

## RECAPITALISATION EXPENDITURE PER COLLEGE AS AT 30 JUNE 2008

| COLLEGE                   | FIRST TRANCHE ALLOCATION | EXPENDITURE AS AT 30 JUNE 2008 | BUDGET BALANCE     |
|---------------------------|--------------------------|--------------------------------|--------------------|
| BUFFALO CITY              | R 7,440,000              | R 947,294                      | R6,492,706         |
| EAST CAPE<br>MIDLANDS     | R 8,745,000              | R 1,963,887                    | 6,781,113          |
| IKHALA                    | R 9,415,000              | R 896,523                      | R 8,518,477        |
| INSWE                     | R 7,128,000              | R 1,190,202                    | R 6,095,739        |
| KING HINTSA               | R 7,000,000              | R 1,026,838                    | (R 2,608,695)      |
| KING SABATA<br>DALINDYEBO | R 5,555,000              | R 219,883                      | R 5,335,117        |
| LOVEDALE                  | R 4,880,000              | R 1,006,946                    | R 3,873,054        |
| PORT ELIZABETH            | R 7,590,000              | R 1,199,121                    | R 6,390,879        |
| <b>TOTAL</b>              | <b>R 57,753,000</b>      | <b>R8,450,694</b>              | <b>R44,125,130</b> |
| <b>PERCENTAGE</b>         | <b>50%</b>               | <b>7,3</b>                     | <b>42,7</b>        |

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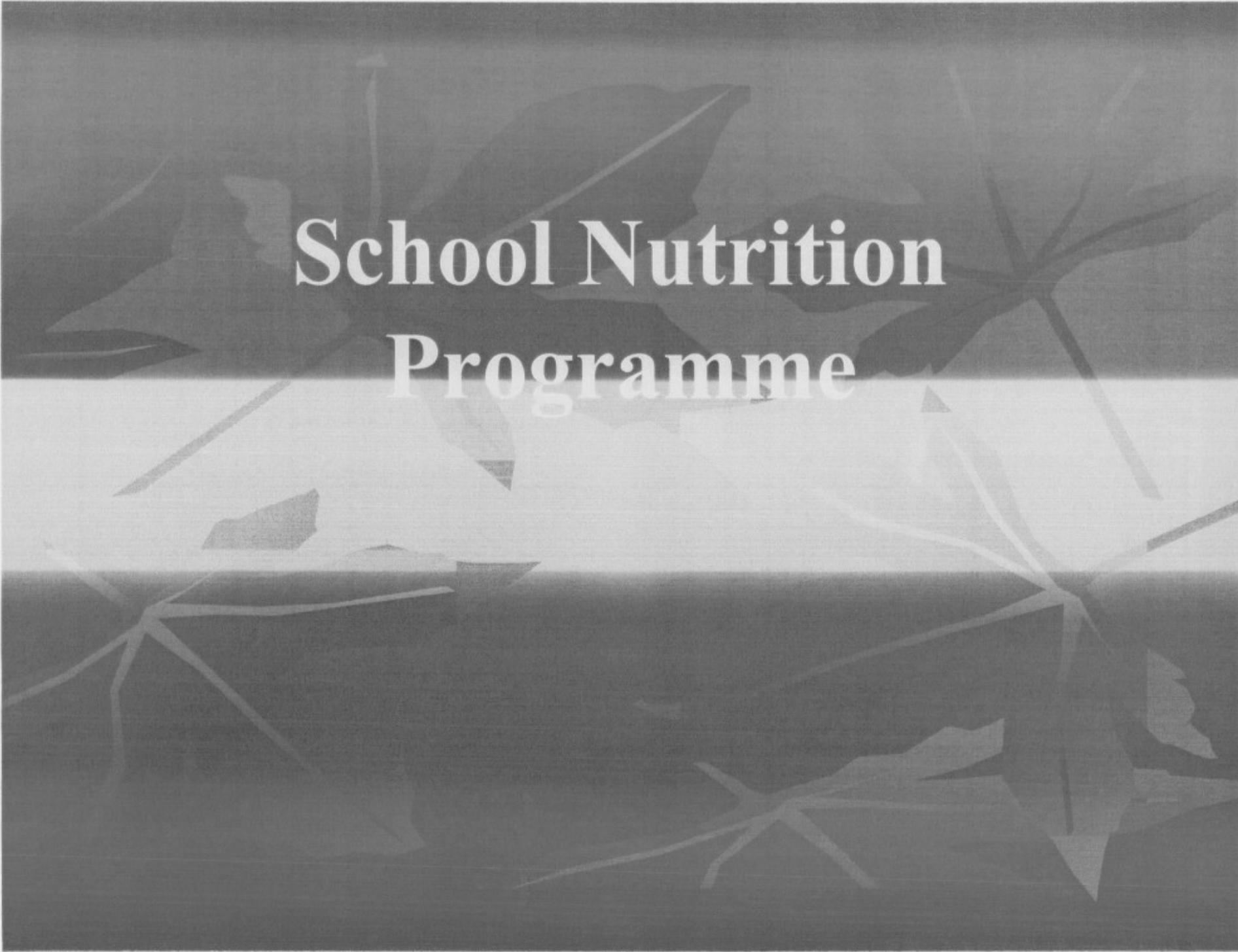
| NO | COLLEGE                | FIRST TRANCHE ALLOCATION | EXPENDITURE AS AT 30 JUNE 2008 | COMMITMENT         | OVER / UNDER EXPENDITURE | BUDGET BALANCE      | COMMENTS   |
|----|------------------------|--------------------------|--------------------------------|--------------------|--------------------------|---------------------|--|
| 1  | BUFFALO CITY           | R 7,440,000              | R 947,294                      | R 941,376          | R 2,772,706              | R5,551,330          | Approval from heritage council received on 30 -05-08                       |
| 2  | EAST CAPE MIDLANDS     | R 8,745,000              | R 1,963,887                    | R 2,878,396        | R 3,323,866              | R 4,817,999         |  |
| 3  | IRRHALA                | R 9,415,000              | R 896,523                      | R 2,723,840        | R3,810,977               | R 5,794,637         | awards for equipment will be on 07-07-08                                   |
| 4  | IRISWE                 | R 7,128,000              | R 1,190,202                    | R 3,341,770        | R2,373,798               | R 2,596,028         | Delayed approval by DOPW for building of Maluli Campus                     |
| 5  | KING WINTSA            | R 7,000,000              | R 1,026,838                    | R 8,443,336        | R 2,334,641              | (R 2,608,696)       | Contractor behind schedule in Dutywa. Tender for equipment to out 08-07-08 |
| 6  | KING SABATA DALINDYEBO | R 5,555,000              | R 219,883                      | R 1,594,997        | R 2,557,617              | R 3,740,120         | Tender to be out on 06-07-08 due to delays by SITA                         |
| 7  | LOVEDALE               | R 4,880,000              | R 1,006,946                    | 0                  | R 1,433,054              | R 3,873,054         | Major payments to be made in July.   |
| 8  | PORT ELIZABETH         | R 7,590,000              | R 1,199,121                    | R 7,176,613        | R 2,595,879              | (R 785,734)         | Contractors on site in June  |
|    | <b>TOTAL</b>           | <b>R 57,753,000</b>      | <b>R 8,450,694</b>             | <b>R27,100,328</b> | <b>R 21,202,538</b>      | <b>R 22,978,746</b> |  |
|    | %                      | 100%                     | 13.29%                         | 46.92%             | (36.71%)                 | 39.79%              |  |

