

MPUMALANGA DEPARTMENT OF EDUCATION FINANCIAL GUIDELINES FOR EARLY CHILDHOOD DEVELOPMENT (ECD) CENTRES



**MPUMALANGA
PROVINCIAL
GOVERNMENT**

FOREWORD

As we move towards a transformed education system that embodies the aspirations and interest of the people of Mpumalanga, accountability, integrity and professionalism remains our primary focus and guiding principles.

In all our endeavours, we take pride in servicing the people of this province and the country at large. We remain committed to the country's guiding principles, regulations, policies and laws that govern public service. We have further committed ourselves, to continue developing mechanisms and tools to assist our schools on financial management. All schools are required to implement effective, efficient and transparent financial, risk management and internal control system.

Early childhood Development has been recognised and identified as a critical modal point for the country's social and economic transformation and development.

South Africa has the best policies and legislation regulating provision of services to children. ECD Policy and Children's Act and Regulations No. 38 of 2005 are some of these policy framework. Our focus in delivering the financial guidelines is towards ensuring that government resources are used maximally and efficiently to meet the needs of vulnerable and disadvantaged children. The Department of Basic Education is providing ECD subsidies to children through the equitable share funds Conditional Grants. However, there is a need for standardisation in the utilization of the subsidies hence, there is a great need to strengthen the implementation processes through the financial guidelines to ensure that the subsidies are applied for the purpose intended. Through additional financial support of the conditional grant, there is opportunity to increase access to quality ECD services but also a need to ensure that the implementation of subsidies is standardized across province.

The Financial Guidelines document is intended to provide guidance on main purpose the ECD subsidies and to ensure that all children in Government subsidized ECD Centres benefit from this initiative. It seeks to provide an enabling framework on how subsidy can be implemented to achieve the intended purpose.

The developed Financial Guidelines serves to provide a step-by-step guide and tools for the effective implementation of the subsidies by all ECD Centres in the Province. It is our confidence that these financial guidelines will assist to enforce the accountability that should eradicate the mismanagement and maladministration of ECD subsidies.

All stakeholders within and outside the Department of Education are called upon to ensure that there is full compliance to these Financial guidelines with the Early Childhood Development (ECD) Centres.

The future of all our children, surely depends on all our stakeholders, working together as a unit for better quality education.

MRS LH MOYANE
HEAD: EDUCATION

DATE: _____

DEFINITIONS AND ACRONYMS

Audited Financial Statements	Financial Statements (such as cash flow, income statement and balance sheet) which have been examined and declared as true and mistake-free by an Independent Registered Auditor.
Cost Centre	A separate account of funds (not a separate bank) used within a financial accounting system. This is to easily report on money spent for a specific purpose.
Early childhood development (ECD):	ECD is defined as a process of emotional, cognitive, sensory, spiritual, moral, physical, social, and communication development of children from birth to school-going age.
ECD Centre	<p>The National Integrated Early Childhood Development Policy (NIECDP) (2015) defines ECD Centres as, “a partial care facility that provides an early childhood programme with an early learning and development focus for children from birth until the year they enter Grade R/ formal school”</p> <p>The term ECD centre in the policy refers to partial care facilities and ECD programme. It therefore does not only refer to centres in the sense of purpose-built or dedicated facility, but includes partial care provided from homes and community centres.</p>
ECD Practitioner	A person who provides early childhood development services through formal early childhood development programmes, family services and playgroups and training. ECD practitioners are also those who provide management support to these workers.
ECD Programmes:	Programmes that provide one or more forms of daily care, development, early learning opportunities and support to children from birth until the year before they enter formal school. These programmes include, but are not limited to:

	<ul style="list-style-type: none"> ← community-based playgroups operating for specific hours ← outreach and support programmes for young children and their families or caregivers, at a household level; parenting support and enrichment programmes ← support for the psychosocial needs of young children and their families ← ECD programmes provided at partial care facilities and at child and youth care facilities, as contemplated in section 93 (5) of the Children’s Act
<p>ECD Subsidy:</p>	<p>A form of government-provided financial assistance to a registered or conditionally registered ECD programme that will supplement the costs associated with providing quality ECD services such as nutrition, stimulation, practitioner salaries and administration.</p>
<p>Differentiated Approach:</p>	<p>This means that DOE knows that ECD programmes are not all the same and different ways of reporting can be used. This is why there are different reporting requirements for differently sized ECD programmes. The ECD programme’s reporting requirements will depend on how long it has been running, the size of the ECD programme’s income, how reliable past reports have been, etc. DOE will then set reporting rules specific to each individual ECD programme based on their reporting ability e.g whether income and expenditure reports and audited financial statements should be submitted. A differentiated approach is also used when deciding how to monitor an ECD programme</p>
<p>Eligible:</p>	<p>A child or an ECD programme that qualifies to receive the subsidy (i.e. has the right to receive</p>

	the subsidy) because they meet the requirements.
Financial management system:	A financial management system is the processes that an ECD programme has put in place to organise and keep track of its expenses, income and the reporting on its expenses and income.
Financial records:	Any and all records of financial activity (money going in and out of the ECD programme). This can include store receipts, invoices for services rendered, records of income (from parents' fees and other sources).
Financial reporting/reports	Financial reporting is the disclosure of an ECD Programme's financial information to DOE. Financial reporting can take place on monthly, quarterly, bi-annually or annual basis. The type of financial reports required depends on how the ECD is classified using the differentiated approach. Financial reports can be an income and expenditure report for a small ECD programme or audited financial statements for a well-established ECD programme.
Multi-year funding agreement	When DOE signs an agreement to fund an organisation for longer than one year, this is called a multi-year funding agreement. A multi-year funding agreement is most commonly signed for three years.
Non-centre based ECD programme	The term 'non-centre based ECD programme' refers to an ECD programme that does not fall within the definition of partial care in the Children's Act. The NIECDP states that these include parent support groups, outreach programmes, playgroups, childminders, toy libraries, and mobile programmes amongst others. These type of programmes always fulfil one or more of the following criteria:

	<ul style="list-style-type: none"> ✓ they are offered to six or fewer children ✓ they are run with parents or caregivers present ✓ they are part-time (i.e. playgroups, mobiles and toy libraries)
Non-compliance	An ECD programme is non-compliant when it breaks a rule it has agreed to follow in the Service Level Agreement it signed with DOE.
Partial care:	Partial care is provided when a person, whether for or without reward, takes care of more than six children on behalf of their parents or caregivers during specific hours of the day or night, or for a temporary period, by agreement between the parents or caregivers and the provider of the service
Partial care registration:	When an ECD programme registers to provide partial care with DOE. Partial care registration is a legal requirement for all ECD programmes in South Africa.
Per capita:	The words per capita literally mean for each head. A per capita approach means that each child (i.e. head) is counted
Per capita programme subsidy	This is an approach to calculating the subsidy annually based on how many children the programme accommodates i.e. the size of the programme, and is not variable or linked to child attendance
Performance reports	A report for a fixed amount of time (e.g. one month) showing how many children attended the programme during that time.
Registered capacity	This is the maximum number of children an ECD programme can accommodate given the space, staff availability etc. The registered capacity is specified in the registration certificate. There are rules that determine how

	many children can be accommodated within an ECD programme.
Successive:	Following on from one another. For example, May, June and July are successive months because they follow on from one another
Targeting (subsidies):	The process of allocating subsidies so that they reach those who are most in need first
Threshold	A threshold is a limit. When the limit is reached it triggers something to happen. The most important threshold or limit for per capita programme funding of subsidies is 80% child attendance. When the actual number of child attendance days is less than 80% of that which is agreed upon in the Service Level Agreement over the agreed period, the limit or threshold is reached. DOE will therefore investigate why child attendance dropped.

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ABBREVIATIONS

ECD	Early Childhood Development
DOE	Department of Education
HOE	Head of Department
CSG	Child Support Grant
NIECDP	National Integrated Early Childhood Development Policy, Referred to as “the National ECD Policy)
NPO	Non-Profit Organization
PFMA	Public Finance Management Act
PPP	Public Private Partnership
SARS	South African Revenue Services
SCM	Supply Chain Management
SLA	Service Level Agreement
VAT	Value added tax

PURPOSE OF THE GUIDELINES

The financial guidelines have been developed to enable the ECD programme in the province to function within the systems of effective, efficient and transparent accounting standards and in line with how the National Integrated Early Childhood Development Policy (NIECDP) (2015) envisioned how the subsidy should be managed.

The financial guidelines also explain the subsidy requirements in relation to the funding provisions of NIECDP and Public Finance Management Act. The guidelines further to aims to enable ECD Centres in the province to function within systems of effective, efficient and transparent accounting standards and therefore serve as a minimum standard for addressing shortcomings relating to the management of funds in ECD Centres.

These guidelines further aim to standardise the financial management environment for all ECD Centres in the Province of Mpumalanga in a structured and integrated fashion.

The guidelines will serve as a checklist requirement with which the ECD Centres in the Province of Mpumalanga must comply and further enhance transparency, prudence and judicious use of resources, thus eliminating ignorance and confusion.

BACKGROUND

The NIECDP (2015) clearly recognizes ECD as a “universal right and public good”. In line with this, it recognizes Government’s responsibility for “taking appropriate legislative, administrative and other measures necessary to secure the realisation of universal early childhood development rights of all children”.

The NIECDP also referred to as the ECD Policy, goes on to motivate for public provision of ECD stating that “Government must ensure that quality services are available to all children whose parents wish them to use such services, and that the cost and other barriers such as disability should not prevent those who wish to make use of these services from doing so”. The policy recognises that in order to achieve this, some reform in the way ECD programmes are subsidized is necessary. The policy outlines some of these reforms.

