undergraduate level.

Although the above statistics indicate that access to education has increased among previously disadvantaged populations, inequality still exists. Statistics indicate that in 2010 only 14% and 15% of Black and Coloured people between 20 and 24 years old were in higher education, respectively. Participation rates were much higher for Indians (46%) and Whites (57%). The poor participation rate among Black students is attributed to historical inequalities and recurring poor academic performance in secondary school. Other important factors include lack of financial support, career guidance and generally weak support systems. The aggregate national participation rate in higher education is 18%, which is still below the national target of 20%.

Although enrolment rates in higher education have increased significantly over time, the proportion of students graduating in each intake is still relatively low. The accumulative graduation rate for students studying towards a degree increased from 27% in 2007 to 52% in 2010. The accumulative dropout rate declined from 63% in 2007 to 48% in 2010. Although this is a positive result it is unclear what specifically caused the improvement. The accumulative dropout rate continues to be higher among African students (59%) than White students (35%).

2.4 Financing higher education

Higher education in South Africa is largely state funded. State spending on universities increased from R6.7 billion in 2000 to R23.4 billion in 2011. In the 2012/13 financial year the higher education and training sector was allocated R31.5 billion, with universities and FEI colleges receiving R20.9 billion and R4.8 billion, respectively. It is anticipated that the budget for higher education institutions will increase to R24.6 billion by 2016.

2.4.1 National Student Financial Aid Scheme (NSFAS)

The government established the NSFAS in 1996 to ensure that academically-able students without financial resources can attend higher education. The scheme, administered by Tertiary Education Fund of South Africa (TEFSA) also raises funds, recovers loans and conducts research for the better utilisation of financial resources. While most of NSFAS’s funding comes from the government, other sources include loan recoveries, HEIs, the South African private sector and foreign donors. Despite these sources of funding, financial aid is still inadequate to meet the needs of students from poor communities. According to NSFAS, only 20% of eligible students benefit from the scheme. Between 1991 and 2012, NSFAS funded 991 759 students at a total cost of R25.1 billion in bursaries, loans and scholarships. Annual funding has increased significantly from R22 million in 1991 to R513 million in 2000 to R3.2 billion in 2009. In 2012 NSFAS was allocated R5 billion for student loans and bursaries in universities and FEI colleges.

NSFAS provides income-contingent loans and bursaries to higher education students. The value of each loan or bursary depends on the cost structure of the university at which the student will study. Generally, university fees vary and may range from R45 000 to R75 000 or more per annum. Loans are typically awarded to academically deserving South African citizens registered at a South African university or university of technology with the intention to study for an undergraduate or postgraduate qualification. Loans usually cover tuition costs but in cases of extreme need they may also cover living costs and travelling expenses. Based on the student profile, surety may be required for a student to receive a loan; a measure against possible default on loan repayments.

Repayment of loans starts when an individual is in full-time permanent employment and his/her annual salary is at least R30 000. The repayment rate starts at 3% of the annual salary and increases to a maximum of 8% when the annual salary reaches or exceeds R59 500. However, depending on the student’s academic success, up to 40% of the loan can be converted to a bursary, which does not need to be repaid.

NSFAS currently administers four bursary funds:

- The Funza Lushaka Bursary Programme is a multi-year full-cost bursary offered to eligible students to attain a teaching qualification in an area of national priority. Upon graduation bursars are required to teach at a public school for the same duration for which they were funded. In 2010 the programme enrolled 10 074 students who received R642 million in bursaries. In 2011, the number of students declined to 8 893 and the funding also went down to R443 million.

- The Department of Social Development provides bursaries for eligible students to study social work. After completion of their studies, the recipients are required to work for the Department of Social Development for the duration for which they were funded. In 2010, NSFAS supported 1 040 students with disabilities through bursaries to the value of R35 million. In 2011, the number of supported students with disabilities, increased marginally to 1 104 while funding declined to R33 million.

- The NSF provides bursaries for students who are studying a scarce skill. While there are no conditions attached to these bursaries, the universities have the responsibility of selecting the recipient students. In 2010, the NSF provided bursaries to 3 885 students to the value of R82 million. In 2011, the number of students rose to 54 491 and the value of bursaries also increased to R33 million.

- FET College bursaries are awarded to eligible students studying towards the National Certificate at FET colleges. No conditions are attached to the bursary. In 2010, NSFAS supported 61 703 students at a cost of R318 million. The number of students supported more than doubled reaching 165 274 in 2011. Funding also increased significantly to R1.1 billion. 26

2.4.2 Other sources of student funding

Private sector entities, foundations, trusts and NGOs also provide financial and other non-financial support to students to facilitate access to and success in tertiary level education. Financial support from private companies is through bursaries and scholarships. Commercial banks further provide student loans in addition to bursaries and scholarships. CSI spend in South Africa is concentrated on programmes to uplift previously disadvantaged groups. These include health, education and social welfare. CSI spend has increased over time, but remains very small in comparison to government spending in the social sector. In 2012, R6.9 billion was allocated to CSI, an increase of 13% from the previous year. Of that amount, 40% (R2.9 billion) was channelled towards the education sector. It is not clear how much of this funding was allocated to tertiary education. There is generally a dearth of data on funding of tertiary education by other stakeholders such as the private sector, foundations and trusts, other than government.

2.5 RECURRENT ISSUES IN TERTIARY EDUCATION

The findings from literature indicate that participation rates in tertiary education are still low and inequality still exists; graduation rates are still very low and funding for tertiary education remains inadequate. Both students and HEIs are facing challenges that combine to paint a disturbing picture of the tertiary education sector in the country.

