

**DEPARTMENT OF EDUCATION
MPUMALANGA PROVINCE**

**Enquires: Mpumalanga Department of Education
Directorate: Strategic Planning, Research and Project Co-ordination
Address: Building 5, Government Boulevard, Riverside Park, Nelspruit 1200
Telephone: 013 766 5121 • Facsimile 013 766 5089**

Toll Free Number: 0800 203 116

Website: www.mpumalanga.gov.za/education

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DEPARTMENT OF EDUCATION - MPUMALANGA PROVINCE - ANNUAL REPORT 2011/12



education

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**2011/12
ANNUAL REPORT**



education

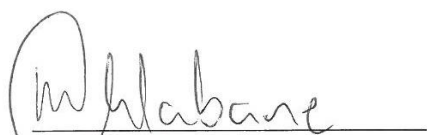
DEPARTMENT: EDUCATION
MPUMALANGA PROVINCE

PR 103/2012

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**MPUMALANGA DEPARTMENT OF EDUCATION****Annual Report****2011/12****Mrs MR Mhaule****The MEC for the *Mpumalanga Department of Education***

I have the honour of submitting the Annual Report of the Mpumalanga Department of Education for the period 1 April 2011 to 31 March 2012.



MRS MOC MHLABANE
ACCOUNTING OFFICER

PR 103/2012

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Part 1

GENERAL INFORMATION



1. GENERAL INFORMATION

VISION

Accelerating Excellence in Education Delivery

MISSION

The Mpumalanga Department of Education (MDE) is committed in providing excellence and quality education to the community through:

- Working together with stakeholders
- Effective teaching and learning
- Responsive curriculum
- Pro active communication
- Good governance and effective management
- Bridging the digital divide
- Transformation
- Human resource development

We will be at the cutting edge of curriculum delivery and provide access to quality lifelong learning opportunities

VALUES

Key corporate values that the MDE intends to uphold in the next 5 year period include:

- Mutual trust and respect
- Integrity
- Accountability
- Transparency
- Innovation
- Consultation
- Honesty
- Excellence
- Equity and Redress
- Dignity
- Accessibility

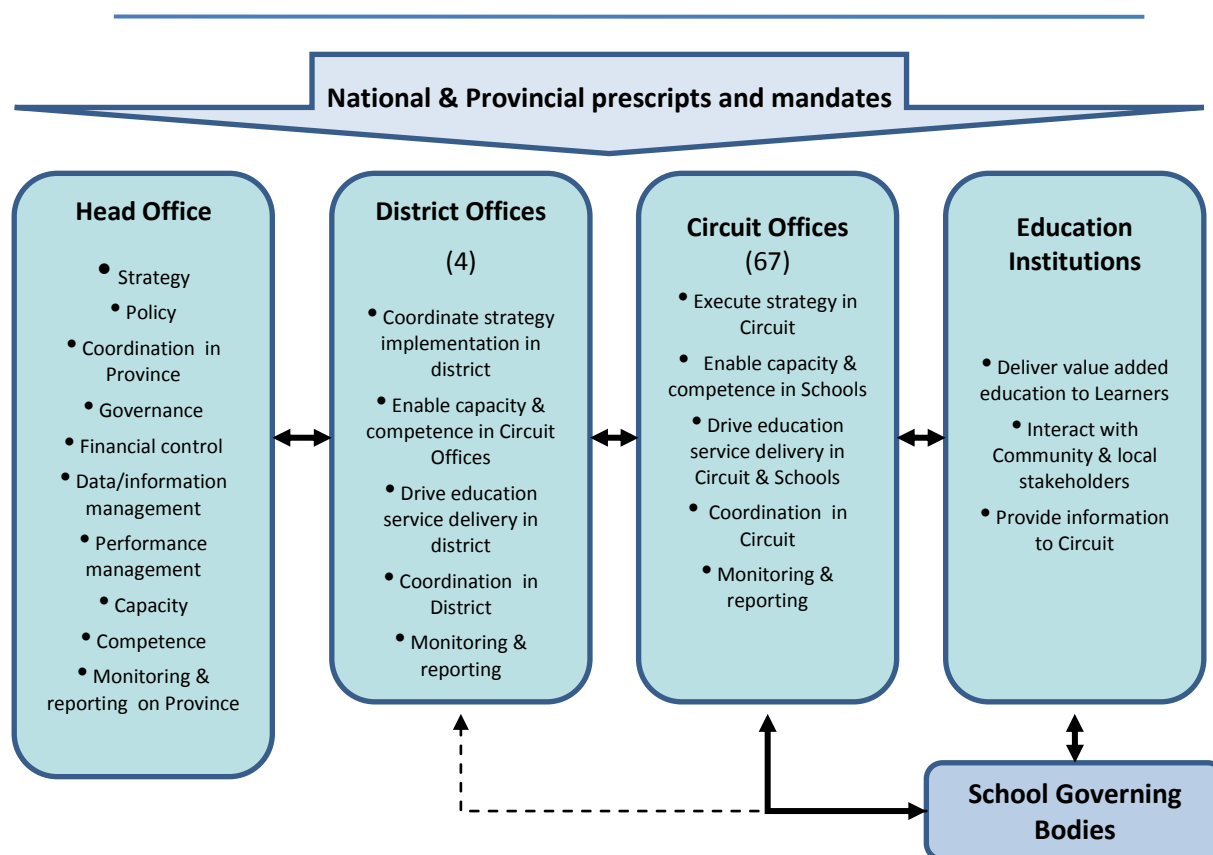
Organisational Structure

a) Approved Organisational Structure

The existing organisational structure for departmental offices was developed in consultation with senior and operational managers, and approved by the MEC for Education in terms of Public Service Regulation III B.2, in May 2007.

The structure consisted of a revised structure for the Head Office and District Offices (formerly named Regional Offices), a completely new additional 4th district office for Bushbuckridge (now Bohlabela), as well as 13 additional Circuit Offices.

The Departmental Operating Model can be illustrated as follows:



It should be noted that the Department in the past year established a Directorate: Mathematics, Science and Technology, as well as a Directorate: Transversal Human Resource Development.

b) Restructuring Imperatives – Provincial

The Executive Council on 8 June 2011, resolved that a team comprising of the Department of Public Service and Administration, the Office of the Premier and the relevant departments - including external experts – must convene as a matter of urgency to review all provincial departmental structures in line with the directives provided.

