



basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

Saving of School Governing Body (SGB) Posts and Posts at Government Subsidized Independent Schools

The breakout of COVID-19 and the subsequent enforcement of a National State of Disaster in South Africa has had a devastating impact on the economy. In turn, this has led to job losses in many sectors, including basic education. As a result, some parents have been unable to honour their contractual obligations to pay for their children's school fees. In some instances, this has led to some schools not being able to pay the school governing body (SGB) employed educators and non-educators. The same has been a challenge for Government Subsidised Independent Schools.

A portion of funds for the Education Employment Initiative (EEI) Project is dedicated towards saving SGB posts and posts at government subsidized independent schools. To this end, funding amounting to R2 432 179 486 has been set aside. The funds form part of the Equitable Share add-on that will be disbursed to Provinces as part of the Presidential Economic Stimulus Package.

Table 1 below summarises the allocation to each Province:

Table 1: Allocation of funds to save SGB funded posts and posts at government subsidised independent schools

PROVINCE	SAVING OF POSTS (SGBS & SUBSIDISED INDEPENDENT SCHOOLS)
EC	392,618,601
FS	139,072,549
GT	497,206,955
KZN	371,245,627
LP	242,416,435
MP	116,864,397
NC	42,500,599
NW	108,147,464
WC	521,745,377
Total PEDs	2,431,818,003

The allocation of funds for government subsidised independent schools is based on the number of subsidised learners per Province. The funds will be distributed to Provinces, proportional to the number of subsidised learners in a Province. In terms of the allocation of funds to save SGB funded posts, this is based on the number of SGB paid educators per Province, to the extent that Provinces with a high number of such posts will receive a large proportion of the funding. It is not envisaged that all the posts indicated in table 1 are under threat. PEDs may not make a request for additional funds and will thus have to operate within the allocated budget.

The main purpose of the funds is to augment the schools' Compensation of Employees (COE) budgets and as such will only be disbursed to schools where there are legitimate budget pressures, arising out of the inability to optimally collect school fees. Schools will thus have to prove to the Provincial Education Department (PED) that they are unable to pay salaries due to budget constraints that they are experiencing. Considering that the funds will come in the form of relief to the schools, the PED will not take over the payment of salaries in totality. However, the PED may consider doing so for staff members who are already on low salaries. In this particular case, this would be all staff members who earn below a gross salary of R10 000 per month.

The funds will only be available for the duration of the implementation of the Education Employment Initiative, which is expected to run until 31 March 2021. There will be no roll over of unspent funds.

Schools' needs assessment by the PED

It is the responsibility of the PED to make an assessment and confirmation of the needs that schools may have in respect of payment of salaries. As part of this, consideration should be made for applications already received by the Head of Department or Member of Executive Council (MEC) for Education in the Province during Alert Level 3 – 5 of the national lockdown. Such requests should be prioritised, followed by those that were received during Alert Level 2 and 1. In this regard, the principle of "*First in First Out*" or FIFO should be applied. PEDs should extend an invitation to apply for relief funding to all the schools with SGB posts and to government subsidised independent schools. In this regard, the PED will have to consider its capacity to deal with all applications within a short space of time and to communicate the outcomes of the assessments timeously. It is envisaged that PEDs will be able to start supporting the affected schools with effect from November 2020.

PEDs should set up committees that will adjudicate on the applications received from the schools. The committee should consist of officials from the following directorates. Other directorates may also be included:

- Governance
- Finance
- Independent Schools
- HR

For independent schools, the committee should give first priority/consideration to schools as per the rankings reflected on the National Norms and Standards for School Funding (paragraph 187).

First priority given to low fee charging schools

- Category 1 (Subsidised at 60% of the Provincial Average Estimate Per Learner (PAEPL) paid provided for Public Ordinary Schools)
- Category 2 (Subsidised at 40% of PAEPL)

Then middle fee charging

- Category 3 (Subsidised at 25% of the PAEPL)
- Category 4 (Subsidised at 15% of the PAEPL)

The PED may request a school to include the following information as part of its request for relief funding to augment salaries for affected posts (the list is not exhaustive):

- A once off comprehensive report indicating the level of financial distress faced by a school;
- Rolling 3 months' income and expenditure reports (submitted monthly, from 30 October 2020 to 28 February 2021);
- Total number of posts identified to be at risk in a school;
- Breakdown of posts (in terms of costs) that need to be supported;
- Proof of salary due to all employees paid by the school;
- Proof of not receiving any relief from other government institutions for the same purpose (equivalent to the expected salary. e.g. UIF TERS, provincial government initiatives); and
- Rolling 3 months Compensation of Employees expenditure (submitted monthly, until 30 April 2021).
- Proof of viability by the independent school e.g. financial statement

Schools can only be allowed to submit requests for posts that were filled on 01 April 2020 and became threatened as a result of COVID-19. This implies that no funding will be allocated for aspirational posts. PEDs are required to issue a circular to all schools indicating criteria and steps to follow to apply for financial support. All requests must be signed off by the school principal and the chairperson of the SGB of the school making a submission for relief funding to save posts.