The major challenge with students entering tertiary education is what is referred to as the ‘first gap’. Students are generally academically unprepared for higher education as a result of poor primary and secondary education. There are few remedial or bridging programmes to assist students to close this gap. Statistics indicate that there are few students passing matric with a bachelor admission.

Poor selection criteria for learners entering higher education is also a cause for concern. When learners are admitted to courses for which they do not have the potential or capacity to pass, dropout rates increase. Few students are exposed to career planning as they enter tertiary education. As a result, subject selection in secondary school is rarely matched with preferred courses at university. Although most students selected for bursaries are above average academically, they often struggle because of lack of support systems. In addition, these students often enrol in disciplines such as engineering, science and commerce, where failure rates are even higher than the average.

HEIs also face a multiplicity of challenges. These include the following: lack of resources and dependence on central government, inadequate infrastructure, increasing numbers of students and little research being conducted as a result of lack of resources. 27 Donors and the private sector play an important role in financing tertiary education, but their contribution is relatively small. The research also noted that there was little activity with regard to closing the ‘second gap’ by preparing tertiary graduates for the world of work. There are few programmes that help students acquire practical work skills to enable them to be quickly absorbed in the labour market once they complete their studies.

3. Research findings

3.1 SUMMARY FINDINGS

Significant progress has been made by government, private foundations, trusts, civic society organisations and private sector companies in financing and supporting access to education by previously disadvantaged groups. However, participation in higher education still remains low, inequality still exists and weak graduation rates remain a problem. New and innovative programmes funded through CSI continue to emerge increasing the need for sharing of information, knowledge and lessons learnt in order to develop and scale high impact tertiary financing and support programmes.

Based on the interviews conducted, literature reviewed and case studies profiled the following findings are highlighted:

- Most CSI entities tend to outsource administration and management of their bursary programmes to service providers with expertise in this area. CSI entities provide the funding directly to service providers and receive periodic reports on student recruitment, campus support programmes and academic performance. They also hold periodic review meetings with service providers to assess programme administration, management and financial accountability. Therefore, for most CSI entities involvement with day-to-day running of the bursary programmes and contact with the bursars is minimal.

- A mix of both financial and non-financial support is required to effectively support students. With specific reference to financial support, it is concluded from the findings that comprehensive support should be provided in order to cover all the necessary costs for tertiary education. These include tuition, books, meals, transport and living expenses. In some cases health costs such as eye testing were not recommended. It is also concluded that student support should not only be through bursaries; partial bursaries and loans can be provided in combination to cover the full costs of study.

- Non-financial support was found to be crucial. Most students, especially those from disadvantaged backgrounds, require support to transition smoothly from secondary to tertiary education. Such support may be through provision of bridging programmes to build the required competencies to succeed in tertiary education and psychosocial support to deal with the demands of life on campus. Mentorship programmes, peer support groups and counselling were found to be crucial requirements in tertiary bursary programmes.

- Government funding in education has generally increased over the years although it remains insufficient to meet current demands. Although many students have been funded by government through NSFAS and the NSF, many more students still require support. CSI entities have funded innovative programmes in tertiary education albeit at a very small scale in comparison to government. It is imperative that government creates partnerships with CSI entities in order to develop and fund large scale and high impact tertiary bursary programmes.

3.2 CASE STUDIES

As part of the research, bursary programmes were identified for profiling as case studies. The following case studies demonstrate various aspects of bursary management and student support system that are important in order to close the first and second gap. In other words, the programmes described can be considered of relatively high quality. The bursary programmes profiled were funded primarily through CSI and implemented, in some cases, through non-profit organisations.

3.2.1 CASE STUDY 1: STUDIETRUST

Studietrust was established in 1974 as an independent national bursary programme. It raises funds with the support of the private sector, individuals and churches to provide financial assistance to economically disadvantaged students with potential for further and higher education. Studietrust provides partial and full cost bursaries for students enrolled at universities, universities of technology, secondary schools, FET and agricultural colleges. The funds for granting these bursaries are provided by contributions from private Studietrust donors, trusts, foundations and private companies. Studietrust also administers loans provided by NSFAS to financially needy students in order supplement the partial bursaries. It has also further extended its focus to managing bursary programmes for private sector companies.

The work of Studietrust is guided by the following objectives:

- to raise funds with the support of the private sector, individual donors, organisations, trusts and churches;
- to grant financial assistance (bursaries and loans) to carefully selected, deserving young people; and
- to give motivational guidance and support to students towards fulfilling their potential and for the benefit of South Africa.

3.3 Application and selection

Bursars are selected on the basis of financial need and academic potential as well as academic excellence through a computerised system. Identifying students with potential is a critical aspect of student selection and recruitment as it enables those learners failed by the education system to still have a chance to progress to tertiary education.

Preference for bursaries is generally given to:

- applicants from rural areas;
- applicants who have already completed a NSC or already matriculated but who are not yet registered at a HEI;
- current Grade 12 learners intending to register at a HEI; and
- students in their first year of tertiary study.

In addition to meeting the above requirements, students should also meet additional academic criteria set by different institutions for specific courses of study. While Studietrust will fund students in any field, selected fields aligned to national priorities are given preference. These include agriculture, commerce, education, engineering, business studies, and information technology.
The application process is generally conducted online although students still have an option to apply through submission of hardcopies. The application forms can be downloaded from the organisation’s website.

3.3.2 Student support
The trust has adopted a student support approach that focuses on providing personal attention to students to prevent bursars from dropping out of their programmes and to ensure that they successfully complete their studies with acceptable passes in minimal time. This approach enables the trust to be responsive to student academic and welfare needs.