To give effect to the policy requirements, the subsidy reforms need to support an increase in the number of poor children accessing ECD services, until eventually all poor children have access (i.e universal access). The reforms also need to increase access in a fair way- this means that the poorest children should be subsidized first.

In order to achieve this, the reforms need to establish clear rules on how subsidies are awarded. The rules should include some flexibility because ECD services differ widely across the country. The differences are especially pronounced among ECD programmes that cater to the poorest children.

WHAT DOES THE NIECDP SAY ABOUT THE TYPES OF PROGRAMMES THAT SHOULD BE FUNDED?

The policy is clear that all types of ECD programmes are required to achieve universal access in:

- ✦ Parenting support programmes
- ✦ Community-based playgroups operating for specific hours'
- ✦ Outreach and support programmes for young children and their families or caregivers, at a household level
- ✦ ECD programmes provided at partial care facilities and at child and youth care facilities, as contemplated in section 93 (5) of the Children's Act
- ✦ Any other programme that focuses on the care, development and early learning of children from birth until the year before they enter formal education.

PURPOSE OF THE SUBSIDIES

The subsidies are important because they;

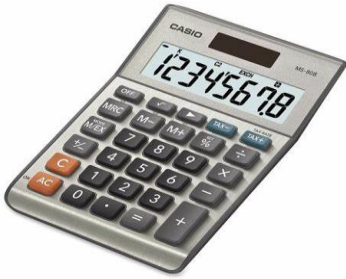
- ✦ Enable sustainability and quality of ECD programmes
- ✦ Reduce the barriers to access for low-income households
- ✦ Support child nutrition
- ✦ Support staff salaries and operation costs resulting in improved quality

Subsidies are funded through Provincial Equitable Share and ECD Conditional Grant and are only applied to eligible registered ECD services.

TRANSFERRING REQUIREMENTS

Requirements that the Accounting Officer (HOD) had to follow before transferring funds to Public Schools (PFMA):

- **Before transferring any funds** (other than grants in terms of the annual Division of Revenue Act or to a constitutional institution) to an entity within or outside government, must obtain assurance from the entity that that entity implements effective, efficient and transparent financial management and internal control systems, or if such written assurance is not or cannot be given, render the transfer of the funds subject to the conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems.
- Obtain a written assurance from an ECD Centre that, the ECD Centre implements effective, efficient and transparent financial management and internal control systems, before rendering a transfer of funds to that school; or
- Render the transfer of funds to a school subject to conditions and remedial measures requiring the school to establish and implement effective, efficient and transparent financial management and internal control systems.
- Enforce compliance with any prescribed condition if a transfer has been rendered to a school
- Take effective and appropriate disciplinary steps, (including recovery of the money misused) against any official in the service of a Department who-
 - contravenes or fail to comply with the directive
 - commits an act which undermines the financial management and internal control systems as outlined in this directive
 - makes or permits an unauthorized expenditure, irregular or fruitless and wasteful expenditure against the school fund.
- Maintain appropriate measures to ensure that the transfers and subsidies are applied for their intended purposes.



HOW ARE SUBSIDIES CALCULATED?

HOW THE ANNUAL VALUE OF THE SUBSIDY IS CALCULATED?

The ECD Policy requires a programme approach to funding and refers to a per capita approach. Per capita programme support differs from a per-child subsidy.

Per capita programme support is paid to eligible providers based on the size of their programme and is not variable or linked to daily child attendance. Programme funding will remain constant so long as the number of children receiving services remains constant, even if the children served change.

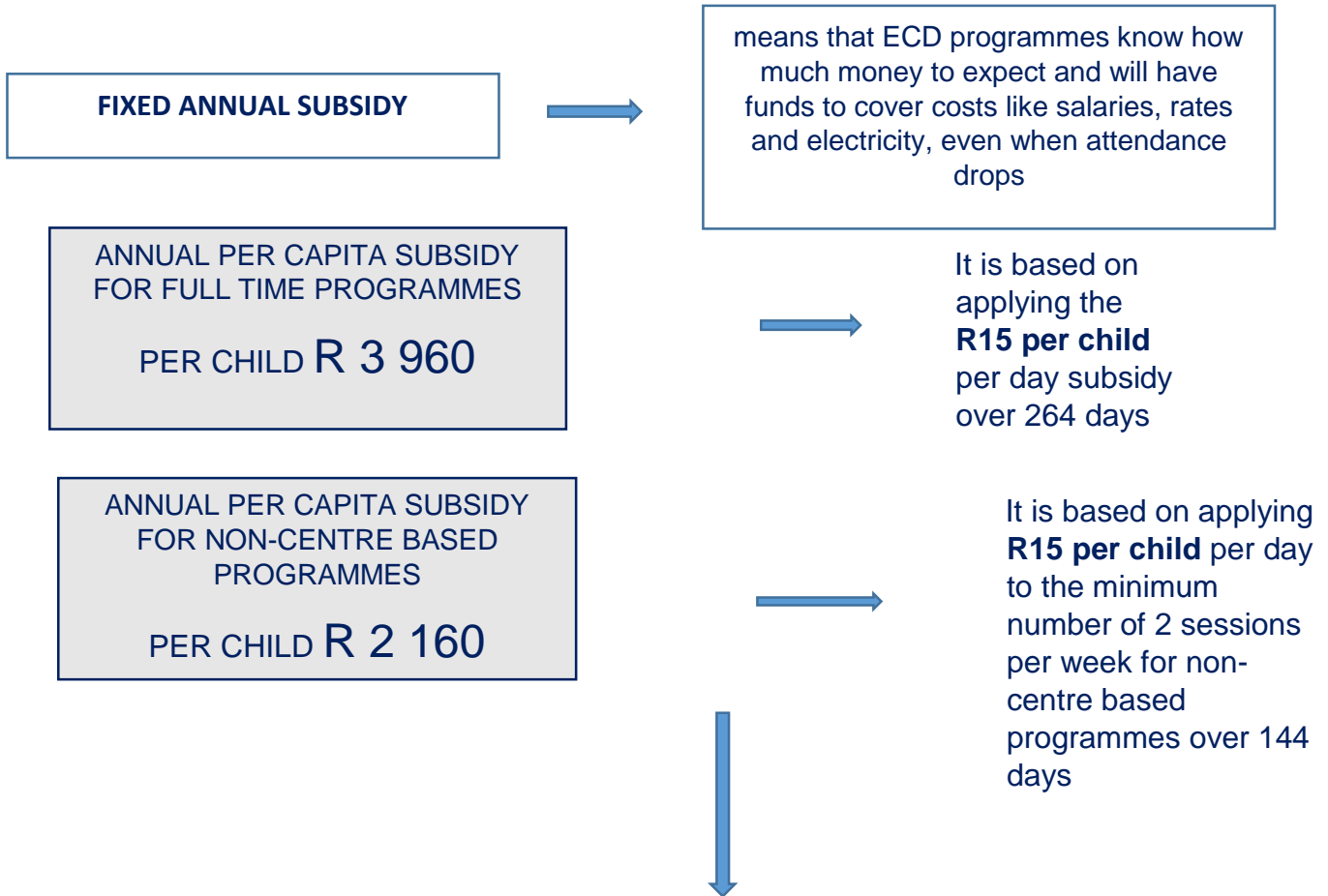
WHAT IS PER CAPITA PROGRAMME SUBSIDY

The programme subsidy is the amount of money that is paid to an ECD programme over the course of the year.

PER CAPITA PROGRAMME SUBSIDY IS CALCULATED AS FOLLOWS:



The annual programme subsidy value is decided at the start of the year and does not change until the year is over, unless the ECD value programme is found to be non-compliant. This means that the ECD programme know how much to money to expect for salaries, rates and electricity, even when attendance drops.



NON-CENTRE BASED PROGRAMME REQUIREMENTS

Run a minimum of 2 SESSIONS

Over a minimum of 48 WEEKS

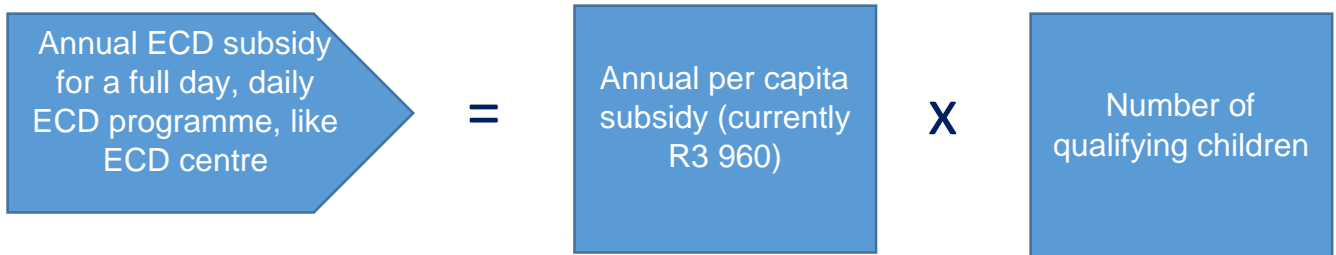
and provide at least

6 HOURS PER WEEK

For example: some may choose to provide three sessions of two hours each, and some may provide two sessions of 3 hours each.