Apart from the above it should be noted that the Department in 2010 already embarked on an extensive restructuring exercise. During the process of the EXCO initiated review, the challenge for the Mpumalanga Department of Education was therefore to simultaneously combine the -

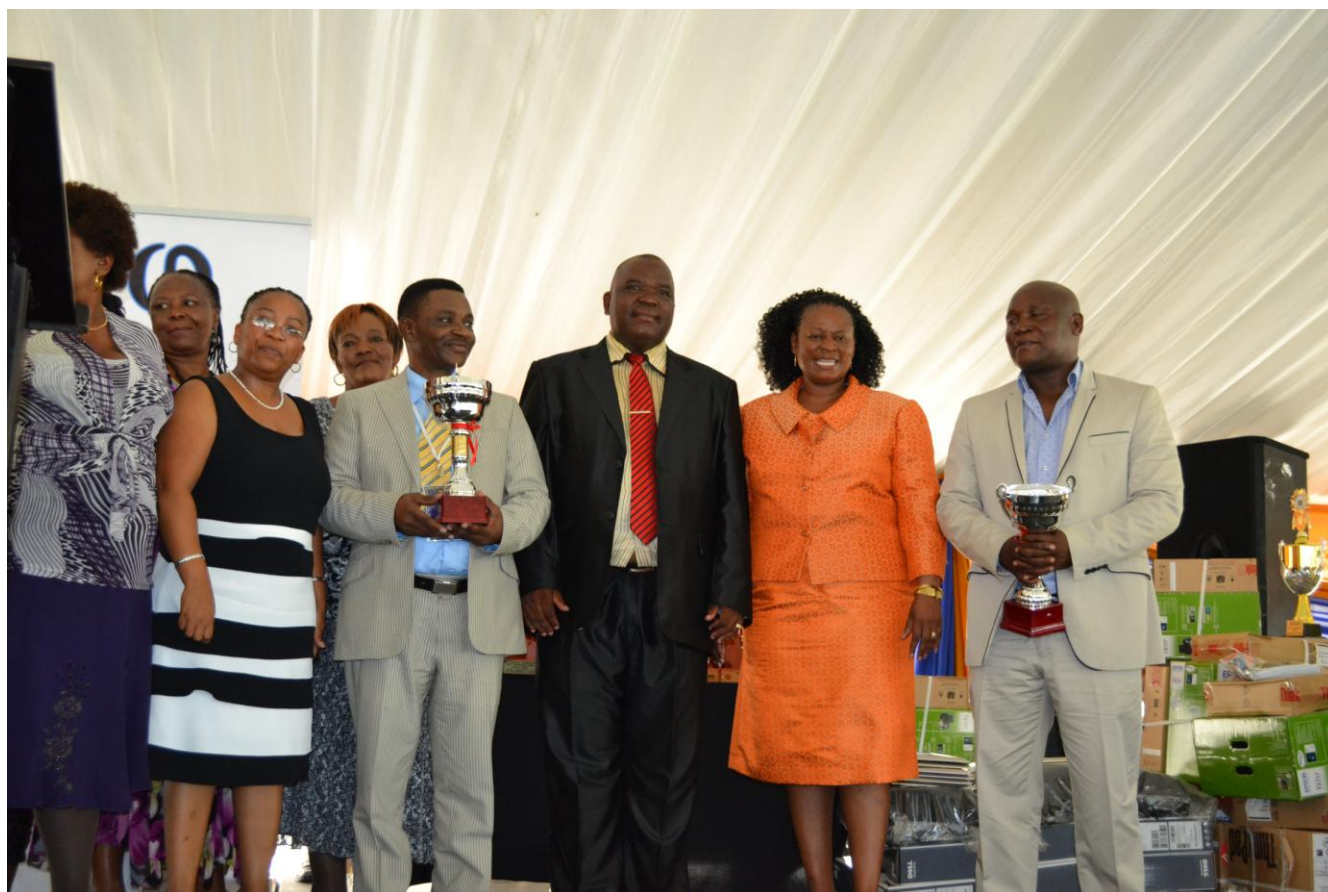
- implementation of the EXCO resolution; with the
- incorporation of the outcomes of the restructuring initiatives already launched as from 2010; as well as
- the need to align all corporate services matters to the DPSA generic structure; and
- the current process by the DPSA to develop a generic structure for the education sector.

The organogram as reviewed will provide for 43 permanent SMS posts only. These posts will be as set out below:

PROPOSED POST	TOTAL POSTS PROPOSED
SUPERINTENDENT-GENERAL	1
DEPUTY DIRECTOR-GENERAL	2
CHIEF FINANCIAL OFFICER	1
CHIEF DIRECTOR	7
DIRECTOR	32
TOTAL	43

One of the objectives of the review of the structure was to trim and down size especially at head office level to ensure that circuits and districts are adequately staffed to maximally support schools.

On the 4th of October 2011, the reviewed organisational structure was submitted to the Department of Public Service and Administration (DPSA). Subsequently, the department received annotations from DPSA with intentions of supplementary improvements to the draft of reviewed organisational structure. Concomitantly, all issues raised in the course of observations by DPSA were expeditiously attended thereof; hence is in anticipation of final commendation from DPSA.



The Department's core mandate is derived from the following legislations that govern its operations

Legislative Mandate

Mandates	Brief Description
<i>Constitution of the Republic of South Africa, Act 108 of 1996</i>	This legislation requires education to be transformed and democratised in accordance with the values of human dignity, equality, human rights and freedom, non-racism and non-sexism. It guarantees basic education for all with the provision that everyone has the right to basic, including adult basic education and provision of FET
<i>Skills Development Act (No. 97 of 1998)</i>	Increasing the skills levels of human resources in the workplace and to support career pathing
<i>Adult Basic Education Act (No. 52 of 2000)</i>	To regulate adult basic education and training; to provide for the establishment, governance and funding of public adult learning centres; to provide for the registration of private adult learning centres, and to provide for the quality assurance and quality promotion in adult basic education and training
<i>FET Colleges Act (No. 16 of 2006)</i>	To regulate Further Education and Training;
<i>National Education Policy Act (No. 27 of 1996)</i>	To provide for the determination of National Policy for Education: determines policy on salaries and principles that govern education
<i>South Africa Schools Act (No. 84 of 1996)</i>	To provide for a uniform system, for the organisation, governance and funding of schools, to amend and repeal certain laws to schools, and to provide for matters connected therewith. It ensures that learners have the right of access to quality education without discrimination
<i>Mpumalanga School Education Act 1995</i>	To provide for the development of regulations and policies within the Province and it is in line with the South African Schools Act No.84. of 1996.
<i>South Africa Qualifications Authority Act No 58 of 1995</i>	To provides for the development and implementation of a National Qualifications Framework and for this purpose to establish the South African Qualifications Authority, and to provide for matters connected therewith

Mandates	Brief Description
<i>The General and Further Education and Training Quality Assurance Act (No. 58 of 2001)</i>	To provide for the establishment, composition and functioning of the General and Further Education and Training Quality Assurance Council: to provide for Quality Assurance In General and Further Education and Training
<i>Division of Revenue Act</i>	To provide for equitable division of revenue raised both nationally and provincially
<i>Whole School Evaluation Policy of 2001</i>	To ensure that there is quality service delivery in schools and for school effectiveness.
<i>White Paper 6 on Inclusive Education</i>	Making public ordinary schools accessible to learners with disabilities.
<i>Education White Paper 5, 2001</i>	To progressively realize constitutional obligation of providing all learners with 10 years of compulsory school education including 1 year of ECD called the reception year.