3.3.2.1 Mentoring and student support
Students require structured support to thrive socially and academically at university. Studietrust recognises this need and has responded by developing a mentoring and support programme. The programme is based on three pillars:

- **Attention:** Particular attention is paid to bursars through campus visits once every semester. These visits are critical in assessing general student welfare and academic progress. During these visits Studietrust staff has meetings with individual students and talk about their academic performance as well as social issues that might impact on their academic progress.

- **Community:** The peer mentor programme is based on the building of Studietrust communities on all campuses. Students supported by the Studietrust are brought together in activities that build relationships between and among them. Senior students provide support and mentorship to new students to help them settle in on campus. The sense of belonging is a vital ingredient of the wellness of bursars.

- **Skills:** Bursars are equipped with soft skills through peer group meetings, workshops and seminars. These include time management, goal setting, effective communication, and stress management.

Studietrust also makes extensive use of social media in the delivery of mentoring and support services. Studietrust communicates and provides counselling services through SMS and Mxit. Social media has the advantage of being low cost and therefore allowing students easy access and communication with Studietrust.

3.3.2.2 Counselling support
The trust also assists bursars who may require psychosocial counselling through referrals to registered professional counsellors. Through campus visits, the trust has observed over time that some bursars may require counselling to cope with their studies and life on campus. Administrators and mentors go through an intensive lay counselling training as they have first contact with students.

3.3.2.3 Academic support
Studietrust has taken the responsibility of ensuring that students make use of all academic support programmes offered at universities. These might include subject-specific tutorials or one-on-one interventions. The trust facilitates access to such programmes by all students, especially those at risk of failing their studies.

With support from donors, holiday seminars focusing on subject-specific programmes interspersed with soft skills are also offered. The focus of these additional interventions is on building critical thinking and problem-solving skills as well as encouraging creativity among bursars. Overall, the holiday seminars play a critical role in building the confidence of bursars and helping bursars to settle into campus life.

3.3.2.4 Student exit strategy
Studietrust has recently adopted a strategy for exiting bursars from tertiary education into the world of work. This strategy is based on a work-readiness workshop piloted in 2012. A fully-fledged programme is currently being developed that will include making available to bursars a network of entities that could facilitate vacation work and experiential learning opportunities, work-readiness skills and eventually a talent management platform.

3.3.3 Results and impact
Studietrust has supported over 4 000 bursars between 2002 and 2011. The number of bursars supported annually by the trust increased from 422 in 2002 to 584 in 2011. Since its inception, the majority of the bursars have always been Black African. In 2009 the proportion of Black Africans was 76%, which dropped to 74% in 2010 and remained the same in 2011. In recent years the organisation has opened up the bursary programme to all qualifying students irrespective of race. This decision was based on the realisation that there was a potential risk of excluding students of other races with genuine need for support.

On average, bursars achieved a 90% pass rate from 2002 to 2007. In 2008 the pass rate dropped to 86%. It further dropped to 84% in 2009 and 2010 before rising to 89% in 2011. This rise is attributed to the mentor and support programme introduced to mitigate the effects or poor academic preparedness of students entering tertiary education.

3.3.4 Lessons learnt
- Paying personal attention to bursars is critical in ensuring the detection of possible signs of social distress that may lead to poor performance. Bursars are constantly under academic pressure and experience personal and family problems that add to that pressure.
- Creating communities of support through peer mentorship helps provide early warning signals for students who require additional academic support or psychosocial counselling.
- Bursary programmes are highly dependent on donor funds and it is critical to create close relationships with a community of donors who are dedicated to the programme.

3.4 Case Study 2: Thuthuka Bursary Fund (TBF)

3.4.1 TBF background
The TBF was established in 2005 by SAICA. TBF was established based on the need to address the shortage of high-level skills, demographically skewed professional membership and the minimal impact of programmes of the past. There are insufficient African and Coloured trainees to fill all the learnership positions offered within the profession. Thus, the TBF is aimed
3. Research findings continued

at increasing entry numbers and improving the throughput pass percentages of Black and Coloured chartered accounting students at selected SAICA-accredited universities.

The TBF is supported by a variety of donors, including members of the profession, corporate entities, government and foundations. Donors are contracted for a three-year renewable period to enable each cohort to go through the programme. Mechanisms are in place to support students on four-year programmes to completion. The NSFAS provides funding through loans and bursaries paying up to 50% of the required annual financial support for students. Forty per cent of the loan is converted into a bursary if the student passes at the end of the year.

3.4.2 Student recruitment and placement

The TBF targets African and Coloured students who perform exceptionally well in Grade 11 and 12 Mathematics (60%) as well as other subjects. The students must write the National Benchmark Test, attain enough points to qualify for university entrance and aspire to become Chartered Accountants. Finally, the students must come from families without sufficient income to finance tertiary studies. The TBF supports between 300 and 400 students annually, placed in special undergraduate BCom Accounting education programmes in cohorts of 50 per university.

Students are placed at universities whose programmes have been approved by TBF trustees. These universities are selected based on their ability to work with students as residential groups, provide life, study and workplace readiness skills, provide mentoring support and facilitate community service and vacation work. The selected universities also agree to assign a project coordinator to manage the bursary students. The accredited universities that are part of the programme are the University of KwaZulu-Natal, University of Johannesburg, Stellenbosch University, University of Pretoria, University of the Witwatersrand, University of Cape Town, Free State University, North West University and Nelson Mandela Metropolitan University.

3.4.3 Student support programme

The student support programme is based on research findings by SAICA indicating that poor adaptation to university studies as well as poor coping strategies impact on the student's ability to successfully navigate tertiary studies. Therefore, in addition to financial support, the TBF also provides life skills training and socio-economic coping mechanisms. The TBF also provides students with workplace readiness skills. TBF-supported students are also involved in community projects, encouraging learners from their home communities to pursue maths as a subject. In so doing, these students expose other young people to the chartered accountancy profession.

