



# SAOU LEGAL SERVICES

## FINANCIAL PITFALLS



**SAOU**

DIE VERANDERING IN ONDERWYS  
THE CHANGE IN EDUCATION

8 JUNE 2019



# ROLL 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)).





# ROLL OF PRINCIPAL



- 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.



# ROLL OF PRINCIPAL

- 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.



# ROLL OF SGB

- 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)





# OFFICE BEARERS



- 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 s 29.

**CHAIRPERSON**



# MISCONDUCT



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

**MISCONDUCT**





# MISMANAGEMENT S 18(1)(a)

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

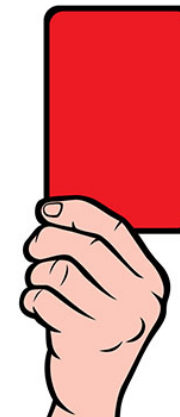
- Safekeeping of records
- Fails to report mismanagement
- Fails to advice SGB on exemptions and hostels





# MISMANAGEMENT S 18(1)(a)

- 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



# MISMANAGEMENT S 18(1)(b)

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



# MISMANAGEMENT S 18(1)(ee)

## Commits an act of dishonesty:

- Sponsor
- Sec 38A approval
- School's credit card

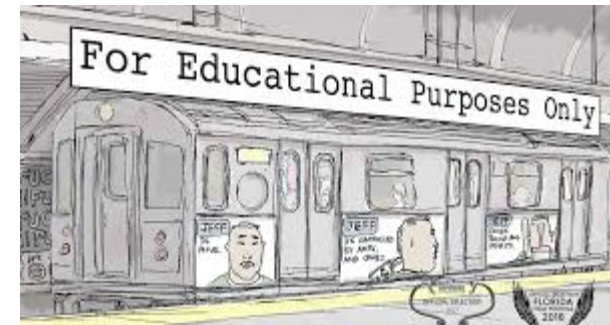


# EDUCATIONAL PURPOSES



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



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