Non-entity-specific legislation

Besides the legislation and policies pertaining to the Department of Education's core function, the Department of Education is obliged to comply with all the legislation and policies in the public service.

These are stipulated below:

Mandates	Brief Description
<i>Public Service Act of 1994</i>	To regulate the conditions of empowerment, discipline and matters connected therewith
<i>Labour Relations Act of 1999</i>	To promote and maintain sound labour practices
<i>Public Finance Management Act of 1999</i>	To regulate financial management in the National and Provincial spheres of government; and to ensure that all revenue, expenditure, assets of government are managed effectively and efficiently
<i>Employment Equity Act of 1999</i>	Seeks to promote equal opportunity and fair treatment in employment through the elimination of unfair discrimination and implementation of affirmative action measures to redress the imbalances of the past
<i>Preferential Procurement Framework Act of 2000</i>	To regulate all procurement processes in the Public Sector

The Mpumalanga Department of Education did not table any new legislation to the Provincial Legislature during the 2011/12 financial year.

Entities Reporting to the MEC

The following entity reports to the Member of the Executive Council of the Mpumalanga Department of Education

Name of entity	Legislation	Nature of Business
Mpumalanga Regional Training Trust	Companies Act, No 61 of 1973 and PFMA No 1 of 1999	MRTT is mandated to develop the human resource base of the Mpumalanga Province through the provision of experiential, practical, technical, hospitality, tourism, entrepreneurship and life skills training



MEC's Statement

The 2011/2012 financial year has seen the Mpumalanga Department of Education continue to break new positive ground. We have continued building on the positive foundational strides made during the previous financial years on a number of key education delivery areas.

The foundation laid by the enhanced active involvement of stakeholders in the quest to improve learner performance once more proved to be strong and reliable. In this regard the Province was able to progressively improve the Grade 12 results by yet another 8%, effectively recording a massive 17% increase in a period of two years.

This improvement implied that we are elevated from the previous title of being the fourth most improved province recorded in the 2010 academic year, to the most improved province in the country in 2011. This feat was never reached before. We are therefore steadfastly fulfilling our aspiration to move from the bottom half of the ladder and thus we are on course in our upward mobility to reach our set targets.

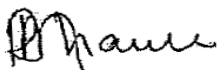
The performance of our learners in the foundation phase during the recent Annual National Assessment (ANA) revealed the shortcomings that require a concerted focus on within the system. We will not rest until the shortcomings hereon are adequately addressed and begin to feed into the comprehensive endeavour to deliver the desired state of affairs in the public education delivery mandate.

The Department will continue to effectively and efficiently make inroads towards the desired goal of improving access to quality education through sustainable support programmes such as the provision of the National School Nutrition Programmes, Scholar Transport, roll-out of No Fee Schools for deserving communities and improving on the delivery of School Infrastructure Programmes.

The Department has successfully coordinated and facilitated the development of the Provincial Human Resource Development Strategy to pave a way of addressing the challenge of critical and scarce skills shortages in the Province. The centralization of the provincial bursary scheme within the Mpumalanga Department of Education will also go a long way in fast tracking the endeavours to address the skills challenge.

I am convinced that we will intensify all fruitful and sustainable initiatives and experiences acquired in the past two years and accelerate the Province's endeavour to provide quality education to all.

This Annual Report is therefore confidently presented with more determination and courage. We are convinced that working together we can strengthen the education delivery mandate as a societal obligation and ensure it works for the people of this Province and add impetus in this Government's vision to improve the lives of its citizenry for better.



**MRS MR MHAULE (MPL),
MEC FOR EDUCATION**

Accounting Officer's Overview



I am once again pleased to introduce the 2011/12 Annual Report for the Mpumalanga Department of Education. I've been impressed and heartened by our shared dedication to the learners of Mpumalanga. With each passing month, it has become very clear that there is no shortage of great ideas for improving academic achievement; the challenge is to synthesize and prioritize the "what, how, and when", and to do so in a systematic manner that will deliver desired results and outcomes.

We have made huge strides in education since the establishment of our new democracy. However, given what we have achieved, we are determined to address those challenges that continue to detract us from how far we have come.

We present this Annual Report against two very contradicting paradigms with regards to the achievement levels of our learners. The 2010 academic year saw our Matric class increase the results by 8.9%, from 47.9% to 56.8%, whilst the 2011 class increased by 8% to 64.8%. The February 2011 Annual National Assessments depicted a worrying picture regarding the achievement levels of our learners in the lower grades, the results in fact confirmed that far too many of our learners, especially African learners, do not perform at the required level.

We have identified the underlying factors and we are determined to work systematically to resolve them. We present in this annual report some of the strategic shifts we have made towards changing this picture. We are fairly pleased with the stability we have experienced at the FET level, particularly at Grade 12 and have resolved to put in more efforts at the GET phase as well.

The strides we have made as a department have also filtered through our administration and on how we operate on a day to day basis. Having started the year under review with an unqualified audit opinion from the Auditor General, we set out to improve on this good work. We have been focusing on:

- **Strengthening our governance machinery**
- **Striving for operational efficiency**
- **Complying with Supply Chain Management Regulations**
- **Re-engineering our financial management processes for optimal and timeous delivery of support services**

We moved on many fronts this year and I am aware that change is never easy. I would like to acknowledge the contribution of all staff, and pay tribute to our many volunteers and partners who worked with us. We are ever grateful for the support we received from our parents and all education stakeholders. Thank you all for your commitment.

Kind regards

MRS MOC MHLABANE
HEAD OF DEPARTMENT

DATE: 31, 05, 2012



Part 2

INFORMATION ON PREDETERMINED OBJECTIVES



2. INFORMATION ON PREDETERMINED OBJECTIVES

2.1 Overall Performance

2.1.1 Voted Funds

Main Appropriation R'000	Adjusted Appropriation R'000	Actual Amount Spent R'000	(Over)/Under Expenditure R'000
12 951 753	13 200 830	13 024 202	176 628
Responsible MEC	MEC for Education: Mrs MR Mhaule		
Administering Dept	Mpumalanga Department of Education		
Accounting Officer	Superintendent-General: Mrs MOC Mhlabane		

2.1.2 Aim of the Vote – 7

The Department has used the vote to provide quality basic education and training to all learners assisting them through proper guidance to achieve their full potential so as to be able to play a meaningful role in building the economy of the Province and the country at large. During the year under review, the following programmes, amongst others, were implemented to strengthen, support and promote efficient curriculum delivery.