3.4.3.1 Mentorship and support offering

The TBF has an on-campus support model and a peer mentorship programme. In this model third year students mentor second year students and second year students mentor first year students. The TBF is piloting a mentorship programme for students who are studying towards their Certificate in Theory of Accounting (CTA). They will be mentored by trainees as well as qualified chartered accountants who have volunteered for this.

Other support activities include the following:

- Reading and comprehension workshop: The reading and comprehension workshop is focused on equipping students with skills and techniques that would allow them to read faster and to also comprehend what they are reading. Results of a pilot workshop undertaken in 2011 indicate that the workshops were helpful and made a significant impact on the reading and comprehension skills of the students who took part.
- Third year workplace readiness camps: The workplace readiness camp is a result of the observation that, although TBF bursars are well supported to meet the technical and academic requirements towards qualifying as Chartered Accountants, they lack the skills that will enable them to be ready for employment. The camp was designed to provide students with practical induction into business and the workplace. Training also addresses practical work such as application of auditing principles and allows students to participate in a mock audit.

3.4.4 Results and impact

The TBF has supported more than 1 800 African and Coloured students since its inception and the students have generally performed very well. The average pass rate for first year students has been 85%; 75% for second year students; and 69% for third year students. For the period between 2007 and 2010, TBF-supported students have attained pass rates of between 79% and 95% as shown in Table 2 below.

<table>
<thead>
<tr>
<th>End academic year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pass rate (%)</td>
<td>79</td>
<td>95</td>
<td>88</td>
<td>83</td>
</tr>
<tr>
<td>Dropout rate (%)</td>
<td>21</td>
<td>5</td>
<td>12</td>
<td>17</td>
</tr>
</tbody>
</table>

Except for 2007, students have met the programme target of 80%. The dropout rate has ranged between 5% and 21% over the four-year period.

Other key statistics include the following:

- students studying towards qualifications in accounting sit for a qualifying examination (QE) to become Chartered Accountants. Since the inception of TBF the QE pass rate has been consistently 15% - 30% above the national pass rate;
- in 2010, 67% of the TBF-supported students passed the QE against a national pass rate of 51%;
- in 2012 the QE pass rate for TBF bursars was 81%; and
- CTA pass rate for 2012 was 56% and below the set target of 70%.

Based on the successes of TBF over the year, universities in the programme are increasingly getting involved in the student selection process in order to identify students with potential to succeed in the programme. Several universities currently not in the programme have also expressed interest in being part of the programme. Partner institutions are increasingly seeing the contribution of the TBF to the chartered accounting profession and have sought to create stronger and closer relationships with TBF. Notably, SAICA has been instrumental in managing the programme and facilitating
fundraising efforts to support more students. SAICA has also been actively involved in selecting and accrediting universities for eligibility to enrol students funded through TBF.

3.4.5 Lessons learnt

• The approach by TBF in selecting universities at which their students study has proved to be an excellent innovation. This approach has enabled TBF students to be exposed to the best programmes in the profession. Furthermore, some universities have dedicated residential accommodation for TBF students further creating an enabling environment for their learning process.

• On-campus support is also a critical element of student success. The provision of peer mentoring and support from the institution expedites student settling-in. Peer mentoring is particularly effective as students learn practical skills and coping strategies from each other.

• Support from SAICA is very critical in ensuring the training and nurturing of young professionals. Mentorship and placement in SAICA member organisations equips these young professionals with high quality industry skills while promoting the Chartered Accountancy profession.

• Community service by students is helping to motivate and influence learners in secondary school to aspire to be enrolled in the accounting discipline. TBF students also play the role of brand ambassadors as they model and demonstrate the value of being supported by the fund.

3.5 CASE STUDY 3: RURAL EDUCATION ACCESS PROGRAMME

3.5.1 Programme background
The Rural Education Access Programme (ReaP) was established in 2001. It is an associated body of the Southern African Catholic Bishops’ Association (SACBC). ReaP is a national programme with offices in Cape Town, Durban and Johannesburg. This decentralised approach enables ReaP to create close relationships with bursars and engage more effectively with staff at various universities where the bursars are studying. By so doing ReaP has become more responsive to the needs of the bursars.

ReaP targets matriculants from poor rural communities across the country who are generally unable to access tertiary education. Factors preventing access to higher education for these matriculants include high levels of poverty, poor secondary education, lack of information and distance from urban centres or educational hubs.

3.5.2. Aims and objectives
The overall aim of ReaP is to assist eligible marginalised rural matriculants to access bursary or student loan funds and support services to enable them to access and complete higher education. Specific objectives include the following:

• assist bursars to make appropriate course/career choices;
• inculcate an ethos of community serving humanity in students;
• develop leadership capacity of students;
• actively cultivate strategic alliances and partnerships to enhance ReaP’s mission; and
• undertake research and advocacy services to highlight and remedy inequities impacting students.

3.5.3 Student recruitment
ReaP utilises a wide network of volunteers and partners to identify students from financially disadvantaged families matriculating from rural secondary schools. This is an equitable and efficient selection process that makes optimal use of available resources. ReaP strongly believes in partnership and has cultivated many long standing and fruitful relationships with youth-focused community or non-governmental organisations, government, the corporate sector and private accommodation providers.

To demonstrate financial need the families of the students must satisfy the income means test, which is adjusted annually. For the 2013 intake, the income means test was a maximum family income of R140 000 per annum. To be eligible for financial support students need to demonstrate academic potential. Students are first shortlisted on the basis of their Grade 12 mid-year results. They are then interviewed to assess them on the following criteria:

• course selection [applicants may choose up to three courses];
• motivation and resilience;
• English language skills; and
• aspirations after graduation.

