

# TOOLS TO FIGHT CORRUPTION AT YOUR SCHOOL

In this publication we share with you what we've learned from our schools campaign.

Besides offering invaluable knowledge about the schools system, it includes a useful, easy-to-use toolkit that will guide you on the right questions to ask, so you can address the right issues and hold the right people accountable.



# OUR SCHOOLS CORRUPTION CAMPAIGN

The Corruption Watch schools campaign started at the beginning of the 2013 academic year. Monitoring of schools was a major focus for us in 2013 – through 2012, from our launch in January up to the beginning of the schools campaign we had received more than 60 reports of possible corruption in schools, mostly involving the embezzlement of funds by principals and administrators, corruption in procurement processes and maladministration by school governing bodies.

In this publication we share with you what we learned along the way in terms of those issues.

One of our big concerns is the National School Feeding Programme, and it features strongly in our ebook. You'll also learn about the roles of principals and governing bodies, how no-fees schools work, how schools are categorised for government funding, and how procurement in schools should work.

At the end we'll give you a set of easy-to-follow tools to guide you in asking the right questions, addressing the right issues, and holding the right people accountable.

## TABLE OF CONTENTS:

<b>Page 1</b>	Introduction
<b>Page 2</b>	Chapter 1 – how corruption occurs in school feeding schemes
<b>Page 5</b>	Chapter 2 – how national school feeding schemes should be run
<b>Page 7</b>	Chapter 3 – how to report corruption in school feeding schemes
<b>Page 10</b>	Chapter 4 – the roles of principals and governing bodies
<b>Page 12</b>	Chapter 5 – categorisation of schools for government funding
<b>Page 14</b>	Chapter 6 – how money is managed at no-fee schools
<b>Page 16</b>	Chapter 7 – how does schools procurement work?
<b>Page 18</b>	Chapter 8 – tools to help you fight corruption at your school:
	a) Your school governing body
<b>Page 20</b>	b) Managing the school's money
<b>Page 21</b>	c) Reporting corruption in schools
<b>Page 22</b>	d) Useful contacts

# CHAPTER 1

## HOW CORRUPTION OCCURS IN SCHOOL FEEDING SCHEMES

School feeding schemes are meant to help children from poor communities, but often they are of more benefit to the people running them.

A price of R22 for a loaf of bread would come as a surprise to the average South African consumer, even with the consistent rise in food prices over the past few years. It came as an even bigger surprise to a whistle-blower who alleged in a report to Corruption Watch that a supplier for his school's feeding scheme charges this very amount for each loaf of bread delivered with the food supplies.

The report is one of over 50 complaints lodged with Corruption Watch, which highlight irregularities in school feeding schemes. The complaints are diverse and interesting, ranging from inflated invoices by suppliers, to exaggerated learners' rolls and stealing of the food itself.

But unscrupulous people will find ways to take advantage of the National School Nutrition Programme (NSNP), a Department of Basic Education (DBE) initiative which is designed to ensure that children living in poor areas are fed healthy meals daily.

### School nutrition programme – the basics

Over eight-million primary and secondary schoolchildren in some of the country's poorest areas are beneficiaries of the NSNP. The nutrition programme is part of the government's broader poverty alleviation drive and zooms in on schools in needy communities.

Through the NSNP, the department hopes to achieve three objectives:

- to contribute to enhanced learning capacity through school feeding programmes;
- to promote and support food production and improve food security in school communities;
- and to strengthen nutrition education in schools and communities.

However, like other institutions and programmes in South Africa, the NSNP seems to be prone to corruption and manipulation, judging by over 500 reports Corruption Watch has received as part of its campaign to fight corruption in schools. The majority of the NSNP complaints are from Eastern Cape and KwaZulu-Natal, which is not surprising as according to DBE records, these are the two provinces with the most learners on the programme.

### Trying to manage the budget

The NSNP's overall national budget is informed by data collected from district and provincial education department offices. The DBE then provides this information to the treasury, which distributes the funds in the form of a conditional grant. Once the funds are with the DBE, they are then distributed to the provinces, each getting the amount proportional to its needs.

That's the simple part; it gets tricky when monitoring this trickling of funds from national level to schools, and ensuring that the funds get used for their intended purposes.

Although the DBE encourages schools to use funds allocated to them to grow and maintain their own vegetable gardens and own the process themselves, this is not always feasible. In some districts, schools have to secure contracts with private companies who then supply them with the food that will be cooked by unemployed members of the community.

