

BUDGET PROCESS IN PUBLIC SCHOOLS

SAOU S-PROJECT: SESSION 7
19 AUGUST 2021

Willem du Buisson
Hoërskool Sand du Plessis
Bloemfontein



LEGAL FRAMEWORK

- SOUTH AFRICAN SCHOOL'S ACT 84 OF 1996 (ART 34-44)
- REGULATIONS RELATING TO THE EXEMPTION OF PARENTS FROM PAYMENT OF SCHOOL FEES IN PUBLIC SCHOOLS



TIMELINES OF BUDGET PROCESS (SASA ART 38)

- JUL-AUG: ACTIVITY HEADS DRAFT BUDGETS FOR SPECIFIC ACCOUNTS (Academic, sport, culture, administration, salaries etc)
- SEPT: FINANCIAL COMMITTEE OF SGB FINALISE A PRELIMINARY BUDGET
- FIRST WEEK IN OCTOBER: SGB APPROVE BUDGET FOR PRESENTATION TO PARENTS



TIMELINES OF BUDGET PROCESS (CONT)

- FIRST WEEK IN OCTOBER: 30 DAY NOTIFICATION SEND TO PARENTS ABOUT MEETING TO APPROVE BUDGET
- LAST HALF OF OCTOBER: BUDGET AVAILABLE FOR INSPECTION AT SCHOOL
- FIRST WEEK IN NOVEMBER: APPROVAL OF BUDGET BY PARENTS AT THE SCHEDULED MEETING.



TIMELINES OF BUDGET PROCESS (CONT)

- A MAJORITY OF PARENTS PRESENT AT THE BUDGET MEETING MUST APPROVE THE BUDGET
- NO QUORUM IS REQUIRED, PARENTS PRESENT AT MEETING FORM A QUORUM
- THE SGB MUST OFFICIALY APPROVE THE BUDGET AFTER THE PARENT MEETING HAS TAKEN PLACE.



TIMELINES OF BUDGET PROCESS (CONT)

- THE PROCESS CAN BE HI-JACKED BY GROUPINGS IN THE PARENT COMMUNITY THAT HAVE HIDDEN AGENDAS.
- MOTIVATE PARENTS TO ATTEND THIS MEETING
- BE CARE FULL !



BUDGET 2022

	2021	2022	NOTES
ESTIMATED NR. OF LEARNERS	580	580	
SCHOOL FEES/MONTH	1450	1500	3.4% INCREASE
NUMBER OF MONTHS	11	11	16500
SCOOOL FEES PER YEAR	9 251 000	9 570 000	
	BUDGET	BUDGET	NOTES
INCOME	2020	2021	LEARNERS
SCHOOL FEES FOR THE YEAR	9 251 000	9 570 000	580
SCHOOL FEE EXEMPTION	-4 050 000	-4 350 000	-242
NETT INCOME FROM SCHOOL FEES	5 201 000	5 220 000	338
INCOME EXCLUDING SCHOOL FEES	703 886	675 780	
SPECIFIC PROJECTS	471 435	559 300	
TOTAL SPENDABLE INCOME	6 376 321	6 455 080	



BUDGET 2022

	BUDGET	BUDGET	% CHANGE
EXPENSES	2021	2022	
SPORT	207 295	207 659	0.17
CULTURE	64 570	80 300	24.3
ACADEMICS	114 695	179 775	56.7
ADMINISTRATIVE	1 048 823	854 009	-18.7
SUPPORT SERVICES			
HUMAN RESOURCES	2 991 279	2 953 802	-1.2
GENERAL SUPPORT	1 497 254	1 833 146	22.4
RETREIVABLE EXPENSES	190 000	207 840	9.4
CAPITAL PROJECTS	258 743	134 309	48
SURPLUS / SHORTAGE	0	0	



GENERAL PRINCIPLES THAT SHOULD BE USED IN DRAFTING A BUDGET

- 2 MILLION PEOPLE LOST THEIR JOBS IN 2020-2021
- INFLATION IS AT 4-5 %
- MANY PEOPLE DID NOT GET SALARY INCREASES
- KEEP SCHOOL FEE INCREASE BELOW 5 %
- RECONSIDER “NICE TO HAVES”
- ART 38A RENUMERATION SHOULD BE CUT TO THE BONE



CLOSING REMARKS

- DRAFTING AND APPROVAL OF THE BUDGET IS A COMPULSARY LEGAL PROCESS THAT MUST HAPPEN ANNUALLY.
- THE BUDGET IS A DEAD DOCUMENT UNLESS YOU HAVE THE CASH IN THE BANK, OTHER WISE IT BECOMES A “WISH LIST”



CLOSING REMARKS

- THE PRINCIPAL AND THE FINANCE COMITEE HAVE THE RESPONSIBILITY TO COMPARE THE BUDGET FOR ALL LINE ITEMS WITH THE REAL SPENDING SO THAT OVER OR UNDER SPENDING IS PREVENTED
- THE SGB AND THE SMT MUST WORK TOGETHER TO ENSURE THAT THE BUDGET IS NOT A “WISH LIST” BUT A WORKABLE AND PRACTICAL DOCUMENT



THANK YOU