The students are then ranked on the basis of the interview results pending a final decision when matriculation results and offers from the HEIs become available. In order to be accepted on to the ReaP programme, students have to meet the following entrance criteria into specific courses of study:

• languages: home and English 50% [level 4] or higher;
• accounting: accounting 50% - 60% [level 4 & 5]; and
• engineering and science-related courses: maths and science 50% [level 4] or higher for diploma; 60% [level 5] or higher for degree level.

3.5.4 Student support services
ReaP volunteers and partner organisations provide assistance to students from completing application forms, course selection and enrolment at relevant institutions. Although students eventually choose courses, priority is given to courses addressing national skills shortages.

Once enrolled, each successful applicant is then allocated a full-cost bursary provided by NSFAS, NSF and funding partners. The financial support typically covers costs associated with registration, tuition, accommodation, books, meals and travel costs. Where applicable, costs for technical equipment, spectacles and health care are covered.

ReaP provides structured personal support and guidance to address the various challenges faced by students to maximise their chances of success. In order to monitor performance of students and create better support and communication systems for the benefit of the students, REAP engages with personnel [vice chancellors, financial aid, student services, deans of faculties, accommodation and academic support] at the various institutions where it supports students. Through this engagement, some institutions provide dedicated support to ReaP students.
In order to ensure that students settle into campus life well REA operates weekend orientation camps for all first year students. Peer mentoring and group support systems are established to provide further support. Senior REA students (second year and above) are trained to mentor first year students. The students are also provided with information and support on HIV/AIDS. Other support services are detailed below.

### 3.5.4.1 Monthly mentoring, advice and counselling services

Each student is allocated a dedicated student development advisor (SDA), who will interact with them on a monthly basis (either face-to-face or via a toll free telephone line). Monthly interviews address a range of issues including motivation and goal setting, assessing academic progress, accommodation and financial issues, social and emotional challenges, family, personal growth and development and participation in campus activities.

In cases where the SDAs are unable to address student needs, they are referred to appropriate specialists or relevant institutional personnel for assistance. If students fail to honour monthly meetings with the SDAs, meal allowances are withheld. In some instances remedial or corrective action may be required including placing students on probation or suspension.

### 3.5.4.2 Workshops

REA students are required to attend a series of workshops designed to develop their social and academic skills. Workshop themes include: sexuality, diversity, exam preparation, time management, study skills, HIV/AIDS, self-esteem and communication. Themes around job searching and CV preparation are targeted at senior students. These workshops are either offered by REA staff or outsourced.

Students are also introduced to additional service providers depending on their needs. Senior students are required to participate in work preparation workshops to help transition from higher education to the workplace. Finally, all students are required to perform community service as a way of giving back. Many return to their communities and visit the schools where they matriculated to give guidance and motivation.

### 3.5.5 Programme results and impact

The number of bursars has increased over the years: REA supported 338 students in 2010, 406 students in 2011 and 549 students in 2012. The programme is currently supporting 527 students. Since 2002, REA has consistently achieved a graduation rate of between 55%-60%. This pass rate is much higher than the national graduation rates of 21%-35% for Black students. In 2012, 57.6% passed all subjects, 21.7% passed a majority of subjects (including their major enabling them to proceed to the next academic level), 12.2% failed and will have to repeat an academic year, 5% withdrew from the programme, 2% accepted other bursaries and 1.6% were doing in-service training.

In order to assess the long-term impact on its programme REA commissioned an independent tracking study on the 2002 cohort. The findings indicated that:

- 66% of students contacted completed their studies;
- 75% of those contacted have secured full-time employment, only 8% are unemployed;
- 30% are employed by government and 48% in the private sector; and
- 33% of those employed were earning monthly incomes of between R5 000 and R10 000, 48% earning between R10 000 and 20 000 and 7% earning more than R20 000 per month.

A similar tracking study was conducted on the 2005 cohort of students. The findings indicated the following:

- 58% had already graduated;
- 12% were still studying at HEIs with the possibility of graduating;
- 29% had either withdrawn or failed;
- 1% were deceased; and
- 40% were employed and earning, on average, monthly incomes of between R8 000 and R11 000.

REA has proactively deepened its relationships with senior personnel at HEIs where students are enrolled in order to establish clear referral protocols and communication channels, prioritising places in residence for REA first year students, allocating dedicated spaces for SDAs to meet their students and strengthening collaboration to support students.

### 3.5.6 Lessons learnt

- Students from poor rural communities require assistance from accessing application forms to completing the forms in order to increase their chances of entering tertiary education.
- Commence recruitment of students in grade 11 in order to better prepare them for tertiary education through appropriate subject choices and career guidance. This will reduce early drop out at tertiary level.
- First year students require more intensive and structured support to smooth the transition from secondary to tertiary education. As the students progress further to senior years support requirements become less as they demonstrate maturity and independence. The focus then shifts towards preparation for the work place.
- Orientation camps are effective in helping students to acclimatise to their new environment at HEIs before lessons commence. These orientation camps are effective in reducing the dropout rate of students experienced during the first semester of the first year of study.
- Senior students require skills that prepare them for the work place such as CV writing, interview technique, communication, citizenship and leadership development.
- Partnerships are key in availing a range of services and resources to students to meet their psychosocial needs and enhance academic performance.
- Government, through NSFAS and the NSF, are crucial in the financing of tertiary education and transforming the lives of thousands of young people across the country.
3.6 CASE STUDY 4: THE HOPE PROJECT

3.6.1 Programme background
The HOPE Project, launched in 2010, is a university-wide initiative that creates solutions to solve some of South Africa and Africa’s most demanding challenges. The project has adopted the notion of making hope happen by putting institutional excellence in research, teaching and learning, and community interaction to work in South Africa and African communities in order to serve human need. The HOPE Project’s initiatives are grouped into five focus areas aligned with the international development agenda as outlined in the Millennium Development Goals. These are: poverty eradication, democracy and human rights, human dignity and health, peace and security, and a sustainable ecology and sustainable business.