## CHALLENGES

- CHALLENGES EXPERIENCED IN THE FIRST QUARTER
- Initially, tender processes were slow.
- Lack of qualified and shortage of staff.
- Mechanism to deal with the under Expenditure
- Fast tracking of payments.
- Improvement of SCM processes by supporting Colleges in terms of procedures.

## MONITORING

- The Directorate has committed itself to regular on site college visitations in order to monitor progress and to offer support especially to those colleges experiencing challenges.
- Monthly meetings are scheduled with Project Managers and principals who are required to give feedback on monthly reports and expenditure patterns.
- Monthly cash flows form part of the reporting process and are submitted to the Provincial office each month together with the monthly report in order to track spending patterns.
- Colleges attend monthly FINCOM meetings with the Department for IYM reporting
- Colleges are encouraged to partner with able colleges in order to engage in peer learning and assessment opportunities.



# School Nutrition Programme

# Budget Allocation

| Year     | Roll-over                        | Additional allocation<br>(Equitable share) | Total   | Target learners             |
|----------|----------------------------------|--|---------|-----------------------------|
| 2014 994 | 32 225                           | - - -                                      | 267 219 | 928 685<br>(Gr R to 4)      |
| 2017 885 | 95 951                           | - - -                                      | 333 836 | 1 302 561<br>(Gr R to Gr 7) |
| 2019 816 | 42 362<br>Roll over<br>requested | 54 800                                     | 394 616 | 1 376 617                   |

## Financial Trends in allocation/transfers/actual expenditure

| SCHOOL NUTRITION PROGRAMME | 2006/7<br>R'000 | 2007/8<br>R'000 | 2008/9<br>R'000                          |
|----------------------------|-----------------|-----------------|--|
| Allocation                 | 266,107         | 333,836         | 339,816                                  |
| Transfers                  | 170,156         | 333,836         | 84,954                                   |
| Actual Expenditure         | 170,156         | 291,474         | 116,018<br>(1 <sup>st</sup> quarter exp) |
| Under/ (Over) –expenditure | 95,951          | 42,362          | (31,064)                                 |
| Spending as % of total     | 63,9%           | 87,3%           | 27%                                      |

# Explanation of variances

- Over expenditure for the first quarter due to the following:
  - Feeding taking place every school day
  - Tender awarded in January 2008 at an average price of R1.69 per learner per day instead of R1.50 per approved business plan
- Part of March feeding paid in the current financial year
- Court cases in respect of 2004-05 outstanding payments paid before roll over.



## CORRECTIVE ACTION

- Request for additional funding made to Provincial Treasury and EXCO.
- Payments made to the 37 Service Providers cleared by the forensic investigation.
- Fast tracking the finalization of reconciliation of 2004-05 outstanding payments to avoid further court orders.

## Achievements for the quarter

- Finalisation and launch of SNP model
- Increase in Human Resource capacity of the districts and H/O.
- Feeding on all school days
- Finalisation of Forensic Investigation and payment of 2006/7 suppliers.
- Increased stipend of meal servers to R400 per month from R350 in the previous year.

# MONITORING CAPACITY

- Monitoring mainly the responsibility of district officials
- There is a uniform monitoring tool
- 1 district coordinator and 2 monitors in each of the 23 districts, assisted by Circuit Managers
- In the process of getting 1 food dietician for each districts

# MONTHLY REPORTS

- Monthly reports in terms of DORA are prepared in the prescribed format
- Still have a challenge of coordinating the reports because of vastness of the Province
- The above affects timeous submission of the reports
- Will from September convene special district meetings where the report is collated