- Re-alignment and re-engineering of support services to be more responsive to curriculum delivery
- Curriculum support programmes in public schools
- Monitoring of curriculum delivery in the classroom
- Curriculum support programmes in public special schools
- Supporting and monitoring of Independent Schools
- Training of teachers and school management teams
- Early Childhood Development (ECD) in Grade R and Pre-grade R
- Implementation of social support programmes by providing meals for learners in quintiles 1 – 3 Primary and Secondary Schools; extending HIV and AIDS awareness; implementation of the No-Fee School Policy; and promoting a safe school environment
- Further Education and Training (FET) at public FET Colleges
- Adult Education and Training (FET) in Adult learning Centres

2.1.3 Strategic Outcome Oriented Goals

STRATEGIC GOALS

Access to quality education is a basic human right, entrenched not only in our Constitution, but also in Province adopted agendas such as the Millennium Development Goals (MDGs), Education for All (EFA) goals, PGDS, etc. The MDG commits Government to halving poverty and reducing unemployment through strategies that upscale the commitment to education.

The Department identified five (5) key Strategic goals to map the way forward for the next five (5) years (2010 – 2015)

Strategic Goal 1	Expand Access to Quality Education
Goal Statement	Expand access to quality education that is responsive to the social and economic needs of the Province
Justification	The Mpumalanga Province is predominantly rural with high levels of unemployment and poverty; this results in many of our learners not gaining equal access to the educational institutions
Links	Attainment of set targets in most priority areas of service delivery is linked to Province adopted agendas of EFA, MDGs, MTSF 2009 – 2014, Social Cluster Programme of Action, and the Constitution

Strategic Goal 2	Improved Learner Performance
Goal Statement	Improve learner performance through quality teaching and learning
Justification	This goal will ensure the improvement of learner performance as the 2008 National Assessment for NCS indicated a low performance rate in Mathematics and Literacy
Links	Constitution, Province adopted agendas like UNESCO's EFA and MDGs, MTSF 2009 – 2014, and Social Cluster Programme of Action

Strategic Goal 3	Develop Competency Levels of the Workforce and Enhanced Skills Development
Goal Statement	Provide relevant Human Resource Development Programmes to enhance the workforce
Justification	This goal will ensure the provision of relevant training to all staff including 13 732 under qualified educators
Links	Attainment of set targets in most priority areas of service delivery is linked to Province adopted agendas of EFA and MDGs, MTSF 2009 – 2014, Social Cluster Programme of Action, and the Constitution

Strategic Goal 4	Enhance Service Delivery Systems
Goal Statement	Streamline and strengthen systems for efficient, effective and economical service delivery
Justification	To enhance correct financial management of the voted funds, giving details of each transaction and assist in the monitoring and control functions with detailed reports
Links	Constitution, Province adopted agendas like UNESCO's EFA and MDGs, MTSF 2009 – 2014, and Social Cluster Programme of Action

Strategic Goal 5	Accelerate Infrastructure Provisioning
Goal Statement	Accelerate infrastructure provisioning conducive for delivery of quality education
Justification	This goal will ensure the acceleration of infrastructure provisioning that will enhance the delivery of quality education
Links	Attainment of set targets in most priority areas of service delivery is linked to Province adopted agendas of EFA , MDGs, MTSF 2009 – 2014, Social Cluster Programme of Action, and the Constitution

2.1.4 Overview of the service delivery environment for 2011/12

According to Statistics South Africa's mid-year estimates of 2011, Mpumalanga's percentage share of the national population of 50.59 million was 7.2% or 3,66 million, registering the sixth largest share among the nine provinces. The Provincial Education Department rendered educational services to just over 27% of the overall provincial population.



 POPULATION IN SA BY PROVINCE, 2001 & 2011				
Provinces	2001 Census		2011 Mid-year estimates	
	Number	% national	Number	% national
Eastern Cape	6 278 651	14.0	6 829 958	13.5
Free State	2 706 776	6.0	2 759 644	5.5
Gauteng	9 178 873	20.5	11 328 203	22.4
KwaZulu-Natal	9 584 129	21.4	10 819 130	21.4
Limpopo	4 995 533	11.1	5 554 657	11.0
Mpumalanga	3 365 885	7.5	3 657 181	7.2
Northern Cape	991 919	2.2	1 096 731	2.2
N. West	3 193 678	7.1	3 253 390	6.4
W. Cape	4 524 334	10.1	5 287 863	10.5
Total	44 819 778	100.0	50 586 757	100.0
Together Educating the Nation				

Table 1: Source: StatsSA-2001 Census & 2011 Mid-year population estimates

The work of the department is organised into four education districts, in which there are 1 818 public ordinary schools. The Province of Mpumalanga, like most provincial education departments has ranked its schools using the quintile system. The table below depicts how these schools are ranked, and how many there are in each quintile band, in each district.



 No OF SCHOOLS P/QUINTILLE						
DISTRICT	Q 1	Q 2	Q 3	Q 4	Q 5	TOTAL
Bohlabela	253	116	4	4	4	381
Ehlanzeni	118	181	12	42	19	372
Gert Sibande	367	117	2	20	30	536
Nkangala	107	238	120	39	25	529
Total	845	652	138	105	78	1 818
Together Educating the Nation						

Table 2: Source EMIS data

The Province has made considerable efforts to address the urgent challenges that face the education sector in general and the department in particular. The performance delivery environment still requires a lot of dedication, commitment and resolve from the educators, learners, parents and community.

Our children's learning outcomes are not satisfactory, particularly in literacy and numeracy. This often hits us hard at the end of the schooling cycle in Grade 12. Through the Delivery Agreements processes, nurturing these skills has become a priority and considerable intellectual investments will be made in this regard. From a provincial perspective, these will be enhanced by focused programmes that attend to immediate social challenges.

The Mpumalanga Department of Education (MDE) committed itself to the effective management of a comprehensive education system in order to expand education opportunities for all the citizens of the province. Access to quality education is fundamental to improve the socio-economic position of the people of Mpumalanga. Key notable deliverables for the department have been to:

- ensure effective and efficient management in all educational institutions and offices;
- ensure professional and ethical conduct by all educators, support staff and managers;
- lead and co-ordinate programmes to deal decisively with illiteracy in the province by 2014;
- progressively provide learners with safe classrooms, toilets and clean water; and
- improve participation and performance in gateway subjects, such as, Mathematics, Science and Technology.

Progress on Delivery Agreements

The Mpumalanga Department of Education is responsible for **Outcome 1** "*Improved Quality of Basic Education*" and **Outcome 5** "*A skilled and capable workforce to support an inclusive growth path*". As a commitment on delivery of the outcomes, Service Delivery Agreements have been developed. The Service Delivery Agreements provide details on the outputs, targets, indicators and key activities to achieve Outcomes 1 and 5; identify required inputs and clarify the roles and responsibilities of the various delivery partners.