The project targets vulnerable and marginalised Black, Coloured and Indian students for bursary support to access tertiary education in line with the requirements below:

- matriculated in the previous three application years;
- meet a specific academic cut-off point in their last academic final examination;
- have been admitted conditionally or have been approved for their first programme choice; and
- second or third programme choices could be considered, after consultation with faculties or a specific access-broadening project.

Academic criteria
The academic profile of top achievers varies from faculty to faculty, faculty specific cut-off points are determined on the basis of the Grade 11 or 12 application mark. These cut-off points are revised and adjusted annually.

Broadening of access
Recruitment bursaries are also awarded to Coloured, Black and Indian candidates on the basis of the outcomes of special recruitment projects that are aimed at broadening access to Stellenbosch University. In this category, the focus is primarily on learners in educationally disadvantaged schools through the Science and Mathematics at Stellenbosch University (SciMathUS) Bridging Programme. SciMathUS is an intensive, holistic year-long programme that caters for talented and motivated but disadvantaged students who did not qualify for admission into higher education. The programme supports 100-150 students annually. The programme allows students to take responsibility for their own learning, while the lecturers facilitate the learning process. Students have a choice between a science and mathematics stream, and an accounting and mathematics stream.

3.6.2 Bursary administration and management

3.6.2.1 Student recruitment
The Centre for Prospective Students is responsible for the recruitment of students through the Recruitment Bursary Project. An annual budget of R44 million is allocated towards the Recruitment Bursary Project. Student recruitment is done by means of the recruitment bursary model. The recruitment bursary offer includes full programme costs and residence accommodation and is valid for the normal duration of the degree programme (up to a maximum of four years). The recruitment bursary is offered to Coloured, Black and Indian candidates where the award as well as the continuation of the offer is linked to performance. On the basis of the percentage of Higher Education Management Information System (HEMIS) credits obtained by a bursary holder in a specific year, the recruitment offer is continued proportionally in the following year as a recruitment bursary and loan. National road shows are done each year to attract the best talent in the country.

3.6.2.2 Student selection criteria
There are three types of criteria used to select and recruit students into their chosen field of study. These are outlined below.

General criteria:
A recruitment bursary offer is made to students who meet all the requirements below:

- South African citizens;
- first-time entry Coloured, Black and Indian applicants;
- have been admitted conditionally or have been approved for their first programme choice; and
- second or third programme choices could be considered, after consultation with faculties or a specific access-broadening project.

Academic criteria
The academic profile of top achievers varies from faculty to faculty, faculty specific cut-off points are determined on the basis of the Grade 11 or 12 application mark. These cut-off points are revised and adjusted annually.

3.6.3 Student support services
Student support services are offered through a variety of initiatives at the University. These initiatives are designed to complement each other in providing holistic support to students in order to ensure success.

3.6.3.1 Centre for Prospective Students
The Centre hosts career exhibitions at a network of schools in the Stellenbosch region as well as schools in the greater Cape Town area and more rural Western Cape region. They offer students individual subject choice guidance via personality, aptitude and psychometric testing, and individual feedback and counselling.

3.6.3.2 The First Year Academy:
Stellenbosch University was the first university to institute a First year Academy (FYA) in 2007. The FYA represents a systemic approach to student success that seeks to improve the success rate of at-risk first year students through mentorship, among other activities and include role players from different environments in the University. Activities of the FYA include:

- planning and implementing student support and academic development both institutionally and in terms of faculty specific needs;
- integrating student support and development into mainstream programmes;
- where possible, coordinating existing systems for information exchange between support services and academic environments;
- screening the general well-being and academic progress of students via a continually monitored tracking system; and
- integrating and supporting students with special learning needs.
3. Research findings continued

3.6.3.3 Teaching and learning coordination points
To ensure the presence of the FYA in each faculty, teaching and learning coordination points have been established in each faculty comprising a FYA coordinator, a Centre for Teaching and Learning (CTL) adviser, and other appropriate personnel to offer on-site guidance and support. Together with the designated faculty staff, they focus on teaching and learning issues, paying special attention to first years. Ultimately it is hoped that the sharp focus on first years will influence other year groups to ensure better throughput rates in faculties and for the University as a whole.

3.6.3.4 Tutor and mentor programmes
Each faculty provides mentoring support to undergraduate students, which includes appointing additional tutors and tutoring groups – particularly for high-risk modules. Tutors are trained by the Centre for Teaching and Learning. The core focus of these programmes is to assist first year – and in selected cases other at-risk students – who experience academic and psychosocial challenges in making the transition to higher education.

3.6.3.5 Student counselling and development
The Centre for Student Counselling and Development supports students with their psychosocial development and wellness. It does this through the collaboration of specialists from various fields of psychology and related disciplines. In regular workshops, students can develop and improve specific skills such as study skills or stress management or can obtain advice for students who find that they are still not sure of their study choices.

3.6.3.6 ResEd Programme
The ResEd Programme takes academic support to the residence in innovative ways. Successful subject tutor groups were launched in residences. Speakers are invited to residence dinners so that students can listen, debate and interact around the dinner table. Real life issues provide themes and life skills are also included. The aim is to guide students to feel that the residence is not the place where they escape from academic life, but a place where they can continue their academic activities in a supportive and conducive atmosphere.