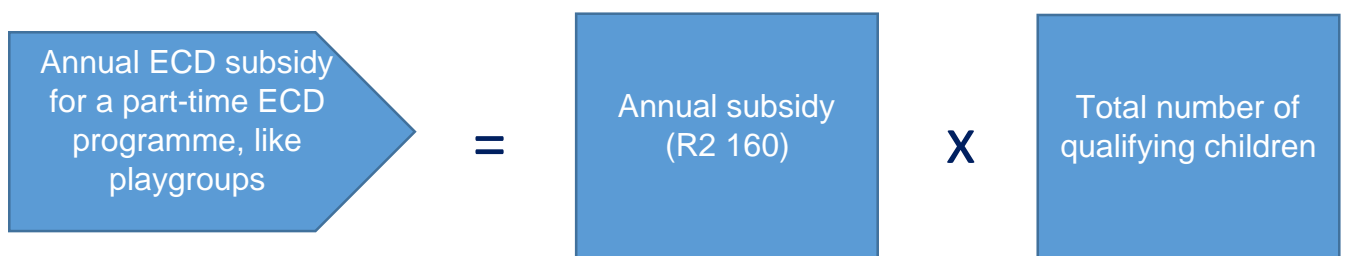
In addition, some programmes may provide more than the minimum of 48 weeks; the annual subsidy therefore provides 50 weeks

How to calculate the total annual per capita programme subsidy amount for a full-time ECD programme?



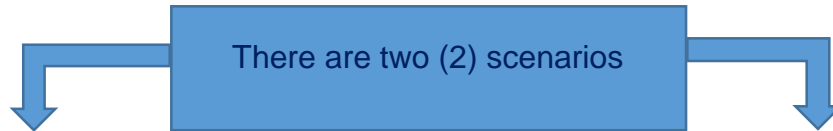
- The number of qualifying children will vary depending on whether the ECD programme is located in an identified poor ward or not.
- All programmes – irrespective of where they are located – need to submit a list of qualifying children when they apply for the subsidy

How to calculate the total annual programme subsidy amount for a part-time ECD programme?



- In order to receive the annual subsidy, a playgroup must be available to a child at least twice per week for a minimum of 48 weeks, and children must each receive a minimum dosage of six hours per week

How to calculate the number of qualifying children in ECD programmes located in an identified poor ward?



ECD programme submits a list of qualifying children equal in number to its entire registered capacity

The entire registered capacity is the number of children the programme can accommodate according to the registration certificate

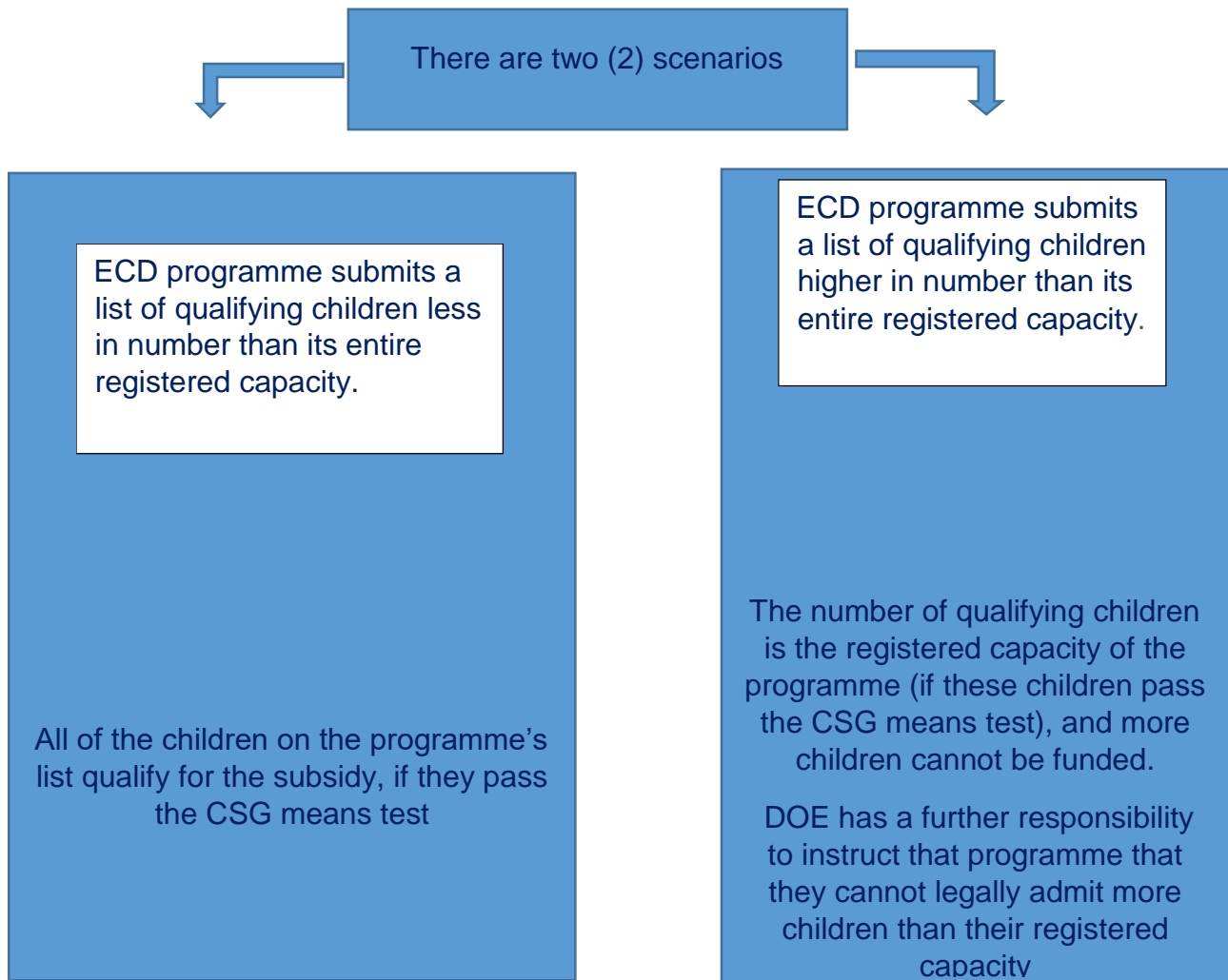
DOE determines the annual ECD subsidy using the full list of qualifying children submitted. In other words, the number of qualifying children is equal to the entire registered capacity.

ECD programme submits a list of qualifying children higher in number than its entire registered capacity

DOE determines the annual subsidy by using the entire registered capacity as the number of qualifying children. This is because the programme cannot be funded for more children than it is registered to accommodate.

DOE has a further responsibility to instruct the programme that they cannot legally admit more children than their registered capacity

How to calculate the number of qualifying children in ECD programmes not located in identified poor ward?



SERVICE LEVEL AGREEMENTS, PAYMENT INTERVALS AND PAYMENT VALUES

- Multi-year SLAs with ECD programmes are utilized.
- Programmes are paid according to a payment schedule and ECD Centres will know when and what payments will be made. This is done in order to eliminate lengthy administration processes.

MULTI –YEAR SERVICE LEVEL AGREEMENTS (SLAs)

- Three year agreements with ECD programmes are encouraged. This is done in order to save time. DOE do not need to go through the SLA contracting process every year with the same programme.
- The three-year agreements also give ECD programmes security because they know that they will be receiving funding, and so they can make longer-term plans to improve their ECD services to benefit children and give parents the assurance that they are likely to be in operation for at least three years.

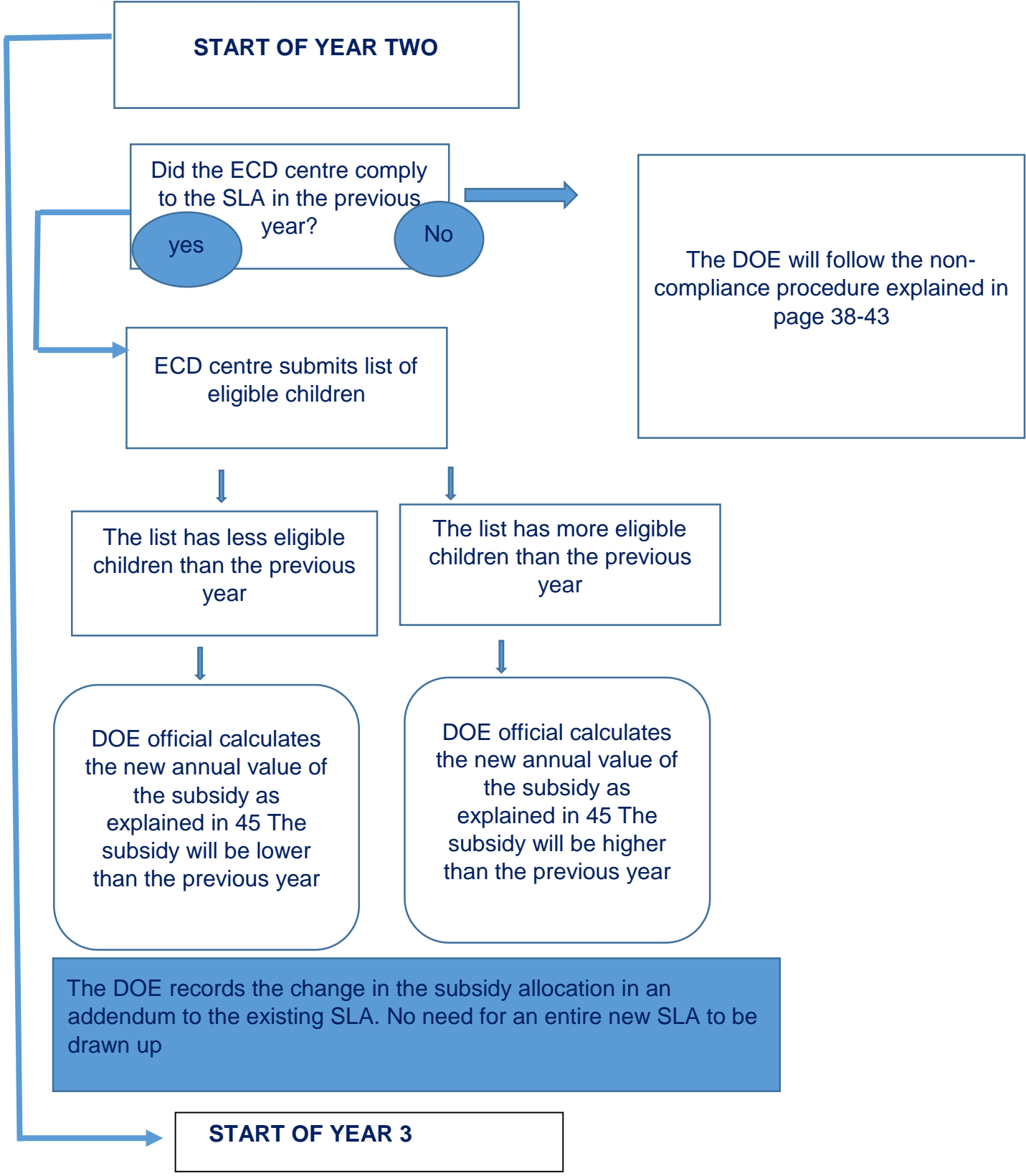
HOW TO MANAGE THREE –YEAR SERVICE LEVEL AGREEMENTS