The cooks and food handlers have to be appointed by the school governing body (SGB) and are paid from the budget allocated by the school to the feeding scheme. The menu for the programme has to be composed of proteins, carbohydrates and fresh fruit and vegetables, with different food types from these groups being provided alternately.

### **Corruption in the NSNP**

Corruption and irregularities appear in various ways in the nutrition programme.

One of the cases reported alleged that the principal – and not the members of the SGB as required by law – of a primary school in the Free State signs cheques from the school's account to pay the workers of the feeding scheme. But the workers receive their stipends in cash.

The reporter suspects that the amounts put on the cheque and the cash payments made are not the same.

“The principal signs out a check on behalf of five women who cook in his name. He then gives each of us money on the hand. We suspect that there is corruption as the principal might be releasing more money and paying us less, please investigate,” the complainant pleaded.

It is possible that the principal inflates the amounts of the stipends on the cheques – which are recorded for purposes of auditing – but actually pays the workers less in cash. If this is indeed the case, it would mean that the principal's motive could be to keep the difference in amount for himself.

Another report implicating a principal came from a supplier who claims that his contracted school's learner roll was manipulated to reflect a smaller number than is actually the case.

For this supplier, the inconvenience lies in providing food for more learners than budgeted for, which means he is paid less than what he works for.

“The school allegedly fixes the roll of the learners to 600 since 2010. As far as we know the learners are 645. This affect our business, as we feed more learners than the budget for. Please help us as we are small businesses struggling to make a living.”

The reason for the school claiming fewer learners than it has is not known, but other reporters who have submitted cases to Corruption Watch's database speculate that for school administrators who wish to merge their schools or keep their financial administration rights, fewer learners on the roll work out for the better.

### **Not on the menu**

The DBE emphasises the importance of sticking to the prescribed menu to ensure that learners get a balanced diet. It recommends foods such as fish, eggs, soya, beans and lentils as protein sources for learners. The guarantee that these essential foods reach the learners is not always there.



A case in point is a school in the Western Cape where a reporter alleges that less food was ordered than necessary and on one occasion the cooking staff were instructed by the principal to add water to the fish curry they were preparing for learners to make it seem more abundant.

In another case from the same province, the workers are alleged by a reporter to be stealing the food supplies meant for the learners, on a daily basis. The principal of the school is assumed to be aware of the women's behaviour, but according to the reporter, has chosen to ignore it.

According to public education material supplied by the DBE, if there are any leftovers for the day, these are to be given to those learners who need them the most. It is up to the school's management to determine who they are and how they would ensure that all who deserve to get food do so.

Africa Green Media



## CHAPTER 2

### HOW FEEDING SCHEMES SHOULD BE RUN

When parents are armed with knowledge of the rules and regulations behind the National School Nutrition Programme, and how it should be run, they can ask informed questions about the management of their child's scheme.

The NSNP is built on the premise that when a community owns a process such as a school feeding scheme for the children in its schools, it takes responsibility for its success and, indirectly, for the all-round academic success of the learners. Half the battle of educating children in poor communities is won if they are assured a nutritious meal every day, to help them concentrate better on their school activities.

#### How does it work?

The National Treasury allocates funding for the NSNP annually in the form of a [conditional grant](#) as per the requirements of the [Division of Revenue Act](#) 2 of 2013. Provincial departments have to monitor the running of the programme in the schools under their jurisdiction, identifying areas of potential growth and risks in its implementation.

The funding is distributed according to each province's needs: it is informed by how many schools are situated in poor communities within districts.

In the 2011/12 NSNP cycle, just over R4.5-million was made available to the provincial departments of education to ensure that the programme continues. Most of that money went to the KwaZulu-Natal, Eastern Cape and Limpopo education departments, which fed the most learners in the primary school category. In the secondary school category it was Limpopo, Eastern Cape and Gauteng that had the most learners benefitting.

According to basic education minister Angie Motshekga, the programme's budget has grown significantly over the years from R832-million in 2004 to R5-billion in 2013. The number of learners on the programme has also doubled in the same period.

#### Risks involved

Along with its successes in meeting the growing demands from poor communities by increasing its reach and raising its budget, the programme has also had challenges.

In a recent report the Limpopo chapter of the programme came under the spotlight, *Mail & Guardian* following court action by rights organisation Section27 to compel the provincial department to feed learners at Tshinavhe Secondary School in the Vhembe district.

Section27 claimed to have been approached by the chairperson of the school's governing body, who said the learners had gone [without food for two months](#). The matter was resolved through an agreement between the organisation and the department, with the immediate restoration of the programme being the top priority.

