



DIE VERANDERING IN ONDERWYS
THE CHANGE IN EDUCATION



FINANCIAL MANAGEMENT

PITFALLS & POTHOLES

12 March 2019



MISCONDUCT



Misconduct refers to a breakdown in the employment relationship and an educator commits misconduct if he or she

ROLE OF PRINCIPAL



- The professional management of the school under the authority of the HOD (s 16(3)) .
- Represents the HOD in the SGB when acting in his/her official capacity as a member of the SGB (s 16A (1)(a); s 23 (1)(b) and s 24 (1)(j)).



- **Must attend and participate in all meetings of the SGB (s 16A).**
- **The safekeeping of all records.**
- **Be a member of financial committee or delegation of SGB to manage any matter that has financial implications for the school.**



- **Assist the SGB in the management of the school's funds, including providing information on conditions imposed or directions issued by authorities.**
- **Giving of advice to the SGB on financial implications of decisions taken.**
- **Take reasonable steps to prevent any financial maladministration of mismanagement by staff or SGB.**
- **Report any financial maladministration of mismanagement by staff or SGB to HOD.**



- The governance of a school is vested in its SGB and it may perform only such functions and obligations and exercise only such rights as prescribed by this Act. (sec 16)
- The SGB must establish a school fund and administer it in accordance with directions issued by the HOD (sec 37(1))
- Administer - (control, govern, guide, handle, manage, overlook, regulate, supervise)



- **A governing body must, from amongst its members, elect office-bearers, who must include at least a chairperson, a treasurer and a secretary.**

Only a parent member of the governing body who is not employed at the public school, may serve as the chairperson of the governing body

- SASA sec 29.



- **Financial management and/or oversight.**
- **A Treasurer may manage or oversee the management of the financial affairs of the organization, often including such basic tasks as selecting a bank, reconciling bank statements, and managing cash flow.**

MISMANAGEMENT 18(1)(a) of SASA



Fails to comply with or contravenes this Act or any other statute, regulation or legal obligation relating to education and the employment relationship:

- **Safekeeping of records**
- **Fails to report mismanagement**
- **Fails to advice SGB on exemptions and hostels**



- **Loans**
- **Exceed budget**
- **Transgression of EEA sec 33**
- **Money paid to principal with limited supporting documents without authorisation of SGB**
- **Failed to obtain 3 quotes**
- **Failed to advice SGB wrt sec 38A**



Wilfully or negligently mismanages the finances of the State or a school:

- **Receive hostel allowance from employer as well as SGB**
- **Appointments without approval of the SGB**
- **Photocopy machine – never used**

MISMANAGEMENT 18(1)(b)



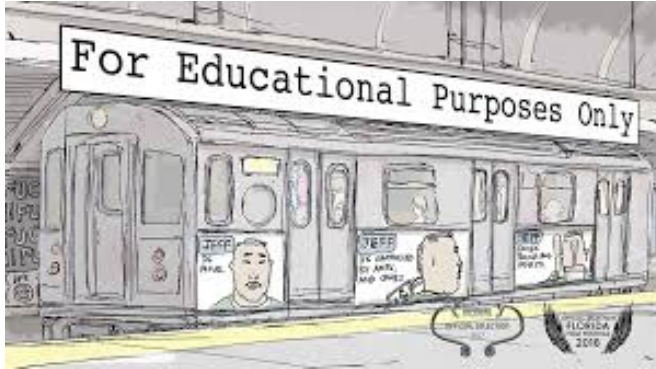
- **Electrical boxes never used**
- **Deposit school fees into personal account**
- **Sec 38A**



Commits an act of dishonesty:

- **Changing of quotes**
- **Sponsor**
- **SGB and service provider**
- **Sec 38A approval**
- **School's credit card**

EDUCATIONAL PURPOSES



The school fund, all proceeds thereof and any other assets of the public school must be used only for –

- (a) Educational purposes, at or in connection with such school;**
- (b) Educational purposes, at or in connection with another public school; by agreement with such public school and with the consent of the HOD.**
- (c) The performance of the functions of the SGB, or**
- (d) Another educational purpose agreed upon by the SGB and the HOD**

OTHER PITFALLS



➤ **The financial officer**

➤ **Nepotism**



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THANK YOU