3.6.4 Work placement programme:
The Careers Office at Stellenbosch University manages and coordinates work placement programmes for graduates. Final year students are supported by the Careers Office with developing a CV, information on opportunities for careers on a web portal and a booklet, hosting career fairs where students have access to companies that want to attract graduates into their workplace.

There are corporates that fund bursaries where they enter into formal agreements and contracts with students, which makes it mandatory for the students to work for the company once they have completed their degrees.

3.6.5 Project results and impact
The HOPE Project has awarded bursaries to students at Stellenbosch University across nine faculties since 2010. The number of first year bursars recruited has increased from 282 in 2010 to 501 in 2013. A large proportion of the students have been enrolled in medicine and health sciences.

The total number of bursars supported annually has increased by from 974 in 2010 to 1 201 students in 2013 bringing the total number of bursars supported to 4 103 (Table 3).
Table 3: Number of recruitment bursaries per faculty, all students (2010 – 2013)

<table>
<thead>
<tr>
<th>Faculty</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts and Social Sciences</td>
<td>148</td>
<td>153</td>
<td>155</td>
<td>171</td>
<td>627</td>
<td>15</td>
</tr>
<tr>
<td>Sciences</td>
<td>90</td>
<td>83</td>
<td>92</td>
<td>136</td>
<td>401</td>
<td>10</td>
</tr>
<tr>
<td>Education</td>
<td>7</td>
<td>10</td>
<td>10</td>
<td>14</td>
<td>41</td>
<td>1</td>
</tr>
<tr>
<td>Agri-sciences</td>
<td>17</td>
<td>15</td>
<td>26</td>
<td>54</td>
<td>112</td>
<td>3</td>
</tr>
<tr>
<td>Law</td>
<td>58</td>
<td>53</td>
<td>49</td>
<td>54</td>
<td>214</td>
<td>5</td>
</tr>
<tr>
<td>Theology</td>
<td>1</td>
<td>5</td>
<td>5</td>
<td>3</td>
<td>14</td>
<td>0</td>
</tr>
<tr>
<td>Economic and Management Sciences</td>
<td>165</td>
<td>131</td>
<td>142</td>
<td>194</td>
<td>632</td>
<td>15</td>
</tr>
<tr>
<td>Engineering</td>
<td>68</td>
<td>88</td>
<td>107</td>
<td>129</td>
<td>392</td>
<td>10</td>
</tr>
<tr>
<td>Medicine and Health Sciences</td>
<td>418</td>
<td>402</td>
<td>399</td>
<td>446</td>
<td>1 665</td>
<td>41</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>–</td>
<td>5</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>974</td>
<td>942</td>
<td>986</td>
<td>1 201</td>
<td>4 103</td>
<td>100</td>
</tr>
</tbody>
</table>

Forty one percent (41%) of the bursars are in Medicine and Health Sciences followed by Arts and Social Sciences (15%) and Economic and Management Sciences (15%). The number of bursars in Engineering has increased from 68 in 2010 to 129 in 2013, while in the Sciences they have increased from 90 to 136 over the same period.

Graduation rates for the bursars are yet to be determined but current overall statistics indicate that university has an 87% retention and 84% success rate at undergraduate level.

3.6.6 Lessons learnt

Assisting students in secondary school to decide on a career choice is essential to the selection of a degree programme to pursue at university. Career choice will also influence subject choices at matric level enabling students to study subjects that will make the transition to higher education easier.

Bridging programmes are necessary and effective in enhancing access to tertiary education by students who would otherwise not have the requisite support. This is one of the best ways to support students, especially those whose degree programmes fall in the skills areas of national priority.

Holistic student support is crucial in enhancing student success through addressing challenges that might cause them to drop out or perform below expected university standards. The focus on first year students enables these students to adjust to the rigour of tertiary education, social challenges and diversity associated with student life on campus.

Student counselling and development helps to impart life skills necessary for students to go through their studies. Although important, such support is generally not available to most students from poor backgrounds.

Student support in the classroom and in residence helps to eliminate negative coping skills among students. Instead of isolating themselves in halls of residence the students also find further assistance in informal settings. Such informal settings are important in assisting students to adjust to life on campus, building their confidence and social skills in relating to other students.

Students provided with sufficient funding to cover all study costs are more likely to stay in the programme and graduate than those without.
4. Discussions and lessons learnt

4.1 INTRODUCTION
This research has demonstrated and further emphasised the two major challenges in higher education: low rates of participation and graduation. The bursary programmes profiled in this report indicate that financial assistance through bursaries and loans is necessary for increasing access to tertiary education and reducing inequality. However, education finance alone is not adequate to ensure that students graduate with acceptable pass rates and find employment.

Universities are inheriting learners with accumulated deficiencies and who are likely to drop out of school before they graduate. HEIs are resource strapped and are unable to provide the whole range of support services to enable all students to graduate. Even when students graduate, there are few support mechanisms in place to assist them to find employment.

In order to close the first gap (from secondary school to university) and second gap (from university to the workplace) interventions have to start at the lower levels of the value chain. However, it is unlikely that these gaps can be closed without purposeful collaboration between education administrators, educators, NGOs, government, corporate funders and the students themselves.

The research provides key lessons for government, HEIs, bursary fund managers and corporate donors. However, for the purposes of this report, only the lessons relating to corporate donors are highlighted below. These lessons shed light on a variety of issues that corporate donors should be mindful of in making decisions to finance tertiary education and help South Africa remain a competitive player in the global economy.

4.2 LESSONS LEARNT
The lessons are aggregated according to the two gaps identified in the higher education sector. In order to address the gap from secondary school to university, the following lessons are highlighted.