## Who benefits?

The latest available information from the department states that over 21 000 schools across the country participate in the programme.

In order to be considered for participation, a school has to apply to the provincial department, detailing the number of learners in need of the service. This has to be done before the end of the current academic year for the rollout of the next year.

The district office under which a school falls participates by monitoring the programme to ensure that its outputs are met. These include the cost per learner, the quality and quantity of the meals and the distribution systems in use.

Monthly reports on these details are then handed over to the provincial department, which in turn evaluates the feedback before giving its own report to the national department. Because the programme is funded directly through the National Treasury, it is to this office that the national education department is ultimately accountable.

The department encourages schools to use funds allocated to them to grow and maintain their own vegetable gardens. In a survey conducted in over 10 000 schools, 63% indicated that they had grown their own gardens and were able to feed learners from them. Limpopo and Eastern Cape had the two highest numbers of gardens on record.

Such resources are not always a possibility and schools that are not able to grow their own gardens source the produce from private suppliers. Depending on the school's funding category, it may either be provided with funding to source from a supplier of its choice, or that responsibility could fall with the district office.

Parents may also be roped in on a voluntary basis to assist with preparing the food.

Mary's Meals



## CHAPTER 3

### WHERE DO WE REPORT CORRUPTION IN THE NSNP?

The NSNP is one way of ensuring that children who come from poor families have a healthy balanced meal on a daily basis. Because parents have entrusted the DBE with the safety and wellbeing of their children, they have not only the right but also the responsibility to make certain that the goals of the NSNP are met.

All stakeholders – be they parents, children, volunteers or workers – should know of the channels that are in place to report corruption observed at various levels in the school feeding scheme. By equipping themselves with this knowledge, they can ask pertinent questions to assure themselves that all is above board.

#### Reporting corruption

**Principals or teachers:** if a principal or teacher in the school is suspected of wrongdoing, parents can report the matter to the circuit manager appointed by the district office under which the school falls. The matter will then be forwarded to the labour relations unit of the district office, which will investigate and call for a disciplinary hearing.

This may result in suspension or even dismissal of the person involved.

An alternative action would be to report the corruption to the police, where a criminal case would then be investigated.

**Suppliers:** in a case where a supplier is suspected of inflating the prices of foodstuffs, perhaps in collusion with the principal, the matter should again be reported to the district office, where an investigation will be launched.

To prevent the centralisation of power over funds to principals, the department requires that all suppliers or contractors to a school submit quotations that have to be approved by either the finance or procurement committees within the SGB.

These quotations, once approved, are to be used for a period between three and six months, at the end of which they must be reviewed. Without the involvement of the SGB, the principal may not under any circumstances enter into contracts using the school's funds.

Suppliers who fail to deliver food on time or do not deliver at all and are guilty of this misconduct on more than one occasion may have their contracts terminated by the SGB or the provincial department, which would have reviewed their appointment initially.

**Food handlers:** members of the community who are appointed as food handlers to cook and serve food for the feeding scheme are approved by the SGB.

They are expected to prepare the food in a clean environment, on a daily basis, and serve the learners during break time, usually around 10am so as not to interfere with their learning schedule.



The number of food handlers employed in a school depends on the school roll. The approved ratio is one food handler to every 200 learners.

Because they are accountable to the SGB, food handlers who are suspected of wrongdoing should be reported to the governing body, which will then investigate the allegations.

Food handlers are allowed to eat a meal after all the learners have been served for the day, but are prohibited from taking leftovers home. Leftovers are supposed to be given to the poorest learners to take home and it is up to the SGB and principal to determine who these learners are.

If food handlers – whether by instruction from the school’s authorities or not – tamper with the department-approved menu of the feeding scheme, they may be reported to the SGB. If the principal, SGB or teacher(s) are suspected of benefiting from the manipulation of the ingredients, quality or quantity of the food, they may be reported to the district office, which will then appoint an investigator.

A rotation system for food handlers is encouraged by the department to avoid the same parents being employed for long without others getting the same opportunity. The recommended cycle for food handlers is six to 12 months. Priority for appointment is given to parents of learners in the school.

Where nepotism is suspected, in other words where the principal or SGB are suspected of favouring family or friends, this may be reported to the district office.

### **Complex logistics**

By its nature, the NSNP is a broad one that requires the proper management of its logistics. At every level of the DBE’s structure there needs to be measures for monitoring and managing risks that could compromise the primary beneficiaries – the learners.