- SLAs always include the annual value of the subsidy that will be paid to the ECD programme over the funding period. Therefore, when DOE signs a three-year SLA with an ECD programme, it must include the annual value of the subsidy for each of the three years.

HOW IS THE ANNUAL VALUE OF THE SUBSIDY CALCULATED FOR THE SECOND AND THIRD YEARS?

- The second and third year annual subsidy allocations in the SLA are assumed to be the same as year one, because the number of eligible children are not yet known. Once the ECD programme submits its list for the following year, the exact value of the annual subsidy can be calculated.
- It is possible that the annual value of the subsidy could change slightly in the second and third years, but the estimated amount still gives the ECD programme a good understanding of how much they will receive and allows them to plan for the future. DOE will communicate the annual value of the subsidy with the ECD programme by the end of January of that year.

How can the annual subsidy value change in year second and third years?



BUDGETING PROCESS

WHAT IS A BUDGET

Is an estimation of revenue and expenses over a specified future period of time and is usually compiled and re-evaluated on a periodic basis? It is a formal statement of estimated Income and expenses based on future plans and objectives.

IMPORTANCE OF BUDGETING:

- The budget serves as a control measure to monitor current expenditure against projections.
- A budget helps an ECD Programme to meet its objectives efficiently.
- An ECD Programme needs to draw realistic budgets to improve their cash flows.
- A realistic budget can assist Centre Managers to focus on common goals.
- Regular budget monitoring reveals areas where there are variances

Before the end of the last quarter each year, the Chairperson, Treasurer and the Centre Manager must sit and draw up a budget for the next financial year in line with the amounts approved in the SLA.

The budget must be in line with 50: 30: 20 subsidy expenditure ratio. (50% food, 30% salaries and 20% other operating expenses)

The budget must be approved by the Chairperson, Treasurer and the Centre Manager.

SURPLUS AND DEFICITS

- Budgets should not be for a surplus or deficit.
- Budget surplus balances from the previous year (if realized) should be included in budget as a surplus balance, only to be utilized in terms of the current budget.

BUDGET VIREMENTS

- The Centre Manager and the Finance officer must manage the budget in consultation with the Board of Directors.
- Deviations from the approved budget are subject to the Board of Directors' approval. Excess funds cannot be used for other expenditure without proper approval of the Board of Directors.

How often should subsidies be paid?

- DOE should pay the subsidy on a quarterly basis.
- This means that the ECD programme receives **25%** of the annual subsidy value, **4** times in one year. (once every 3 months)

NB: The payment amounts cannot differ per quarter because they are fixed in the SLA. They can change only if the ECD programme is found to be non-compliant. The SLA outlines the process to follow in the case of non-compliance.

Why the payment schedule is important?

- The new standardised SLA includes a payment schedule, which is a list of dates on which subsidy payments will be paid. Seeing that agreements are for quarterly payments, then the payment schedule will contain four dates per year.

PAYMENT SCHEDULE IN LINE WITH THE SERVICE LEVEL AGREEMENT SLA

1 st Quarter (April-June)	July
2 nd Quarter (July –September)	October
3 rd Quarter (October –November)	January
4 th Quarter (January-March)	April
Annual Report (12 months from April – March)	April

EXPENDITURE MANAGEMENT

ECD PROGRAMME/ CENTRE FUND ACCOUNT

- The Governing Body/ Board of Directors must open **ONE (1)** bank account in the name of the ECD Centre.
- One the Governing Body/Board of Directors made the decision to open the bank account, the minutes of the Governing Body approving the authorised signatories must be attached to the application to the Financial Institution.
- A minimum of **THREE (3) SIGNATORIES** must be put in place with the instruction that any of the **TWO (2)** approved signatories may operate the EFT system.
- Initial capturer- Centre Manager/ Principal
- Pre-Authoriser – Treasurer
- Final Authoriser- Chairperson

MANAGEMENT OF FUNDS FOR THE ECD PROGRAMME

- The ECD Centre Managers in consultation with the Board Members must appoint a member of the administrative staff to keep the school financial records.
- This official must be appointed in writing to serve as the Finance Clerk.
- The funds can only be utilized for the intended purpose and in line with the approved budget. Any deviation will require the approval of the Board Members.

FINANCE COMMITTEE

- The implementation of a sound and effective internal control system for the ECD Programme would require the intervention, control and monitoring of financial matters.

It would thus be imperative that a committee is formed to assist the programme in monitoring and controlling financial matters

- This committee must be known as the Finance Committee and serve as the committee of the Board of Directors.
- This committee will comprise of the Centre Manager, the Treasurer and the Finance clerk/Officer.

THE FUNCTIONS AND RESPONSIBILITIES OF THE FINANCE COMMITTEE:

- The finance committee shall report directly to the Board.
- The committee shall meet at least one every month.
- The committee shall submit a financial report to the Board on a quarterly basis or when required.
- Take responsibility for monitoring and control of all financial matters at the ECD Programme.
- Expenditure is requested by the Principal/ Administrator and is approved by the Chairperson and Treasurer of the Governing Body. Where amounts exceed **R10 000**, (except for salaries) it has to receive the approval of the Board of Directors/ Governing Body as well.
- Requests for the acquisition of goods or services must be submitted to the Finance Committee through the finance clerk/ officer.
- All requests and approved requests must be documented on standard pre-printed pre-numbered "Transaction Requisition Forms
- This transaction requisition forms are completed by the finance Clerk first, then recommended by the Centre Manager before signed or approved by the finance committee/ Board Members depending on the cost of the procurement.

TRAVEL, ACCOMODATION AND SUBSISTENCE COSTS

- All travel and reimbursement costs must be approved before they are incurred.
- The finance committee must annually determine the scale of reimbursements.

- The governing body may pay travel and subsistence expenses relating to official school activities but such expenses may not be greater than those that would be payable to a public servant in similar circumstances.
- All requests must be documented on standard 'Travel and Expense Requisition Forms' (Transport claims).
- The completed forms must then be forwarded to the finance committee for approval before payments are made; who must consider the following procedures before the expense is approved;
 1. Are adequate funds available by reference to bank accounts and authorized budgeted amounts in respect of the activity/cost (based on the approved annual operating budget)
 2. Are the costs to be incurred in line with the ECD programme's objectives, priorities and outlined activities.
 3. The nature of the expense e.g. uses of own car, bus hire, refreshments etc.
 4. The level of authorization required based on the nature of the expense.

HOW CAN ECD PROGRAMMES SPEND THE SUBSIDY?

ECD programmes are required to spend the subsidy on certain expenditure categories.

What is an ECD subsidy expenditure ratio?

An expenditure ratio divides the subsidy into parts and requires that each part be spent for a particular purpose. ECD subsidy must be divided into a 50:30:20 expenditure ratio.

THIS MEANS THAT ECD PROGRAMMES HAD TO SPEND THE SUBSIDY AS FOLLOWS:



ECD PROGRAMMES MUST USE THE FUNDS FOR THE INTENDED PURPOSE

- DOE must ensure that the programme is used for the purpose intended.
- DOE must ensure that ECD Programme abide by the SLAs. The number of children being subsidized must match the number of eligible children actually attending the programme.
- DOE must ensure that ECD programmes are keeping reliable records of their finances and making good financial decisions.

OTHER CONTROL MEASURES BY DEPARTMENT OF EDUCATION (DOE)

The application form, SLA and financial reports are essential tools to evaluate, enforce and assess spending.

- Application form allows upfront indication of how the ECD programme intends to spend its money and can serve as a warning if the programme manager allocates too little money to food and too much to operating costs.
- The SLA can be amended to include specific expenditure categories. The SLA can be adapted to stipulate what the subsidy can be spent on and what the subsidy cannot be spent on. If they do not comply with these expenditure categories, it can constitute non-compliance, which affects their subsidy going forward.
- ECD programmes must submit monthly or quarterly financial reports. These reports will provide vital information on how they are spending and if there are any problem areas thus providing officials with the necessary evidence to intervene.

FINANCIAL POLICIES

The implementation of a sound and effective internal control system for the ECD Programme, it is therefore imperative for the Centres to have policies in place to guide their decisions.