Donors should judiciously assess the capacity, expertise and experience of bursary fund managers to ensure that investments in bursary programmes are effective, achieve intended goals and are sustainable.

Whether the bursary programme is managed in-house or outsourced, it is of primary importance to ensure that the programme is run by competent bursary managers. Lack of capacity and expertise in managing bursary programmes results in poor recruitment and design of support programmes for bursars. In such circumstances bursary programmes become less responsive to the academic and social support needs of bursars leading to low graduation and throughput rates, and effectively low return on investment for the donor.

It is critical for donors to invest in and pay close attention to the selection of bursars.

Student selection is a critical process in enrolling bursars for financial assistance. Poor selection of bursars deprives other potential students of funding, resulting in wasted investments if the bursars fail and drop out. As a starting point donors (and bursary managers) must have a clearly defined target group from which bursary recipients are selected. Furthermore, they must ensure that the target group has access to bursary information and are able to complete the necessary application forms.

Grade 12 results are a necessary but not sufficient predictor of success in university or later in life. Therefore, in addition to the matric results there is a need to use other criteria to determine the academic potential and strength of individual bursars. These include interviews that encourage potential bursars to articulate their preferred career path, motivation and expectations after graduation.

When donors commit to fund bursars they should also assume responsibility to make sure that these bursars graduate through ensuring access to funding student academic and social support needs. (may not fund all, but help to access)

The review of case studies indicated that students awarded bursaries are often academically ill prepared for tertiary education. As a result they require additional academic support in order for them to adjust to university education. Although some universities have introduced bridging programmes there are many others where this need is not being met. In such circumstances donors should make provision to support any bursar to access academic support. In the long term, the additional costs of supporting students to help them graduate are lower than the social and economic costs to society if students drop out of school.

Donors should support mechanisms designed to expose bursars to the world of work through holiday attachments, learnerships or job placements.

The higher education system has been said to be failing to respond to the needs of the economy, especially when graduates fail to find employment. It would be rather wasteful for donors to support students through tertiary education and then for them to be unemployed. Donors should support and encourage the placement of students in companies during vacations to motivate and expose them to the world of work through acquiring hands-on experience. This could also be done through volunteering or internships. Where possible, as in the case of chartered accountants, bursars should be assisted to find firms to work with while completing their articles.

Donors should promote the evaluation and impact assessment of their bursary programmes in order to determine the value and contribution they are making to society as well as the return on investment they are achieving.

After bursars graduate and are exited from the bursary programme, it is important to track them, get to know if they are employed, nature of employment and impact in their lives, families or communities. This is often conducted through independent tracer studies. While this intervention might appear like an extra cost, it remains important to assess the impact of the bursary programme if it is to be availed to more and more students over time. Ideally, tracer studies should be conducted in five-year cycles.

Donors should support the establishment of an alumni network of all the bursars that they have supported in order to create a community of professionals who can safeguard the legacy of the programme.

It often happens that once the bursars graduate they disappear into the economy. While donors have and often keep records of all students that they have funded they usually do not stay in contact with them. While bursars might still make significant contributions to society as a result of the bursary programme, there is more benefit in creating an alumni network. This
network can play multiple roles including motivating students from their former schools to aspire to access tertiary education, assist in recruitment of bursars and help with fundraising efforts if they attain influential positions in their professions.

Donors should pilot innovative bursary-funding models and programmes and leverage government funding to take these to scale.

The financial contribution of corporates to tertiary education is dwarfed by government’s annual budgets that run to over R20 billion annually. Nonetheless, corporate entities have a comparative advantage in that they tend to demonstrate flexibility and innovation in their programming even though the impact of their support is minimal and localised. Donors should leverage partnerships with NSFAS, NSF and tertiary education institutions to create synergies that will enable their joint efforts to reach and assist more students to access tertiary education.
Appendix 1: Research approach and methodology

A. RESEARCH APPROACH
This research relied primarily on quantitative data and qualitative narratives collected from institutions managing bursary programmes. Further quantitative data on the context and tertiary education was gathered from literature. Information on specific bursary programmes was collected through in-depth interviews and case study approaches.

B. RESEARCH METHODS AND PROCESS

Desktop research
Desktop research was conducted to gain an understanding of the broader issues in tertiary education. The literature review highlighted facts and figures relating to the role of tertiary education in social and economic development, structure of the tertiary education system in South Africa, trends in access to tertiary education, challenges in tertiary education including access to finance, and student dropout and graduation rates. Current policies guiding tertiary education and national targets were also reviewed to highlight the national priorities and government commitment to social and economic development of the country.

In-depth interviews
The in-depth interviews were targeted at individuals within organisations that were managing, implementing or funding bursary programmes. Initial interviews were conducted with experts within Tshikululu Social Investments with knowledge and experience in designing and managing bursary programmes at a tertiary level. Outside Tshikululu, the Oppenheimer Family Trust provided key insights in tertiary education in general and bursary management in particular. Other organisations running or managing bursary programmes were later identified through a ‘snowball’ process.

Case studies
Based on the in-depth interviews with several organisations funding and/or managing bursary programmes, four were identified for inclusion in the research report as case studies. These are: Rural Education Access Programme (REAP), Studietrust, Thuthuka Bursary Fund and the Hope Project at Stellenbosch University. These bursary programmes were considered examples of what works in bursary management based on processes and procedures for student selection, numbers of students supported, effective student support services, high graduation rates and the provision of work readiness programmes. Although each of the case studies selected did not satisfy the entire range of attributes described above, they demonstrated key strengths in specific areas from which important lessons were drawn. The evidence of success gathered from progress and annual reports and more significantly impact evaluations were documented.

The case studies are intended to provide an opportunity for reflection and discussion and to guide CSI entities in making decisions concerning bursary programmes.