On the one hand, over eight-million youngsters across the country benefit from the NSNP, and on the other hand, there are 45 000 people tasked with cooking and serving the food that is supplied by over 3 000 small businesses contracted to the department.

Parents therefore need to equip themselves with knowledge of how the programme should be run: to know what their children eat, why they are served the food that they are, how the food gets to the school.

### **Important information for parents**

Besides knowing about the day-to-day running of the school feeding scheme their children participate in, parents also need to know the policies and guidelines that inform the make-up of the scheme because they too are stakeholders and therefore have a responsibility to ensure that the scheme is run efficiently.

Parents should always be informed on the following matters:

- What is the school’s budget for the feeding scheme?
- How many learners will the feeding scheme cater for?
- Who will supply the food; and was their selection fair and in line with the guidelines of the NSNP?

- Who will cook or serve the food on a daily basis; and was their appointment fair and in line with the guidelines of the NSNP?
- Does the school provide monthly reports to the district office on the running of the programme?

### Legislative framework

The NSNP is governed by the Bill of Rights in the Constitution as well as Section 34 of the South African Schools Act, which stipulates that the state must fund public schools to “ensure the proper exercise of the rights of learners to education and the redress of past inequalities in education”.

It is also based on the principles of the National Programme of Action for Children and the UN Convention on the Rights of Children, both of which came into being in 1996.

The programme is funded through a conditional grant allocated to provincial education departments in accordance with the Division of Revenue Act.

The people tasked with ensuring that the nutrition programme runs smoothly in their schools, and that their schools are efficiently managed in general, are the principal and school governing board. In Chapter 4 you’ll find out what their roles are.

Breadline Africa



## CHAPTER 4

### THE ROLES OF PRINCIPALS AND GOVERNING BODIES

The roles of principals and school governing bodies in managing a school are complex and appear to overlap, which can cause conflict. What do these two jobs actually entail?

To give you an idea of where lines get blurred, consider a recent tip-off sent in to us by a concerned school employee:

“School funds were used without following budget, intercom was installed at school without involvement of school governing body, payments were made to educator who was not appointed by SGB because his boyfriend is teacher and friend of the principal ... deputy principal was appointed unfairly because is the friend of the principal and secretary of SGB. School budget not presented to parents for adoption as expected for 2012 ...”

While the South African Schools Act states that governing bodies are ultimately responsible for managing and controlling schools, it also states that principals – who are members of SGBs – are not solely accountable to the SGBs but also to the education department.

To reduce conflicts among a school’s various stakeholders, provincial education departments need to send out circulars regularly to clarify the laws governing the roles of principals.

According to the Schools Act, the roles of SGBs include the following:

- starting and administering a school fund;
- opening and maintaining one bank account for the school;
- preparing an annual budget and submitting it to parents for approval;
- drawing up and submitting audited or examined financial statements to their provincial departments of education;
- buying textbooks, educational material or equipment for the school;
- paying for services;
- supplementing the funds supplied by the education department (section 21 schools) by setting, collecting and administering school fees and also other fund-raising efforts; and
- deciding on applications for exemptions from school fees.

Their responsibilities also include administering, maintaining and controlling the school’s property, buildings and grounds; adopting a constitution; and deciding on whether the surrounding community can use the school for social purposes.

The Schools Act also makes provision for SGBs to apply for additional responsibilities, such as determining the subjects taught and an extra-mural curriculum.

#### More about principals

Principals, on the other hand, are responsible for supporting and providing assistance to the SGB, but they are also answerable to their employer, the education department. Principals therefore play a dual role.

Principals are expected to attend and participate in all SGB meetings and inform the SGB about policy and legislation. The principal is responsible for:

- supporting and guiding the school's expenditure in consultation with the SGB;
- helping the SGB keep proper records of school accounts and all school records;
- overseeing the drawing up of the budget;
- advising on textbooks, educational material and equipment to be bought by the SGB and managing their use;
- ensuring controls are in place and operating for cash collection; and
- monitoring compliance and acting on any con-compliance detected.

Principals are also ultimately responsible for the school timetable, the admission and placement of learners, and all activities at a school that support teaching and learning.

According to the Education Laws Amendment Act, an additional responsibility of public school principals is to prepare an annual report on the academic performance of the school, and a breakdown of how the available resources have been used. Such reports must be submitted to the provincial education department every year.

### Other laws that affect schools

#### *Public Finance Management Act:*

Although the Public Finance Management Act (PFMA) has no direct bearing on schools, the Department of Basic Education applies certain sections of the PFMA to prescribe how schools should manage allocated funds from Treasury.