The ECD Programme must therefore have Finance policies in place, such as:

- ✓ The Finance Policy
- ✓ Fundraising Policy
- ✓ Transport Policy
- ✓ Procurement Policy
- ✓ Asset Management Policy.

DOE will provide **Pro-Forma** policies to assist the ECD Programmes to develop their own policies.

PETTY CASH

- All ECD Programmes must maintain a petty cash system used for the payment of small items of expenses that are incurred on a day to day basis.
- The petty cash must be maintained by a responsible person. This person must be appointed in writing by the Board of Directors on an annual basis.
- Petty Cash can be drawn in the name of the Petty Cash Handler and other cost effective methods available to withdrawn funds from the school account, such as Cash-send, E-wallet etc.; all in the name of the Petty Cash Handler
- Petty cash vouchers/requisition form must be prepared and an invoice or cash slip must be obtained and attached to the voucher as evidence that a payment was made.
- The vouchers must indicate full details of the expense in order to facilitate the correct allocation of expenses to budget line items
- Petty cash records must be maintained on a monthly basis by the finance officer.
- All differences noted that have not been adequately explained or supported must be reported to the finance committee immediately

PROCUREMENT GUIDELINES

The Accounting Officer (HOD) is responsible for the efficient use of the resources provided by the State. It is therefore critical that the ECD Programmes ensures that they implement, effective, efficient and transparent financial management and internal controls.

QUOTATIONS

- Quotations should be obtained from credible tax compliance suppliers or service providers.
- The finance officer will prepare all documents before the finance committee meeting for discussions and approval.
- Quotations from suppliers or service providers should adhere to the amount limitations as required by these financial directives.

ORDERS

- All orders below R2000.00 must be approved by the Finance committee and must be supported with at least two written quotations.
- All orders above R 2000.00 must be approved by the Finance Committee and must be supported with at least three written quotations.
- All orders above R10 000.00 must be approved by the Board of Directors and must be supported with at least 3 written quotations; containing detailed specifications regarding delivery dates, payment terms and any other conditions such as discounts that may be offered. These quotations must be fully evaluated by the finance committee and submitted to the Governing Body/ Board of Directors for approval
- These quotations should be obtained from reputable suppliers and must be evaluated by the finance committee. The best quote as determined by the finance committee/ Governing Body/ Board of Directors must be selected.

ASSETS MANAGEMENT

OBJECTIVE

- To safeguard the fixed assets of the school;
- To ensure the effective use of existing resources;
- To emphasize a culture of accountability over fixed assets;

CONTROL OVER ASSETS

- A responsible person must be assigned the responsibility for the custody of assets. The person should ensure that all assets are allocated to the correct locations, correctly marked and used only for the purpose intended as according to the Asset Management Policy.
- The person must also confirm that assets are physically secured to prevent theft or misuse. Insurance cover must be taken out on all assets that are significant in value.
- This person must also maintain assets register detailing all assets of the school.
- The asset register must be classified by asset class e.g. Computer equipment, Furniture and Fittings, Educational aids etc
- The responsible person must also at the time of reconciliation confirm that all assets are in good condition, working order and are being utilized correctly for the purpose intended.
- Where an asset is of significant value the Centre Manager should obtain prior approval of the Governing Body/ Board of Directors before disposal/scraping.
- All proceeds received by the school as a result of the utilization of ECD Centre I assets must be paid into the Centre' bank account.

REVENUE MANAGEMENT

- Effective systems are essential to ensure that all revenue due to the Centre Manager is identified, collected, receipted and banked properly.
- The following are exemplary sources of revenue for a school:
 - (i) School Fees
 - (ii) Cash donations received
 - (iii) Specified fundraising activities
 - (iv) Assets Disposal

HOW DO ECD PROGRAMMES NEED TO REPORT ON SPENDING SUBSIDIES?



- All subsidised ECD programmes must account for how they have spent the public funds they have received.

WRITTEN ASSURANCE

- **Treasury Regulation 8.4.1**, that states that “the Accounting Officer must maintain appropriate measures to ensure that transfers and subsidies to entities are applied for the intended purposes”. Such measure may include:
 - Regular reporting procedures.
 - Internal and external audit requirements and submission of audited statements. (includes AG Report)
 - Regular monitoring procedures.
 - Any other control measure deemed necessary.
- According to the regulation, an Accounting Officer (HOD) may withhold transfers and subsidies to an entity if he or she is satisfied that;
 - (a) Conditions attached to the transfers and subsidies have not been complied with,
 - (b) Financial assistance is no-longer required
 - (c) The agreed objectives have not been attained; and
 - (d) The transfer and subsidy does not provide value for money in relation to its purpose or objectives.
- The Accounting Officer (H.O.D) will obtain the **Certificate of Written Assurance** from the Public School as per the requirements of the financial reporting guidelines.

CERTIFICATE OF WRITTEN ASSURANCE

The certificate of written assurance is required to comply with the requirements of Section 38(1)0 of the Public Finance Management Act (PFMA), read with part 8.4.1 and 8.4.2 of the Treasury Regulations (TR) for the departments, trading entities, constitutional institutions and public entities.

All ECD Programmes are required to submit a certificate of Written Assurance at the end of each financial year in the format provided by DOE in order to receive their first tranche transfer. **(7 April every year).**

ASSURANCE IN TERMS OF SECTION 38 (1) OF THE PUBLIC FINANCE MANAGEMENT ACT (PFMA)

In terms of Section 38(1) of the Public Finance Management Act (PFMA), The Department of Education has the responsibility to ensure that your entity implements effective, efficient and transparent financial management and internal control systems.

I, the undersigned _____ in my capacity
as a Chairperson of _____ (Name and location of

the organization) hereby declare that _____ (Name

and location of the ECD Centre) implements effective, efficient and transparent financial management and internal control systems.

Signed at _____(Place)on this _____ day of
_____ 20_____

Signature: _____

WITNESSES:

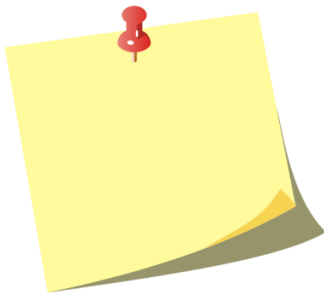
1. _____

2. _____

RECORDS MANAGEMENT

What records must ECD Centres keep?

- ALL ECD Centres must keep records of income (what they earn) and expenditure (what they spend) related to the subsidy.
- This includes expenditure vouchers, invoices and receipts. This is important in case the DOE chooses to audit the programme. Emerging ECD Centres have to record the income and expenditure in a prescribed way on a form that is attached to the SLA.
- All other ECD Centres must create a separate cost centre within their formal accounting systems where income and spending is recorded.
- Additionally, ALL ECD Centres must keep a register of child attendance. At the end of every month, they need to add up all of the days on which children attended the programme.



ECD programmes should retain their records for a period of three years.

What must ECD programmes report on during the year?

ECD Centres must submit **financial and performance reports** on the template provided by DOE, to the relevant programme manager of DOE within **SEVEN (7) business days** after the end of each quarter.

June

September

December

March

How must ECD programmes report at year-end?

- All ECD programmes must report their income and spending from the subsidy – their financial statements – by 30 April each year (30 days after the end of the government financial year).
- The statements must be reviewed by an independent reviewer or certified auditor.
- The department provides a database of certified auditors on a monthly basis. ECD Programmes are encouraged to make use of these auditors. The list can be obtained from the relevant programme manager.
- However, an ECD Centre is not permitted to use one auditor/ Independent reviewer for more than 4 consecutive years. This is in line with the Financial Reporting Guidelines for schools in Mpumalanga as approved by the Member of the Executive Council.

MONITORING AND SUPPORT OF SUBSIDISED ECD PROGRAMMES DURING THE YEAR

The SLA requires all subsidised ECD programmes to submit reports on their spending and child attendance once a month or once a quarter. Some ECD programmes will need support from DOE during the year to meet these reporting rules.

If an ECD programme does not report as required, it could be guilty of non-compliance and end up losing some or all of its subsidy, which would be detrimental to the children attending. DOE staff have an important role to play. By supporting the ECD programme to meet the reporting rules of the SLA, they ensure that the ECD programme remains compliant and the children attending continue to benefit from the subsidy. Most frequently, support takes the form of DOE staff visiting the ECD programme.

RISK PROFILE FOR ECD CENTRES

High-risk ECD programmes are more likely to breach the SLA.

Risk question		Risk score		Risk Score
Has the ECD programme ever received funding from DOE before?	Yes	0	No	3
Who will oversee the ECD programme's financial statements?	An Auditor An Accountant	1 2	The ECD programme manager will produce their own statements	4
What is the ECD programme's reporting history?	There is no history because the programme has never been funded before It did not hand in its	3 4	It handed in its reports late It handed in its reports on time	3 0
Did DOE think that the previous reports were reliable	Yes No	0 4	Somewhat	2
Is there a risk that the ECD will not comply with the rules in the SLA?	No There is a fair amount of risk	0 8	Some small risks There are a lot of risks	4 10

FINAL SCORE OF THE ECD CENTRE

FINANCIAL GUIDELINES FOR ECD CENTRES

RISK SCORE:	LESS THAN 12 LOW RISK	12-20 MEDIUM RISK	MORE THAN 20 HIGHER RISK
	<p>This is a low risk ECD programme that is not likely to break the rules in the SLA.</p>	<p>This is a medium risk ECD programme that would benefit from DOE visits to support it to stick to the rules of the SLA. Consider making one or two unscheduled visits as well</p>	<p>This high risk ECD programme needs lots of DOE support to avoid non-compliance. Without DOE support, this ECD programme could lose all or part of its subsidy, which would affect the ECD service the children receive. Visit the programme once a quarter and consider making at least two unscheduled visits per year</p>

HOW TO HANDLE NON-COMPLIANCE

- The policy calls for per capita calculations in order to ensure equitable financing.
- Per capita programme support differs from the per-child subsidy currently in practice.
- The per-child subsidy is currently based on the daily attendance of children, whereas per capita programme support is paid to eligible providers based on the size of their programme and is not variable or linked to child attendance.
- In the latter case, programme funding will remain constant; (unless attendance drops below 80%) so long as the number of children receiving services remains constant, even if the children served change.
- This removes the variability in allocation and provides sustainability and predictability in service provision. The subsidy is paid out in equal instalments according to a schedule in the SLA and does not change monthly, or quarterly. ECD programmes still need to submit their attendance registers so that DOE can check if they are compliant

What is non-compliance with an SLA?