Outcome 1 Highlights

Details of the work done under outcome 1 will be presented in Programmes 1- 4, & 7-8 in the main. Of particular significance hereon is the province's participation in the Annual National Assessments which were written in February 2011 and the results thereto released in June 2011.

Subsequent to ANA, the Province conducted its own Provincial Assessments in November 2011 in all schools offering Grade 3 and 6. Item analysis on samples of scripts after the writing of PAA were conducted. The findings of the analysis confirmed the findings of the ANA in February 2011 although there was an improvement in the results of the learners. In spite of this improvement the analysis clearly indicated that the learners in the province are still challenged by more demanding academic activities like making inferences from reading passages and calculating where multi steps are required in the solving of problems.

Outcome 5 Highlights

Details of the work done under outcome 5 will be presented in Programmes 5 and 6 in the main. Of particular significance hereon is the crafting and approval of the Provincial Human Resource Development Strategy which is in line and supports the realisation of the ideals of the Mpumalanga Economic Growth and Development Path.

Systemic Evaluation (SE)

The overall goal of Systemic Evaluation is to assess the effectiveness of the entire education system and the extent to which the vision and the goals of the education transformation process are being achieved and quality learning and teaching produced. In particular, Systemic Evaluation studies are intended to provide regular information to policy makers that will enable them to arrive at informed conclusions about appropriate educational interventions. Systemic Evaluation also serves as a baseline to measure the impact of intervention programmes at a later stage.

The framework of Systemic Evaluation stipulates that Systemic Evaluation seeks to answer the following key questions:

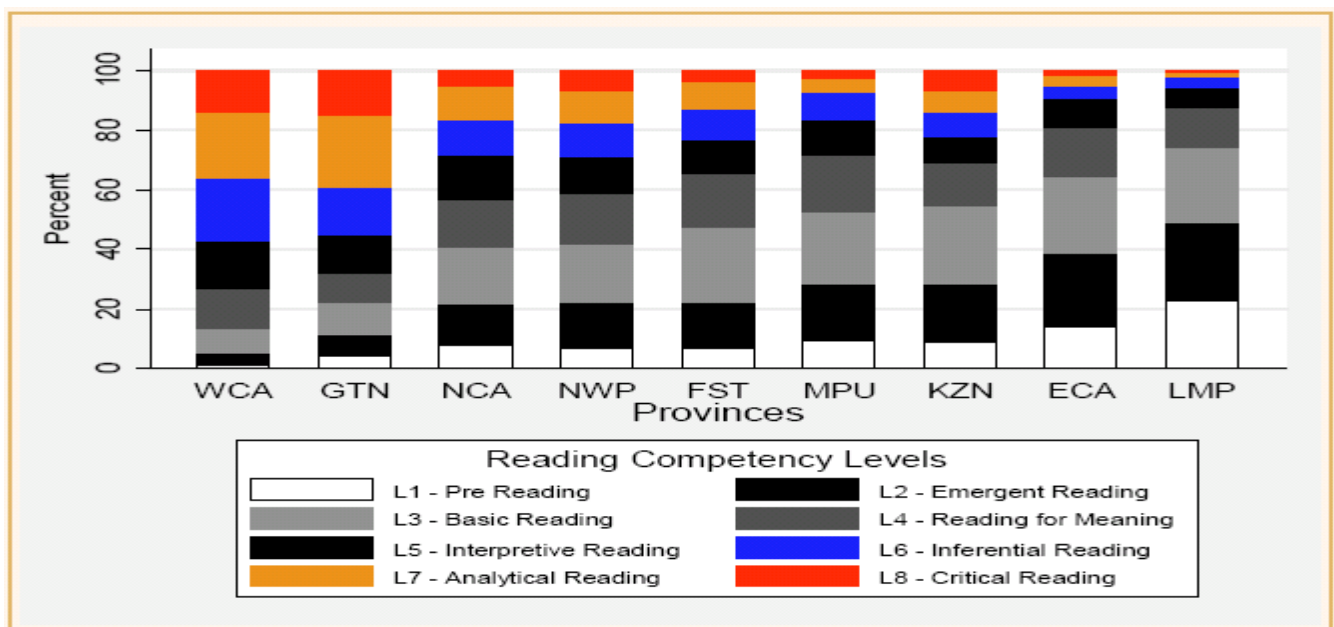
1. What is the context in which learning and teaching are taking place?
2. What is the level of achievement of the learners at key points of the education system (Grades 3, 6 and 9)?
3. What factors affect learner achievement?
4. How can the level of achievement be improved?

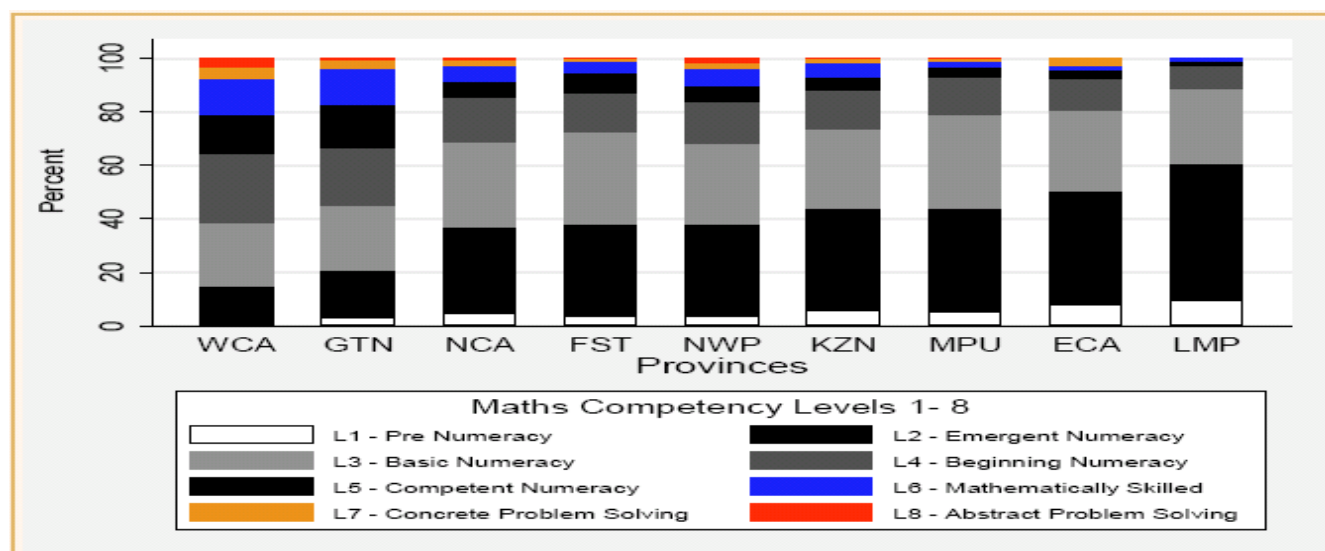
SACMEQ III, 2007 Systemic Evaluation Results

The SACMEQ III report was released by DBE in January 2012. The report was augmented by six policy intervention discussion documents.