Amounts to be paid by the PED per post category

The most important factors to consider when determining how much relief the PED will provide to an affected school is the current salary level of the post under threat and total funds allocated to the province to save posts. The PED will have to make the necessary calculations, taking into account the amount allocated to it for the purpose of saving posts. It will also need to be considered that the funds allocated to the PED will only be available for a limited time period. These funds may not be used for purposes other than what they have been allocated for to the PED. To this end, PEDs will be required to declare the amount set aside to save posts from the onset, as well as submitting monthly expenditure reports to the Department of Basic Education (DBE).

The table below provides a guide on how PEDs could assist schools, with affordability being of paramount importance.

Table 2: Guideline for allocating funds to schools for saving posts that have been confirmed to be at risk due to COVID-19 (inability to optimally collect school fees)

SALARY LEVEL	PED INPUT TO SALARIES	SCHOOL INPUT TO SALARIES
X ≤ R10 000	80%	20%
R10 001 – R15 000	70%	30%
R15 001 – R20 000	50%	50%
X ≥ R20 001	35%	65%

For staff members receiving a gross monthly salary of R10 000 or less, it is proposed that the PED should make provision to support the affected schools by contributing 80% of the gross monthly salary. This should take into account the affordability of such an arrangement, in relation to the allocated funds. For staff members receiving gross salaries that are between R10 000 and R15 000, the PED should consider contributing 70%, with the school paying the remaining 30%.

The PED will have to set the upper limit of the funding support that it can give to each school over a five months' period, commencing from 30 November 2020, with the last payment under this arrangements being on 31 March 2021.

Method of fund disbursement

Two methods of disbursements of funds are proposed. Firstly, the PED may elect to make direct transfers to schools in advance or, secondly, reimburse the school after it had paid its staff members. Whatever approach is preferred, the PED will have to consider the associated risks and put measures in place to mitigate such risks. Among the most important considerations to make in determining the most suitable modality will be avoiding delays in payments to the staff, accountability, efficiency, effectiveness, transparency and fair use of public funds.

PEDs' Reporting requirement

From the onset, it will be required of PEDs to provide a confirmation of the number of SGB posts and posts at government subsidised independent schools that are under threat. This will serve as baseline information for further reporting to the DBE, which will be mandatory, on a monthly basis. The monthly reports should be submitted to the DBE by the 7th day of the month. PEDs will also have to confirm the criteria used to identify these posts.

Furthermore, PEDs will be required to provide monthly reports to the DBE and the Presidency on the number of posts that have been saved and the total amount of funds used in this regard. The report will also have to provide a summary of funds allocated for this purpose, funds disbursed and funds remaining. A reporting template to be completed by the PEDs is provide below:

Table 3. Template to report on the number of SGB-funded posts saved

Template to report on the number of SGB-funded posts saved			
Month and year			
Province			
District			
School Name			
EMIS Number			
Full Names of School Principal			
Number of posts supported			
Total amount disbursed (in rands)			
Has the school submitted 3 months income and expenditure report?	YES	NO	
Has the school submitted proof of salaries due to all employees paid by the school	YES	NO	
Has the school submitted a register signed by all educators who are receiving support	YES	NO	
Signature	Principal	SGB Chairperson	
Date:	Day	month	year

Table 4. Template to report on the number of posts saved at government subsidised independent schools

Template to report on the number of posts saved at government subsidised independent schools			
Month and year			
Province			
District			
School Name			
Full Names of School Principal			
Category of subsidy payment			
Number of posts supported			
Total amount disbursed (in rands)			
Has the school submitted 3 months income and expenditure report?	YES	NO	
Has the school submitted proof of salaries due to all employees paid by the school	YES	NO	
Has the school submitted a register signed by all educators who are receiving support	YES	NO	
Signature	Principal	SGB Chairperson	
Date:	Day	month	year