The Act is intended to regulate financial management in the national and provincial governments to ensure all revenue, expenditure, assets and liabilities of those governments are managed effectively and transparently.

#### *Circulars and policies issued by the provincial departments of education:*

The national basic education department usually uses circulars and policies to inform principals and SGBs how the state's allocation should be spent. Half of the state's allocation is supposed to be spent on learning and teaching support materials, while the remaining half is spent on services rendered (including electricity and water), repairs and maintenance of schools. Principals are advised not to deviate from this.

Provincial education departments may issue further circulars prescribing further apportionments. For example, the KwaZulu-Natal education department dictates that 40% of a no-fee school's learning and teacher support materials budget be spent on textbooks, 30% on stationery and 30% on classroom equipment.

The Western Cape education department has drawn up a policy setting out the rules of school governance. Titled *Basic Financial System for Schools*, the document lays out the roles and responsibilities of principals and school governing bodies. In addition, it gives guidelines on how to manage a school's bank account and what to do when procuring goods, equipment and services for schools. It also gives tips on how to prevent fraud and corruption in schools.



## CHAPTER 5

### CATEGORISATION OF SCHOOLS FOR GOVT FUNDING

The principal and the SGB are responsible in different ways for the good governance and sensible financial management of their schools. They are expected to handle government funds in a way that benefits the pupils. The national education department places schools into various categories for the purpose of government funding.

For the last 17 years, all public schools in South Africa have been funded according to the category allocated to them.

But that is about to change – as government has found the quintile system too complicated and difficult to manage.

In September 2013 the government's news service, SANews, reported that basic education minister Angie Motshekga plans to do away with the quintile system in favour of a two-category system. Motshekga said the two-category system would classify a school as either a no-fee school or a fee-paying school.

According to SANews, Motshekga argued that it had become difficult to categorise schools into the different quintiles, as this was based on many different criteria – from the type of sanitation a school had, to whether it had a library – and that in some areas, the question often came down to whether parents could afford to pay or not.

Motshekga said the implementation of the new system would, however, depend on the availability of funding.

The minister said though the quintile system would no longer be used on funding decisions, it would be retained to help inform the department on aspects such as post provisioning, possible performance awards for schools and other programmes such as school nutrition and transport.

#### **No-fees schools, and exemption from paying fees**

The quintile system allocated all government schools into one of five categories, with quintile 1 schools designating the poorest institutions while quintile 5 denoted the least poor public schools. The quintile to which a school was assigned was based on the rates of income, unemployment and illiteracy within the school's catchment area.

Learners in 1, 2 and 3 got a much bigger subsidy from the government (of R1 010 in 2013) compared with learners in quintile 4 schools who got on average half of that (R505 in 2013) and learners in quintile 5 who got roughly only 10% of that (R174 in 2013). Quintile 4 and 5 schools were expected to supplement their state allocation through the charging of school fees and fund-raising.

The quintile system was part of the National Norms and Standards introduced in 1998 to improve equity in education, as lack of money can be a barrier to schooling in South Africa where the majority of children live in poverty. The government also introduced two more policies – the

School Fee Exemption and the No-fee Schools policy – to make education affordable to poor children.

The no-fee schools policy was introduced in 2007 and was designed to ensure schools could not charge learners from Grade R to Grade 9 (the compulsory school age) school fees (nor any registration, administration or any other fee). Learners in Grades 10 to 12 however must pay fees, even if they live in the poorest intake areas. This is in line with the Constitution, which stipulates that citizens have the right to basic education regardless of the availability of resources.

Initially 40% of the country's poorest schools (those in quintile 1 and 2) were designated no-fee schools. In 2011, the classification was expanded to include quintile 3 schools.

No-fees schools were allocated more money by government than quintile 4 and 5 schools to make up for the fees that they would have charged. The allocation is intended to cover non-personnel, non-capital expenditure items as government is responsible for paying the salaries of teachers and support staff, and also for building schools and classrooms.

The state allocation is calculated by multiplying the learner allocation for the quintile by the number of registered learners in a school.

Quintile 4 and 5 schools get much less money from the government as they are allowed to supplement their revenue by charging school fees. The school governing body decides the amount of fees a school levies annually.

Wikimedia Commons



## CHAPTER 6

### HOW MONEY IS MANAGED AT NO-FEE SCHOOLS

No-fees schools get most of their funding from the education department. Unfortunately, this opens them up to the manipulations of corrupt individuals who take advantage of pupils' and parents' ignorance to use the system for their own gain.