Non-compliance takes place if an ECD programme does not stick to the SLA it signed. This is also known as a breach of contract.

Non-compliance is the only reason why DOE can delay, reduce or stop paying subsidies to an ECD programme in a given year for which an SLA has been signed. Delaying, reducing or stopping payments affects the quality of services children receive, which is why it is important that non-compliance be managed in a fair manner that has been agreed to by both the ECD programme and the DOE in writing, in the SLA.

Seven ways an ECD programme can be non-compliant

The number of actual child attendance days is less than 80% per cent of what it should be, based on the agreed child attendance days for a quarter

For ECD programmes that are required to report monthly, failure to submit financial reports or performance reports for three successive months

FINANCIAL GUIDELINES FOR ECD CENTRES

For ECD programmes that are required to report quarterly, failure to submit financial reports or performance reports for two successive quarters.

Evidence that funds have been misused

Evidence that the programme or partial care facility no longer complies with norms and standards.

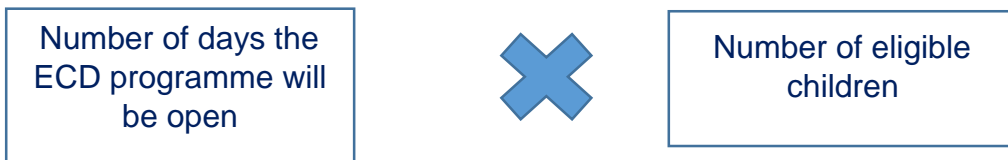
Evidence of serious failure to deliver the services set out in the SLA

Evidence of a serious breakdown in financial management and/or governance arrangements at the ECD programme.

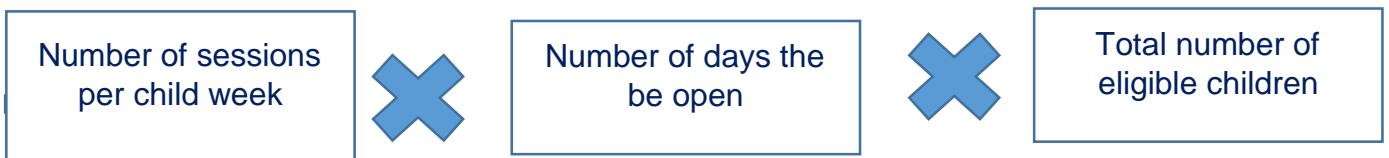
How to determine the agreed child attendance days?

The annual subsidy amount is determined in the SLA and is dependent on a programme delivering on a pre-agreed number of days that it will be open and the number of eligible children who will be attending. This is called the child attendance days. Child attendance days are worked out as follows:

FOR FULL TIME PROGRAMMES



FOR NON-CENTRE BASED ECD PROGRAMMES



The number of child attendance days are recorded in the SLA.

Calculating the actual quarterly child attendance days

ECD programmes are still required to submit their attendance registers to DOE. This enables DOE to check if the actual number of child attendance drops below 80% of the child attendance days agreed on in the SLA.

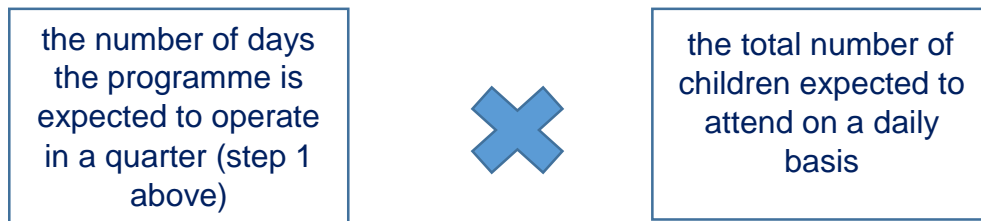
FOR FULL TIME ECD PROGRAMMES:

The following must be done to calculate their expected quarterly child attendance days for full-time programmes:

STEP 1: The number of days the programme is expected to be open in one quarter must be worked out as follows:



STEP 2: The child attendance days per quarter is worked out as follows:



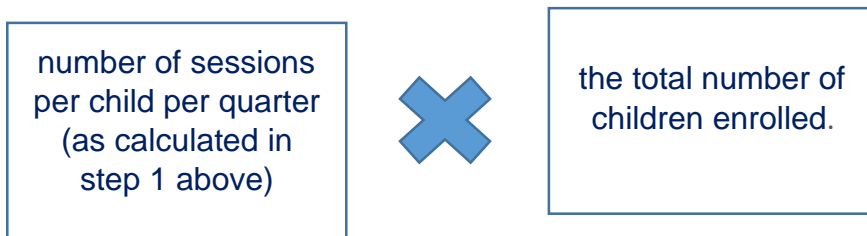
FOR NON-CENTRE BASED ECD PROGRAMMES:

The following must be done to calculate their expected quarterly child attendance days for part-time programmes

STEP 1: The number of sessions the programme is expected to provide in one quarter is:



STEP 2: The child attendance days per quarter is worked out as follows:



Steps to follow if an ECD programme is non-compliant:

STEP 1:

Collect evidence that confirms the ECD programme is not complying with the SLA. This could include attendance registers or reports from a site visit.

STEP 2:

Send a notice of non-compliance to the person who signed the SLA on behalf of the ECD programme.

IMPORTANT INFORMATION TO INCLUDE IN THE NOTICE OF NON-COMPLIANCE:

- Explain how the ECD programme is breaching the SLA
- Give the ECD programme a reasonable amount of time to fix the problem.
- Invite the ECD programme to question the notice, if they feel that it is unfair

STEP 3:

Follow up with the ECD programme and find out if the notice was received and understood and whether the request to become compliant is possible in the given amount of time. The ECD programme may need extra time or help to become compliant.

DOE should do everything possible to assist ECD programmes in becoming compliant so that the service provided to the children is not disrupted. If DOE does not have the capacity to assist the ECD programme, it can find a third party like an NGO or community organisation that can step in and help.

STEP 4: If – and only if! – DOE have tried everything possible to help the ECD programme to become compliant, DOE look at reducing or stopping its subsidy. This should will be an absolute last resort because it will have a very negative impact on the children attending the ECD programme.

Non-compliance is the only reason DOE has for delaying, reducing or stopping the subsidy.

How to decide whether to reduce, delay or stop the subsidy?

The decision to reduce, delay or stop the subsidy depends on how serious the breach of contract is:

REDUCE THE SUBSIDY IN CASES WHERE;	DELAY THE SUBSIDY IN CASES WHERE;
<p>The ECD programme’s actual child attendance days (as per their attendance schedule) is less than 80% of the child attendance days agreed on in the SLA, for a specific quarter.</p> <p>This can be done by dividing the actual child attendance days by the child attendance days in the SLA and multiplying the answer by 100.</p>	<p>The ECD programme has repeatedly not submitted their financial or performance reports according to the schedule in the SLA. Serve the notice of non-compliance if two quarters were missed one after the other.</p> <p>Subsidy payment will be delayed until reports are submitted.</p>

STOP THE SUBSIDY IN CASES WHERE:

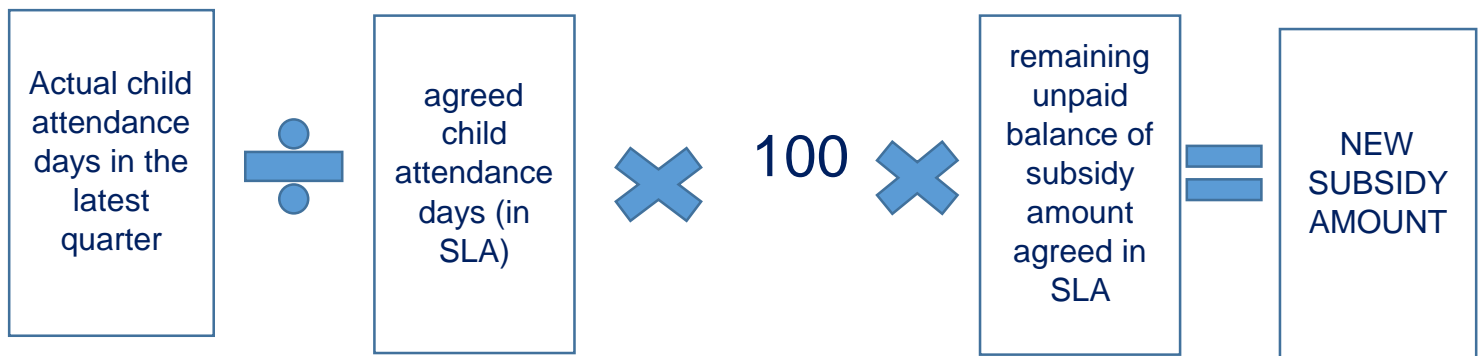
- There is evidence that the ECD programme no longer complies with norms and standards and is placing the children at risk.
- There is evidence that the subsidy was used on something that is clearly not necessary for the operation of the ECD programme and does not ultimately benefit the children
- There is evidence that the ECD programme is not providing the ECD service it agreed to in the SLA.
- There is evidence of a serious breakdown of management at the ECD programme.