Mpumalanga was the best improved province in the SACMEQ III study when compared to the other eight provinces, although performance is still below the national average. Of particular concern is the fact that a very small minority of learners were able to perform in the top 3 levels of Reading Literacy and Maths competency.

The following bar graphs represent learner performance for South Africa in Reading Comprehension and Mathematics Comprehension.





Progress in International Reading Literacy Studies (PIRLS)

PIRLS, an international study conducted under the auspices of the International Institute for Educational Planning (IIEP) and the Centre for Evaluation and Assessment (CEA) at the University of Pretoria (UP) in South Africa was conducted in 70 schools in Mpumalanga. The schools were sampled, using as main sampling stratum, the indigenous languages of Siswati, Xitsonga and Sepedi. Learners in Grade 4 were tested in reading literacy in the Language of Learning and Teaching (LOLT) they followed in the Foundation Phase (FP). One of the aims of PIRLS is to test the ability of learners to progress from the Foundation Phase emphasis of “learning to read” to the Intermediate Phase level of “reading to learn”.

The data from 70 sampled schools was collected during the months of September and October 2011. The data has been coded and scored by the CEA and captured before it was sent to Canada for data analysis. The preliminary results will be available in July 2012.

Trends in Mathematics and Science Studies (TIMSS)

TIMSS, an international study conducted under the auspices of the International Institute for Educational Planning (IIEP) and the Human Sciences Research Council (HSRC) in South Africa was conducted in 40 schools in Mpumalanga. Learners from 40 schools offering Grade 9 participated in this international survey focusing on the performance of learners in Mathematics and Natural Sciences.

The final results of both international studies will only be available in the 4th quarter of the 2012/13 financial year.

Whole School Evaluation (WSE)

Whole School Evaluation enables a school and external supervisors to provide an account of the school's current performance and to show to what extent it meets national goals and the needs of the public and communities. This approach provides an opportunity for acknowledging achievements of a school and for identifying areas that need attention. To this end, the Department of Basic Education provides the Provincial Education Department with a list of sampled schools to be evaluated over a five year cycle for primary schools and a three year cycle for secondary schools.

Recognising the importance of schools as a place where the quality of education is ultimately determined, focus is primarily on the school as a whole rather than simply on individuals and their performance.

The areas of evaluation are:

- Basic functionality of a school
- Leadership, management and communication
- Governance and relationships
- Quality of teaching and learning and educator development
- Curriculum provision and resources
- Learner achievement
- School safety, security and discipline
- School infrastructure
- Parents and the community

The core functions of Whole School Evaluation include conducting:

- Pre-evaluation visits to sampled schools;
- On-site school evaluation and
- Post-evaluation processes that include providing oral reports to schools; written reports to all stakeholders and support to districts, circuits, and schools on School Self Evaluation.

To achieve the purpose of the Whole School Evaluation Policy, the WSE concentrates on the following main activities:

- External Evaluation
- School Self Evaluation training
- School Self Evaluation Support

Overall 72 schools were targeted for external evaluation, 12 of which could not be evaluated due to the disengagement action by one of the teacher unions. Other challenges relate to our inability to maximally support all the schools that were rated 1 and 2 overall during external evaluations. However, with the implementation of the WSE support programme, schools are gaining practical experience of planning and monitoring their own improvement.

2.1.5 Overview of the organisational environment for 2011/12

Our institutional environment has improved considerably, especially our ability to focus on weaknesses with a view of turning them into strengths. Even though we received a qualified audit report in the year 2009/10, areas of qualification were reduced from nine in the 2008/09 year, to two in the 2009/10 financial year. We had a huge task ahead to foster an institutional culture that involves all officials, both in the administration and in the classroom, ensuring performance accountability in every level. The 2010/11 audit outcomes saw the department receive an unqualified audit report for the first time in more than eight years, which is a very significant improvement in the manner in which the department handled its financial affairs.

As an organisation, it is our priority to concentrate on responsiveness and efficiency through a focus on changing the organisational culture and improving the department's business processes and systems. Through our revised organisational structure, we will ensure credible outcomes focused planning and accountability systems designed and equipped to provide a rapid response service and support to schools and teachers.

During the 2011/12 financial year, the Department had a challenge with one of its key stakeholders that resulted in disengagement between the Department and the teacher union. This resulted in a number of strikes by both office and school based educators. The department would like to indicate that this challenge has since been resolved and the 2012 academic year started without any glitches.

As part of strengthening the support function within the department, rotation of staff from the Supply Chain Management Unit to other units within the branch of the CFO was met with resistance from some of the officials. This matter affected the support function to the core programmes within the curriculum branch in that procurement and delivery of goods and services was not done on time thus affecting effective teaching and learning in schools. The Department has been taken to court by some officials on this matter and the department will be defending this court action.

2.1.6 Key policy developments and legislative changes

The following policies were approved and cascaded during the year under review:

- ECD Policy
- Recruitment Policy
- Transport Policy (GG vehicles)
- Examination Security Policy
- ICT Policy
- Fraud Prevention Strategy
- Travel and Accommodation Policy
- Procurement and Supply Chain Policy
- Provincial Bursary Policy
- Human Resource Development Strategy of the Province

2.1.7 Departmental revenue, expenditure, and other specific topics - Collection of departmental revenue

The Department collected revenue for the 2011/12 financial year amounting to R20,930 m against a budgeted target of R23,388 m. The under-collection of R 2,458 m is mainly attributed to the following items:

a) Interest: Bank Account

The projection for this item was R9,651 m for the year. An amount of R2,616 m was received as interest from the bank where the departmental bank account is held. This amount is determined by the going interest rate paid by the bank on the credit balance of the account, the amount that the department keeps in its bank account and the period over which the amount is kept in the account. Compared to previous years, which were taken into account when projections for this item were determined, the department has relatively spent most of its funds as soon as such funds were transferred to the department. This is the reason for the item being the main contributor to the under-collection by an amount of R7,034 m.

b) Departmental Debt

The projection for this item was R1,535 m for the year. An amount of R192 k, was collected on this item, resulting in an under-collection of R1,342 m for the year.