But by knowing the rules pertaining to the management of funds at no-fee schools, stakeholders can stop the perpetrators in their tracks.

Like Section 21 schools, no-fee schools are supposed to pay for everything i.e. textbooks, stationary, water, lights, telephone, etc. But in this case, the provincial education departments determine how much of the allocation can be spent on what, such as 10% on municipal services, 8% on maintenance and 45% on learning support materials such as textbooks.

No-fee schools receive a cash amount in lieu of the income they would have received had they been able to charge fees. This money – between 10% and 20% of the total allocation from government - is not subject to the same strict spending restrictions as the rest of the money they get. But it should all be accounted for in annual audited statements.

However, despite this regulation, there is still the risk of abuse of the concept of no-fee schools – for instance, in a tip-off we received at the beginning of this year, the concerned reporter states:

"\*\*\* is a no- fee school. In 2007 the learners paid school fund of R80.00 each - more than 700 learners. That money went directly into the principal's coffers ... The Principal cannot account on how norms and standard money is spent as there is no evidence to that effect. Please assist the community by investigating and exposing this corruption."

Because not all the money allocated to the school is transferred into its account, the school is expected to draw up a "paper budget", since the money is available on paper only, which shows how they intend to spend the money they get from the government.

#### **Funds coming into account determined by responsibilities**

The percentage that gets transferred to a school's bank account and which the school can manage varies from province to province, but it depends on the responsibilities the school has.

For example, all no-fee schools in the Western Cape get 20% of their allocation transferred to their bank accounts while all no-fee schools in the Eastern Cape automatically get 10% of their grants.

Eastern Cape schools that have no Section 21 functions will only receive this 10%. The remaining 90% of their funds will be held by the district, and managed as a paper budget.

However, Eastern Cape schools responsible for their own municipal services will have an additional 10% of the money transferred to their bank accounts. And if a no-fee school is responsible for both municipal services and school maintenance, they can expect to have 28% of the allocation transferred to their school bank account.

The remainder of the money is managed by the provincial education department, which uses it to pay for the supply of goods or services to the school.

### **Procedure for buying goods**

To buy goods, no-fee schools typically fill in requisition forms for support materials, such as textbooks, stationary and furniture, etc. The department then orders the items and pays the suppliers or service providers directly.

Schools are required to check and verify all deliveries prior to payment being made.

In Chapter 7 you will read more about procurement, or the buying of goods and services, in schools.





# CHAPTER 7

## HOW DOES SCHOOLS PROCUREMENT WORK?

With much corruption at schools related to the buying of goods and services – commonly known as procurement – the government expends a lot of effort trying to manage the process. This has resulted in provincial education departments regularly issuing regulations to manage procurement by schools.

These regulations are different for fee-paying and no-fees schools.

### How it's done at no-fees schools

While the regulations differ from province to province, the general procedure for the management of procurement by no-fee schools is as follows: for purchases over a given amount (which is determined by the province), the no-fees school must provide the department with three separate quotations, generally from a list of registered suppliers. The provincial education department then approves the most suitable quotation and either pays the chosen supplier directly, or transfers funds into the school's account to pay the supplier.

For example, in KwaZulu-Natal, procurement of goods below R2 000 (including VAT) can be done by inviting competitive quotes. This amount may be paid out of petty cash. However, goods between R2 000 and R10 000 (including VAT), require three quotations from the province's list of registered database suppliers.

To purchase goods or services between R10 000 and R500 000, officials must call for written quotations from as many suppliers as possible registered on the official database. Schools also have to advertise the tender in the government tender bulletin.

### Procurement at fee-paying schools

Section 21 schools, which are responsible for managing their own finances through the school governing body (SGB), generally use a similar process. Section 21 schools draw up budgets to manage and oversee the procurement of goods and services.

They are also expected to get at least three quotes when purchasing anything. In the case of purchases which exceed that which can be paid by petty cash, Section 21 schools must either publish a tender or get three quotes before making a decision from whom to buy.

Any asset procured using a school's money should be listed in the name of the school and should be noted in a register of assets. The procurement of all assets must be accounted for in the audited statements submitted to the parents and education department annually.

### Keeping the process clean

A call for a tender (which is defined as an offer to do work or supply goods at a fixed price) has to be as broad as possible – there can be no limitations on a certain make or manufacturer or price – to encourage a wide range of quotes.

Many provinces also prohibit the breaking up of a tender to discourage corruption.