An ECD programme that has been non-compliant and has had its subsidy reduced or stopped can be supported to become compliant and to offer a quality ECD service to children.

There are a few ways DOE can offer support. DOE can increase its monitoring of the ECD programme, and help by picking up problems early on. Another option is to appoint another NPO, an administrator or a mentor to guide the ECD programme.

How to calculate a reduced subsidy amount?

In instances when the number of child attendance in two successive months or quarters has fallen below the 80% threshold, the provincial DOE must investigate the reasons for the drop in attendance. Should attendance be unlikely to increase to above the 80% threshold, the department may reduce the value of future transfers. This means the amount of money that has not yet been transferred to the ECD programme may be reduced



TEMPLATES

NAME OF ECD CENTRE:

FINANCIAL POLICY

The intention of this policy is to explain how the finances of
are effectively, efficiently and accurately managed.

GENERAL PROVISIONS

1. SIGNATORIES

..... has signatories to its banking accounts – Chairperson and two additional Management Board members. EFT transactions require two signatures of the panel of three.

2. EXPENDITURE

Expenditure is requested by the Principal/Administrator and is approved by the Chairperson and Treasurer of the Governing Body. Where amounts exceed R....., (except for salaries) it has to receive the approval of the Governing Body as well.

3. REPORTING

Monthly Income and Expenditure Statement and, Cash Book are the Financial Reporting documents presented for review.

4. RECORDING

All income is receipted, recorded and processed manually. The day-to-day finances ofare managed by the Principal/Administrator and Treasurer forwarded to the accountants. All expenditure must be supported by way of invoices, and creditor statements

5. PETTY CASH

Petty Cash R..... limit. All petty cash expenses are recorded and balances are checked on a monthly basis.

6. ASSETS

The asset register is updated annually by the Principal/Administrator and Treasurer on and each year.

7. SECURITY

All supporting documents and petty cash are kept under lock and key.

8. MONITORING

An internal audit committee comprising the Principal, Administrator, Treasurer and Chairperson monitors income and expenditure. Internal reports are done and presented to the Governing Body and Accountants.

9. RECORD KEEPING

All invoices are to be kept for 5 years. All receipt and cheque books to be kept for 10 years.

10. YEAR END DOCUMENTATION

Working papers, schedules and documentation are retained by the auditors in safe custody.

11. ANNUAL FINANCIAL STATEMENTS

Annual Financial Statements are produced by accountants/Bookkeepers and audited by registered auditors usually no less than six months after the end of the financial year.

Date:

NAME OF ECD CENTRE:

THE EMPLOYMENT CONTRACT

The contracting Parties are and
..... (herein after referred to as “the employee”)

EMPLOYED as a/theat the organisation.

Address of employer:

.....

1. DATE OF COMMENCEMENT

This contract will begin on and continue until terminated as set out in clause 4.

Probation period from to

2. PLACE OF WORK

.....

3. JOB DESCRIPTION

Job Title:

Duties:.....

.....

.....

4. TERMINATION OF EMPLOYMENT

- 4.1 Either parties can terminate this agreement on four weeks written notice (or see Guideline 1). In the case where an employee is illiterate notice may be given by that employee verbally.
- 4.2 the parties agree that on termination of the contract of employment, the employer shall furnish the employee with a certificate of service.

5. SALARY / WAGES

- 5.1 The employee’s salary shall be paid on of each month and shall be R
- 5.2 The employer shall review the employee’s salary once a year.

6. HOURS OF WORK

Normal working hours will be from to on Mondays to Fridays.

Overtime will only be worked if agreed upon between the parties from time to time.

The employee will be given time off in line of overtime.

7. MEAL INTERVALS

The meal break of an employee will be

8. PUBLIC HOLIDAYS

The employee will be entitled to all official holidays on full pay.

9. LEAVE

Annual Leave:

An employee is entitled to days annual leave

Leave must be granted not later than six months after the end of the annual leave cycle.

Sick Leave:

- (a) An employee must submit a doctor's certificate if sick for more than two days.
- (b) An employee is entitled to only one day's paid sick leave for every 26 days worked for the first 6 months of employment and 6 weeks paid sick leave for every 36 months of continuous employment.

Maternity Leave:

- (a) A pregnant employee is entitled to four consecutive months' maternity leave, which may begin up to four weeks before the expected date of birth.
- (b) A pregnant employee or an employee nursing her child is not allowed to perform work that is hazardous to her or her child.

Family responsibility leave:

- (a) Full time employees are entitled to three days paid family responsibility leave per year, on request, after having been employed for at least four months, when the employee's spouse or life partner or the employee's parent, adoptive parent, grandparent, child, adopted child, grandchild, or sibling are sick or in case of death.
- (b) An employee may require reasonable proof.

10. GENERAL

Any changes to this agreement will only be valid if they are in writing and have been agreed to and signed by both parties.

Thus done and signed aton this day of20

.....
.....

Employer

Employee

Witnesses:

.....
.....

BUDGET

Column 1	Column 2	Column 3	MOTIVATION / REMARKS
Item of Expenditure	Actual Expenditure for the period 1/4/2022 - 30/9/2022	Budget for financial year 2022/ 2023	
1 HUMAN RESOURCE EXPENDITURE (...continued)			
(ii)	Bonus		
(iii)	Personnel Training (not expenditure Item 5)		
(iv)	Honorarium (Paid Volunteers)		
(v)	Contributions		
	Medical Aid Fund		
	Pension Fund		
	Workmen's Compensation		
	UIF		
	other (specify)		
(vi)	Clothing		
SUBTOTAL: ITEM 1		R 0.00	

2 TRANSPORT EXPENDITURE			
(i)	Petrol (for managerial and/or administrative tasks)		
(ii)	Maintenance of vehicles		
(iii)	Insurance of vehicles		
(iv)	Travelling & Accommodation		
	(conferences/workshops, Consultation events, etc.)		

(v)	Replacements (specify)			
(vi)	Purchases (specify)			
SUBTOTAL: ITEM 2		R 0.00	R 0.00	

Column 1	Column 2	Column 3	MOTIVATION / REMARKS
Item of Expenditure	Actual Expenditure for the period <i>1/4/2022 - 30/9/2022</i>	Budget for financial year 2005 / 2006	
3 OFFICE EXPENDITURE			
(i) Rent			
(ii) Municipal Services			
(iii) Post & Telecommunication Services			
(iv) Printed Matter & Stationary			
(v) Advertisements			
(vi) Books & Journals			
(vii) Levies/Registration & Affiliation fees			
(viii) Insurance			
(ix) Maintenance			
(x) Replacements (specify):			
(xi) Purchases (specify):			
SUBTOTAL: ITEM 3	R 0.00	R 0.00	

Column 1	Column 2	Column 3	MOTIVATION / REMARKS
Item of Expenditure	Actual Expenditure for the period 1/4/2022 - 30/9/2022	Budget for financial year 2005 / 2006	
4 GROUNDS & BUILDINGS			
(i) Capital and Interest Redemption (Private)			
(ii) Capital and Interest Redemption (State)			
(iii) Maintenance other (specify)			
(iv) Insurance other (specify)			
SUBTOTAL: ITEM 4	R 0.00	R 0.00	

Column 1	Column 2	Column 3	MOTIVATION / REMARKS
Item of Expenditure	Actual Expenditure for the period 1/4/2022 - 30/9/2022	Budget for financial year 2005 / 2006	
5 PROGRAMME EXPENDITURE			
(i) Training fees			
(ii) Training material/equipment			
(iii) Transport			
(iv) Hiring of venues/ etc			
(v) Refreshments			
(vi) Accommodation			
(vii) Food & Groceries			

(viii)	Clothing		
(ix)	Consumable Equipment		
(x)	Domestic fuel/laundry and cleaning services		
(xi)	Linen		
(xii)	Toiletries		
(xiii)	Medical		
(xiv)	Pocket Money		
(xv)	Education & Recreation		
(xvi)	Other (specify)		
(xvii)	Purchases (specify)		
(xviii)	Replacements (specify)		
SUBTOTAL: ITEM 5		R 0.00	R 0.00

Column 1	Column 2	Column 3	MOTIVATION / REMARKS
Item of Expenditure	Actual Expenditure 1/4/2022 - 30/9/2022	Budget for financial year 2005 / 2006	
6 SPECIAL SERVICES			
(i) Audit Costs			
(ii) Bank Costs			
(iii) Fund-Raising			
(iv) other (specify)			

SUBTOTAL: ITEM 6		R 0.00	R 0.00

7 SUNDRIES			
(i)	Research		
(ii)	Public Relations & Marketing		
(iii)	VAT		
(iv)	other (specify)		
SUBTOTAL: ITEM 7		R 0.00	R 0.00

8 PROVISION FOR SPECIAL FUNDS			
(i)			
(ii)			
(iii)			
(iv)			
SUBTOTAL: ITEM 8		R 0.00	R 0.00

GRAND TOTAL: ITEM 1 - 8	R 0.00	R 0.00
--------------------------------	---------------	---------------

SECTION B : INCOME

Column 1	Column 2	Column 3	MOTIVATION / REMARKS
Item of Income	Actual Income for the period 1/4/2022 - 30/9/2022	Budget for financial year 2005 / 2006	
9 FEES FOR SERVICES			
(i)	Day Care Fees		
(ii)	Membership		

(iii)	Registration Fees			
(iv)	Training Fees			
(v)	other (specify)			
(vi)				
SUBTOTAL: ITEM 9		R 0.00	R 0.00	

Column 1	Column 2	Column 3	MOTIVATION / REMARKS
Item of Income	Actual Income for the period 1/4/2022 - 30/9/2022	Budget for financial year 2005 / 2006	
10	Bequests		
11	Donations		
12	Fund-raising		
13	Grants		
14	Community Chest		
15	Income from investments		
16	Products sold		
17	Rent		
18	Social Relief		
19	VAT (reclaimed)		
20	Contributions (specify)		
21	other (specify)		
SUBTOTAL: ITEMS 9		R 0.00	R 0.00

Column 1	Column 2	Column 3	
Item of Income	Actual Income for the period 1/4/2022 - 30/9/2022	Budget for financial year 2022/2023	

22	STATE SUBSIDIES:		
	Dept Education		
	Dept Education		
	Dept Education		
	Dept Education		
	other (specify)		
SUBTOTAL: ITEM 9 (22)		R 0.00	R 0.00

GRAND TOTAL: ITEMS 9 - 22	R 0.00	R 0.00
----------------------------------	--------	--------

TOTAL EXPENDITURE	R 0.00	R 0.00
TOTAL INCOME	R 0.00	R 0.00
SURPLUS / (SHORTAGE)	R 0.00	R 0.00

We concur with the content of this service plan and commit ourselves to the implementation and monitoring thereof.