The over-collection in the following items managed to offset some of the under-collections:

c) Commission Insurance

The projection for this item was R9,720 m for the year. An amount of R11,147 m was collected as commission paid to the Department for implementing deductions against employees' salaries on behalf of financial and other institutions, e.g. insurance companies. The amount received on these items increases each year based on the number on employees who have commission-earning deductions against their salaries. Most of these deductions increase annually, mainly to keep up with inflation. The department over-collected by R1,428 m.

d) Rental Dwellings (Government housing)

The projection for this item was R960 k for the year. An amount of R1,572 m was collected with respect to rental of government residential accommodation. When the rental on government accommodation was increased, the figures for collection for the MTEF period including the 2010/11 financial had already been submitted; hence the seemingly high collection on this item when compared to the projections. The projections will be adjusted for the 2012/13 financial year. The department has over-collected by R612 k on this item for the year.

e) Recovery of Previous Year's Expenditure

The projection for this item was R1,301 m for the year. An amount of R4,421 m was collected on this item, resulting in an over-collection of R3,121 m.

f) Sale of capital assets

The Department received proceeds from the auctioning of old/damaged Government Vehicles amounting to R486 k during the course of the year. An amount of R30 k was received in May 2011, whilst R241 k was received in January 2012 and a further R213 k was received in March 2012.

g) Breakdown of the sources of revenue:

The table below should be used to provide a breakdown of the sources of revenue:

	2008/09 Actual R'000	2009/10 Actual R'000	2010/11 Actual R'000	2011/12 Target R'000	2011/12 Actual R'000	% deviation from target
Tax revenue	-	-	-	-	-	-
(Specify)	-	-	-	-	-	-
Non-tax revenue	21, 488	14,647	15,052	20,451	15,740	(23%)
Commission on insurance, interest on bank, etc.	21, 488	14,647	15,052	20,451	15,740	(23%)
Sales of capital assets	469	700	731	0	486	-
Sale of obsolete vehicles, equipment, etc.	469	700	731	0	486	-
Financial transactions (Recovery of loans and advances)	8,447	8,930	7,568	2,937	4,703	60.4%
TOTAL DEPARTMENTAL RECEIPTS	30,404	24,277	23,351	23,388	20,930	(10.5%)

2.1.8 Departmental expenditure

The Department managed to spend 98.7% of its adjusted budget for the 2011/12 financial year. The Department, throughout the 2011/12 financial year had to contend with the cash flow challenge which was caused by the non-payment of Persal/credit/transfers for the collection of pension and government employee medical scheme contributions of 2010/11 March. Due to the fact that the Department did not budget for this, the Department ran out of cash on equitable share by the end of the 2011/12 financial year and could not settle all invoices which will have an effect on the 2012/13 financial year's budget. The non-payment of invoices due to cash flow challenges only occurred late in the financial year and therefore had no effect on service delivery.

The Department's financial performance per programme is indicated below.

Programmes	Voted for 2011/12 R'000	Roll-overs and adjustments R'000	Final Virement R'000	Total Voted R'000	Actual Expenditure R'000	% Deviation from voted
Administration	634 432	9 928	(184)	644 176	565 343	12%
Public Ordinary School Education	11 186 394	214 758	19 099	11 420 251	11 374 306	0%
Independent School Subsidies	11 887	0	0	11 887	11 474	4%
Public Special School education	275 553	(82)	(20 000)	255 471	243 928	5%
Further Education and Training	391 661	6 462		398 123	393 246	1%
Adult Basic Education and Training	119 911	4 998		124 909	111 900	10%
Early Childhood Development	193 333	4 862	901	199 096	177 145	11%
Auxiliary and Associated services	138 582	8 151	184	146 917	146 860	0%
TOTAL	12 951 753	249 077	0	13 200 830	13 024 202	1%



2.1.9 Transfer payments

The Department made transfer payments to the following institutions during the year under review:

Name of Institution	Amount Transferred R`000	Purpose of the transfer
Section 21 and No-fee schools	376 496	To provide for public ordinary education from grade 1 to 12 in accordance with SASA
Independent schools	11 474	To ensure that independent schools are well managed, provide good education in areas where public schools are over-crowded, and are not operated for profit
Public Special Schools	37 797	To provide for compulsory public education in accordance with SASA and White Paper 6 : Building an inclusive education and training system
Further Education and Training Colleges	321 840	To improve the capacity of FET Colleges to contribute to skills development and training by transferring funds for them to operate independently
Mpumalanga Regional Training Trust (MRTT)	56 084	The transfer payment made to MRTT was for them to increase the skills base of the province mainly on construction, manufacturing and hospitality and tourism
National Institute for Higher Education (NIHE)	5 500	The transfer payment made to NIHE was for the renovations to Ndebele College of Education.
Early Childhood Development Centres	13 165	To provide for ECD at the grade R and earlier levels in accordance with White Paper 5
Adult Basic Education and Training Centres	1 129	To reduce illiteracy in the adult population and provide adult learners with skills to access economic opportunities

2.1.10 Public Entities

MRTT is mandated through the Companies Act, No 61 of 1973 and PFMA No 1 of 1999 to develop the human resource base of the Mpumalanga Province through the provisioning of experiential, practical, technical, hospitality, tourism, entrepreneurship and life skills training.

The main focus is to empower learners, primarily the disadvantaged communities especially the youth, industry workers

MRTT				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
1. Number of learners trained in hospitality and Tourism	119	140	141	None
2. Number of learners registered and trained in construction, manufacturing and engineering skills	670	1 100	1 254 learners trained as follows: 576 on Skills training and 678 on Basic Skills Programmes	None
3. Number of learners in CRDP wards trained in construction related trades	New Indicator	630	630 (90 in each of the seven municipalities)	None
4. Number of learners placed for experiential training in construction related trades within Community Resource organisations	298	590	287 learners placed for on-job training	312 learners not placed as they were busy with training which will be completed by end of the 2011/12 financial year

2.1.11 CONDITIONAL GRANTS AND EARMARKED FUNDS

2011/12 CONDITIONAL GRANTS

Conditional grant	Purpose of the conditional grant	Amount allocated R`000	Amount transferred R`000	Actual expenditure R`000	% Spent
Infrastructure development	To address backlogs in infrastructure development, whilst also ensuring that all our schools have basic infrastructure for their functionality	586,584	586,584	586,584	100%
National School Nutrition Programme	To provide quality and nutritious meals to all needy learners	447,973	447,973	415,913	92.8%
Life Skills, HIV and AIDS	To support South Africa's HIV prevention strategy by increasing sexual and reproductive knowledge, skills and appropriate decision making amongst learners and educators, and to mitigate the impact of HIV by providing a caring, supportive and enabling environment for learners and educators	16,511	16,511	15,881	96.2%
FET Colleges	To improve the capacity of FET Colleges to contribute to skills development and training by transferring funds for them to operate independently	321,840	321,840	321,840	100%
Technical secondary schools	To recapitalize technical secondary schools to improve the capacity to contribute to skills development and training in the country by building workshops, refurbish workshops, procuring new machinery and equipment and train educators at technical schools	21,780	21,780	21,780	100%
Dinaledi	To improve the participation and performance of learners in mathematics and physical science in line with the national strategy for mathematics, science and technology education	6,440	6,440	5,696	88.4%
Flood Damages Grant	To address flood damages as caused by natural disasters and backlogs in infrastructure development, whilst also ensuring that all our schools have basic infrastructure for their functionality	3,600	3,600	3,600	100%