Tenders have to be submitted in writing and must include all the details of the prospective tenderer including the legal or full name of the applicant, and contact details, postal address and email address (if available). Details of tenderers must remain confidential for the period of the tender to prevent a rival trying to undercut or copy them.

Once a tender has been approved and accepted in writing, the terms are binding. This means that the winning bidder has to provide the goods and services in the manner agreed and at the price it quoted – it cannot suddenly inflate the price and demand more money. The school has to pay according to the price quoted, and cannot pay more without justification or approval from the SGB.

To prevent corruption, a member of the governing body - including the principal, teachers, chairman and treasurer – must withdraw if there is any personal interest in a matter being discussed and considered by the SGB, including the awarding of a tender, according to Section 16 of the South African Schools Act.

### **Bribery and corruption**

Accepting money or a gift in return for being awarded a tender or landing a contract is bribery and corruption in terms of the Prevention and Combating of Corrupt Activities Act of 2004.

So a member of the governing body or teaching staff will be guilty of bribery or corruption if he or she directly accepts – or offers to accept – money, goods or services from another person in exchange for ensuring that person gets a tender or is allowed to supply goods or services to a school. A member of the SGB will also be indirectly guilty of bribery or corruption if a tenderer or supplier gives, or offers to give, money or gifts or services to a relative in exchange for awarding a tender.

SGB members, in fact, are not allowed to receive any compensation for serving on the governing body in terms of Section 27 of the Schools Act. The only remuneration they may expect is to be reimbursed for necessary expenses they have incurred in the performance of their duties.

Gcina Ntsaluba



# CHAPTER 8

## TOOLS TO FIGHT CORRUPTION AT YOUR SCHOOL

Now that you know more about the rules and regulations for government schools, you are well-equipped to fight the abuse of power and resources in your child's school. Our easy-to-use toolkit will guide you on the right questions to ask, so you can address the right issues and hold the right people accountable.

### a) Your school governing body

*Does your school have a governing body?*

The Department of Basic Education defines a school governing body (SGB) as a structure that governs the school and makes sure it runs smoothly and efficiently. Every public school in South Africa is required by law to have an elected SGB. SGB elections occur every three years.

*How is an SGB formed and how many members can it have?*

Members are nominated and then elected once every three years during the SGB election season, which is usually determined by the department. They may stand for re-election at the end of the three-year term.

In the case of secondary schools, learner representatives in the SGB may only serve a term of one year at a time, but can also stand for re-election at the end of their term.

The size of the SGB is determined by the number of learners on the school's roll, so the bigger the school the larger the SGB. A chairperson, treasurer and secretary must be elected from among the members. The chairperson must be a parent who is not employed at the school.

*What are the functions of the SGB?*

- The SGB is responsible for establishing the school fund. All funding that the school receives goes into this account.
- It is also responsible for maintaining and monitoring this account.
- The school's financial records, which must be audited every year, are managed by the SGB. The auditor is also appointed by the SGB.
- The governing body also prepares the annual budget, which includes the school's estimated income and expenditure for the year.

*Who can be elected to the SGB?*

- The principal (mandatory).
- Parents/guardians of learners at the school (this group forms the majority of members).
- Staff members, including teachers and non-teaching staff.
- Learners in grade eight or higher (in the case of secondary schools).

### *Who is the SGB accountable to?*

The SGB's functions and line of authority are clearly stated in the provincial department's policies and statutes. The head of the provincial department is responsible for ensuring that SGBs are held accountable should discrepancies occur in their operations.

### *How can the SGB help you fight corruption?*

A parent can report suspected corruption at the school to a member of the SGB. The SGB has the right to take the report to the head of the department or the MEC. An investigation may then be carried out by the provincial department.

In the event that the chairperson of the SGB, another SGB member or school principal is implicated in allegations of corruption, the parent can report this to a teacher within the body or any other member of the SGB that he or she trusts.

Nothing stops a parent or community member from reporting suspected corruption directly to the provincial department. However, the channels above will be followed in terms of the investigation.

### *What can you do about corruption at your school?*

One thing you CANNOT do is let it continue to happen. Not only does corruption in schools steal opportunities from learners, it also robs communities of credible institutions of learning. Report corruption at your school!

Gcina Ntsaluba





## **b) Managing the school's money**

*What about my school's finances?*

Every public school in South Africa is allocated funding on an annual basis by the provincial education department under which it falls. Numerous criteria determine how much a school gets, including the number of learners at the school and the area in which the school is situated. The principal is the accounting officer of the school in terms of the Public Finance Management Act as determined by the department.