.....

**Principal /
 Manager**
Date:

 (name printed)

.....
Chairperson Date:

 (name printed)

..... Treasurer Date: (name printed) Secretary Date: (name printed)
--	--

QUARTERLY RETURNS FOR SUBSIDY IN RESPECT OF DAY CARE CENTRE (CRECHE)

SUBSIDY CLAIM FOR THE _____ QUARTER 202__

NAME OF DAY CARE CENTRE: _____

SECTION A

POSTAL ADDRESS

Box _____

Town _____

Code _____

Tel no.: _____

Contact Person _____

Bank Name _____

Account Number _____

RESIDENTIAL ADDRESS

Street _____

Town _____

Code _____

Fax no.: _____

Cell no.: _____

Town: _____

Branch Code _____

SECTION B

NUMBER OF CHILDREN ATTENDED DURING THE QUARTER AS PER ATTENDANCE REGISTER.

NUMBER OF CHILDREN

NUMBER OF ATTENDANCE'S

AMOUNT OF SUBSIDY

I declare that the above information is correct and a true reflection of the financial position

SECTION C

CHAIRMAN

DATE

TREASURER

DATE

MANAGER

DATE

INCOME/EXPENDITURE FOR THE _____ QUARTER :202_____

NAME OF DAY CARE CENTRE : _____

	RECEIPTS	DEPOSITS	EXPENDITURE
Cash book balance b/forward			
Receipts: to			
INCOME:			
Subsidy			
Other (specify)			
TOTAL DEPOSITS			
TOTAL			
EXPENDITURE:			
Salaries			
UIF			
Service Bonus			
Rent			
Telephone			
Electricity/Wood/Coal			
Butchery			
Bakery			
Fruit and Vegetables			
Dairy			
Groceries			
Stamps and Stationary			
Repairs and Maintenance			
Petty Cash			
Material			
Equipment			

Transport		
Bank charges		
OTHER - specify:		
Donations -Food, material, etc.		
TOTAL EXPENDITURE		
BALANCE C/FORWARD		
TOTAL		

I declare that the above information is correct and a true reflection of the financial position of the project

A COPY OF THE COMMITTEE'S MINUTES DATED _____ 202__ AND BANKSTATEMENT ARE ATTACHED

MANAGER: _____ **CHAIRMAN:** _____ **TREASURER:** _____

DATE: _____

DATE: _____

DATE: _____

PETTY CASH EXPENDITURE FOR THE _____ QUARTER 202_____

NAME OF DAY CARE CENTRE: _____

(Petty cash book expenditure must be a true reflection of petty cash entries)

1. Petty cash balance b/fwd:

2. Petty cash supplementary withdrawal:

DATE	REFERENCE NO	AMOUNT
TOTAL		R

3. Expenditures:	
Stationary	R
Transport	R
Stamps	R
Milk	R
Bread	R
Cleaning materials	R
Fruit and Vegetables	R
Other (specify)	R
	R

	R
	R
	R
	R
TOTAL PETTY CASH EXPENDITURE	R
PETTY CASH BALANCE C/FWD	
TOTAL	

I declare that the above information is correct and a true reflection of the financial position of the project

MANAGER _____ **DATE** _____

TREASURER: _____ **DATE** _____

CHAIRMAN: _____ **DATE** _____

BANK RECONCILIATION STATEMENT FOR THE _____ QUARTER 202_____

NAME OF DAY CARE CENTRE: _____

BALANCE B/FWD	R
+ INCOME	R
=	R
+ INTEREST RECEIVED	R
=	R
- EXPENDITURE	R
=	R
- BANK CHARGES	R
= CASH BOOK BALANCE	R
+ OUTSTANDING AUTHORISATION	
Amount	R
Amount	R
Amount	R
Amount	R
Amount	R
Amount	R
Amount	R
Amount	R
Amount	R
= BANK STATEMENT BALANCE	R

I declare that the above information is correct and a true reflection of the financial position of the project

MANAGER _____ **DATE** _____

CHAIRPERSON: _____ **DATE** _____

TREASURER _____ **DATE** _____

**LETTER OF APPOINTMENT
(ON LETTERHEAD OF ECD CENTRE)**

LETTER OF APPOINTMENT

Dear

It is a great pleasure to inform you of your appointment at as from..... You are directly responsible to the Governing Body of and the Principal of the above mentioned Centre.

Your job description is attached to this letter. Your starting salary is R..... per month. Increase in salaries and a bonus will depend on available funding.
(See Basic Conditions of Employment as per Employment Contract)

Welcome at We hope that you will enjoy working with us to help building a better future for our children and community. Please sign all the pages to indicate that you except and understand these conditions.

Warm regards.

.....
Chairperson of the Governing Body

Date:

.....
Principal

Date:

I, except the abovementioned conditions.

Signature:

Date:

CLAIM FORM FOR CONDITIONAL GRANT

SUBSIDISATION IN RESPECT OF ECD CONDITIONAL GRANT:

SUBSIDY CLAIM FOR THE _____ QUARTER 20____

NAME OF ECD CENTRE: _____

SECTION A

POSTAL ADDRESS

Box _____

Town _____

Code _____

Tel no.: _____

Contact Person _____

Bank Name _____

Account Number _____

Code _____

RESIDENTIAL ADDRESS

Street _____

Town _____

Code _____

Fax no.: _____

Cell no.: _____

Town: _____

Branch

SECTION B

Number of children attended during the quarter as per attendance register.

Number of children

Number of attendance's

Amount of subsidy

I declare that the above information is correct and a true reflection of the financial position

SECTION C

CHAIRMAN

DATE

TREASURER

DATE

MANAGER

DATE

REQUISITION FORM

ECD CENTER LETTERHEAD WITH ALL DETAILS CONTACT NUMBERS AND PHYSICAL ADDRESSES
TRANSACTIONS REQUISITION FORM

<u>CHEQUE/TRANSACTIONS DETAILS:</u>	
DATE: _____	TRANSACTIONS NUMBER: _____
AMOUNT: _____	
PAYABLE TO: _____	: (Provide supporting documents)
REASONS/DETAILS: _____	

<u>FORM COMPLETED BY: (FINANCE OFFICER)</u>	
NAME AND SURNAME: _____	DATE: _____
SIGNATURE: _____	

RECOMMENDED/NOT RECOMMENDED COMMENTS:

PRINCIPAL/ CENTRE MANAGER: NAME AND SURNAME

DATE

SIGNATURE: _____

DECISION TAKEN BY THE FINANCE COMMITTEE:

NAME	PORTFOLIO	SIGNATURE	DATE
	Chairperson of FINANCE COMMITTEE		
	Member		
	Member		
	Member		

Note: All Finance members should be included

TRANSPORT CLAIM FORM

Template for Transport Claim:

ECD CENTRE LETTERHEAD AND OTHER ADDRESSES (PHYSICAL AND POSTAL) AND CONTACT DETAILS

CLAIMANT : NAME AND SURNAME

PRIVATE/ PUBLIC TRANSPORT : _____

CAR REGISTRATIONS : _____

MONTHLY TRANSPORT CLAIM FORM

DATE	FROM	TO	PURPOSE	AMOUNT
e.g 12/01/2021	Kabokweni	Nelspruit	Purchasing of Groceries	R130,00
12/01/2021	Nelspruit	Kabokweni	School/ Parking	R130,00
TOTAL AMOUNT				

COMPLETED BY:

CLAIMANT SIGNATURE : _____ DATE: _____

CHECKED BY:

NAME AND SURNAME: _____ DATE: _____

FINANCE OFFICER

DECISION TAKEN BY THE FINANCE COMMITTEE:

NAME	PORTFOLIO	SIGNATURE	DATE
	PRINCIPAL/MANAGER		
	TREASURER		
	OTHER MEMBER		
	OTHER MEMBER		

SCHOOL FEES REGISTER

NAME OF ECD CENTRE:

PAYMENT OF SCHOOLFEES – 20.....

AGE GROUP:

TEACHER:

N O	SURNAME	NAME	MONTHLY FEES PAID											
			Record amount & invoice number											
			JAN	FEB	MA R	APR	MA Y	JUN E	JUL Y	AUG	SEP T	OCT	NOV	DEC
1														
2														
3														
4														
5														
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