

Webinar Title

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SGB: financial management challenges

Presenter

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Advocacy consultant in the social justice sector. Experience in advocating for effective school governance through several NGO's over 10 years. Currently a consultant with the Bertha centre in Cape Town, working on a programme to empower SGBs on their roles and responsibilities and a fulltime wellness social worker at the Trauma Centre for Victims of Violence and Torture.

Financial management in schools

- The role of SGBs
- Importance of financial management in schools
- South African schools Act (SASA)
- Challenges
- Recommendations

COURSE OUTLINE

Table of Contents

- Module 1: Introduction/Legislative framework for public schools**
- Module 2: Financial role and responsibilities of SGBs**
- Module 3: SASA – Gaps and challenges**
- Module 4: Financial accountability - Challenges**
- Module 5: Recommendations**

Quote

Financial accountability is the cornerstone of ensuring that schools disburse funds allocated to them for the sole purpose of advancing the best interests of the learners

- Mgadla Xaba & Dumisane Ngubane

MODULE 1

INTRODUCTION

Module 1: Introduction

Topics

The following sections are dealt with here:

1. Legislative framework

Learning Outcomes

Apply the legislation in financial management of schools funds an assets

LEGISLATIVE FRAMEWORK

The basic principles of state funding of public schools derive from the constitutional guarantee of equality and recognition of the right of redress

According to SASA, the State must fund public schools from public revenue on an equitable basis in order to ensure the proper exercise of the rights of learners to education and the redress of past inequalities in educational provision (section 34(1)).

The principal objective of the SASA is “to provide for a uniform system for the organisation, governance and funding of schools”. To ensure consistency, every SGB is expected to govern their school according to the provisions of the act as amended.

Important Benefits

Parents and learners have an opportunity to participate in governance of schools

Redress past injustice

Consistency

MODULE 2

FINANCIAL ROLES AND RESPONSIBILITIES OF SGBs

Module 2: Title

Topics

Financial roles and responsibilities of SGBs

Learning Outcomes

Demonstrate knowledge of roles and responsibilities in managing schools funds and assets

Demonstrate execution of duties in managing schools funds and assets according to assigned responsibilities

SGBs

SASA allocates meaningful functions to governing bodies.

School governance, as regards the governing body's functions, means determining the policy and rules by which the school is to be organised, managed and controlled.

There is a perception amongst many parents, educators and principals that the principal is the accounting officer of the school and that he/she is thus accountable for the school's finances.

SGBs

Others think that the FINCOM is accountable.

However, it is actually the responsibility of the SGB to manage the finances of a school.

The principal of the school is the ‘accounting officer’ and is ultimately accountable for the school’s money and property.

- In terms of section 30 of SASA, the SGB may establish committees such as executive committee, FINCOM, a committee for fundraising etc. The FINCOM should be composed of the following members:**
- Treasurer**
- Principal**
- Secretary**

MODULE 3

SASA – Gaps and challenges

Module 3: Title

Topics

SASA – Gaps and challenges

Learning Outcomes

Identify challenges to influence policy and legislation

SASA

Functions allocated to SGBs require specialized knowledge and skills

Support & development for SGBs (Training) is not continuous.

Role of the department of education in supporting SGBs

Provincial regulations

Role of SGB associations fragmented

The Act does not practice what it preach:

- Funding model does not enhance equality**
- Provincial regulations are not consistent**
- Does not enhance consistency**

MODULE 4

Financial accountability - Challenges

Module 4: Title

Topics

Financial accountability - Challenges

Learning Outcomes

Learn how financial mismanagement manifest itself on schools

Challenges

- Public schools in South Africa are increasingly exposed to forensic audits by the Department of Basic Education (DBE) or provincial departments of education due to the mismanagement of funds through misappropriation, fraud, pilfering of cash, theft and improper control of financial records
- -Mestry

Challenges

Most common forms of corruption reported in schools are financial mismanagement, abuse of school funds and assets and procurement irregularities.

Lack of understanding of financial management processes by SGBs

Where SGBs are skilful, Principals exclude them from financial planning processes

Political interference at a local level

Understanding of Auditing processes

Schools do not engage on budgeting and expenditure process/ Compliance exercise

Expenditure is not in line with the budget

Implementation of financial policies not adhered to

MODULE 5

RECOMMENDATIONS

Recommendations

Review/amend SASA

Election of SGBs to be reviewed

Support and development of SGBs to be strengthened

QUESTIONS

**Thank you
for your participation**