*Why should I know how much money my school received?*

As a parent, you should be in a position to determine if funding from the department is being spent properly and that a culture of transparency is followed by the school's authorities at all times. Wise use of school funds – including efficient spending on learning material and infrastructure – means that your child's right to a quality education is protected by the school.

*Where should I go for information on my school's finances?*

The principal of the school or the chairperson of the SGB should be able to help you access the school's financial statements. They are required by law to do so.

*What should I know about my school's finances?*

As a parent you should know:

- how much money the school has been allocated by the department of education;
- what it will be spent on (budget);
- who will audit the financial statements for accuracy;
- how the school funds have been spent at the end of the financial year.

*Who should prepare my school's financial statements?*

The SGB, which should appoint a treasurer, is responsible for drawing up and maintaining financial statements.

*Who should prepare my school's budget?*

The operational budget of the school is also the responsibility of the SGB.

*Who should audit my school's financial statements?*

An independent auditor has to be appointed by the SGB to verify financial information relating to the school's expenditure for each financial year.

### c) Reporting corruption in schools

*How does corruption happen in schools?*

- When funds, supplies and other assets belonging to the school are stolen or abused;
- Maladministration or financial misconduct relating to school resources;
- Irregular employment practices by principals and/or SGBs;
- Irregular procurement practices by principals and/or SGBs.

*Why should I report corruption?*

It is important to report corruption in schools for the sake of learners whose education may be compromised by selfish acts of school administrators.

*How do I blow the whistle on corruption at my school?*

Depending on what form of corruption you witness, there are several channels you can follow, including approaching a member of staff, the principal or a member of the SGB.

The order of reporting corruption is as follows:

1. You as a parent report to the SGB.
2. The SGB then reports to the principal.
3. The principal reports it to the oversight and governance unit of the district office.
4. Once an investigation has been conducted and findings are made final, the district office reports these to the HOD of the education department.
5. If you are not satisfied with the findings, you may appeal to the office of the education MEC.

*What if a teacher is involved in corruption?*

If you suspect one or more members of the teaching staff of corruption, you can approach the principal to report the staff.

*What if the principal is involved in corruption?*

If you suspect the principal of corrupt activity, then you must approach the SGB or the district or provincial offices of the education department in your area.

*What if a member of the SGB is involved in corruption?*

If you suspect one or more members of the SGB are involved in corruption, you must approach the principal with your information.

*Can learners also report suspected corruption?*

Anyone with information that suggests possible corruption at your school can report it accordingly.

## **d) Useful contacts**

### **Eastern Cape**

Steve Vukile Tshwete Education Complex, Zone 6, Zwelitsha  
Tel. 040 608 4200 | Web. <http://www.ecdoe.gov.za>

### **Free State**

55 Elizabeth Street, FS Provincial Government Building, Bloemfontein  
Tel. 051 404 8000 | Web. <http://www.education.fs.gov.za/>

### **Gauteng**

111 Commissioner Street, Johannesburg  
Tel. 011 355 0000 | Web. [www.education.gpg.gov.za](http://www.education.gpg.gov.za)

### **KwaZulu-Natal**

247 Burger Street, Pietermaritzburg  
Tel. 033 846 5000 | Web. [www.kzneducation.gov.za](http://www.kzneducation.gov.za)

### **Limpopo**

Corner 113 Biccard and 24 Excelsior Street, Polokwane  
Tel. 015 290 7611 | Web. [www.edu.limpopo.gov.za](http://www.edu.limpopo.gov.za)

### **Mpumalanga**

Building No. 5, Government Boulevard, Riverside Park, Nelspruit  
Tel. 013 766 5000 | Web. [www.mpumalanga.gov.za/education](http://www.mpumalanga.gov.za/education)

### **North West**

2nd Floor Executive Block, Garona Building, Mmabatho  
Tel. 018 387 3312 | Web. [www.nwpg.gov.za/education](http://www.nwpg.gov.za/education)

### **Northern Cape**

09 Hayston Road, Harrison Park, Kimberley  
Tel. 053 830 1600 | Web. <http://premier.ncpg.gov.za/DoE/>

### **Western Cape**

Grand Central Towers, Cnr Darling and Lower Plein Streets, Cape Town  
Tel. 021 467 2000 | Web. <http://wced.pgwc.gov.za>



4th Floor Rosebank Corner  
191 Jan Smuts Avenue, corner 7th Avenue  
Parktown North  
2193 Johannesburg  
South Africa