Conditional grant	Purpose of the conditional grant	Amount allocated R'000	Amount transferred R'000	Estimate expenditure R'000	% Spent
EPWP Social Sector Incentive Grant	To incentivise provincial social sector departments identified in the 2011 Social Sector EPWP Log-frame to increase job creation by focusing on the strengthening and expansion of social service programmes that have employment potential	9,901	9,901	5,756	58.1%
EPWP Incentive Infrastructure Grant	To incentivise provincial departments to increase job creation efforts in infrastructure, environment and culture programmes through the use of labour-intensive methods and the expansion of job creation in line with the EPWP guidelines	536	536	536	100%
Total		1,415,165	1,415,165	1,377,586	97.3%

The Department has spent 97.3% of the conditional grants as allocated for the 2011/12 financial year.

2.1.12 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

Capital Investment

The Department has conducted an assessment of buildings to determine their condition. The assessment has been completed and capturing which is expected to be completed around May 2012 is underway. The information will assist the Department to classify the schools according to their condition and to be able to plan the road ahead.

The mandate of the Department is to provide quality education, in keeping with this mandate, it is vital for the Department to ensure that all schools have a conducive environment in which quality teaching and learning can take place. The capital investments that the Department makes, are towards the building of schools, renovations to schools and to a certain extent this also applies to offices.

Maintenance

The Department adopted the planned maintenance approach as advocated in the Infrastructure Delivery Improvement Model. This approach requires that newly constructed schools, including recently renovated ones, draw up their own Infrastructure Maintenance Plan. Maintenance projects and the monitoring of quality thereof is done through the district based work inspectors who then deal with deficiencies on the spot. Material concerns on any infrastructure project are regularly discussed between the Department and the implementing agent.

The assessment of buildings exercise will assist the Department to further improve on planning for maintenance projects and also for schools to adhere to the requirements of the infrastructure delivery model.

Asset Management Plan

- Immovable assets**

The Department transferred all immovable assets to the Department of Public Works, Roads and Transport amounting to R34,150 m. Payments for immovable assets have been disclosed under construction as work in progress in the Annual Financial Statements.

- **Major Movable Assets**

Procurement of assets is decentralised to the Districts wherein each District purchases its own assets and captures them on the Logistical Information System (LOGIS). The following measures were taken to ensure an asset register that is complete and credible in order to ensure an effective, efficient and accurate reconciliation of information:

- Annual stock-take done by the Department as prescribed by the Treasury Regulations
- Signing of inventories by the responsible officials
- Monthly reconciliation of purchases on LOGIS and BAS
- Maintenance of an asset register containing all the information required by the Treasury Regulations

The mechanisms implemented to ensure an efficient system of identification, safeguarding, monitoring and record keeping of moveable assets were as follows:

- All assets were bar-coded and recorded on inventories
- All assets were identified in the moveable asset register in all assets categories and were allocated unique numbers
- All officials are responsible for the safeguarding of their assets
- All moveable assets were recorded on an inventory per cost centre and location. Inventories were certified as correct by the officials and kept at each location
- All assets at Head office and Districts were physically verified and updated in the Asset Register. Inventory lists were provided for all officials to acknowledge the existence of verified assets
- The Loss and Disposal Committee was appointed to identify assets for disposal. The Loss and Disposal Committee evaluated the identified assets for disposal and a loss Control Officer was appointed to compile a file for lost items due to theft.

The current departmental capital stock is as follows:

Condition	Quantity
Good	19 336
Normal	21 220
Poor	1 069
Scrap (disposal)	1 610
Total	43 235

2.2. Programme Performance

2.2.1 Summary of programmes

The activities of all Provincial Education Departments in South Africa are organised in eight programmes as follows:

Programme and Sub-programmes	
1: ADMINISTRATION	1.1. Office of the MEC 1.2. Corporate services 1.3. Education management 1.4. Human resource development 1.5. Professional services 1.6. Education management information system (EMIS)
2: PUBLIC ORDINARY SCHOOLS	2.1. Public primary schools 2.2. Public secondary schools 2.3. Professional services 2.4. Human resource development 2.5. In-School Sports and Culture 2.6. Conditional Grants
3: INDEPENDENT SCHOOLS	3.1. Primary phase 3.2. Secondary phase
4: PUBLIC SPECIAL SCHOOLS	4.1. Schools 4.2. Professional services 4.3. Human resource development
5: FET COLLEGES	5.1. Public institutions 5.2. Youth Colleges 5.3. Professional services 5.4. Human resource development 5.6. Conditional grants
6: ADULT BASIC EDUCATION AND TRAINING	6.1. Subsidies to private centres 6.2. Professional services 6.3. Human resource development
7: EARLY CHILDHOOD DEVELOPMENT	7.1. Grade R in public schools 7.2. Grade R in community centres 7.3. Pre-Grade R 7.4. Professional services 7.5. Human resource development 7.6. Conditional grants
8: AUXILIARY AND ASSOCIATED SERVICES	8.1. Payments to SETA 8.2. Conditional grant projects - HIV/AIDS 8.3. External examinations

Programme 1: Administration

Purpose: To provide overall management of the education system in accordance with the National Education Policy Act, the Public Finance Management Act, and other policies.

Strategic Objectives:

Strategic Objective	Financial Management
Objective Statement	To strengthen financial management and governance through capacity building of 844 managers across all levels of the system by 2015
Baseline	There are 344 managers and officials trained on management of finances and governance

Strategic Objective	EMIS
Objective Statement	To ensure that the data collected from 1 656 public ordinary schools is reliable, relevant and accurate by 2015
Baseline	856 Public ordinary schools

PROGRAMME PERFORMANCE MEASURES

Sub-programme: Programme Performance Measures				
Programme Performance Measure (Sector)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
PPM101: Number of public schools that use SA-SAMS to provide data to the national learner tracking system	997	1,610	1,336	Schools preferring other applications available in the market other than SA-SAMS
PPM102: Number of public schools that can be contacted electronically (e-mail)	442	1,610	616	Sites could not be connected due to unacceptable high Sentech prices during implementation and not taking into account e-rates. Yearly price escalations are not market related and not in line with SITA regulation.
PPM103: Percentage of education current expenditure going towards non-personnel items	20,23%	19,48%	16,72%	Prioritisation of posts in Bohlabela District, Ezakheni & Shongwe Boarding Schools resulted in the Department shifting funds from goods & services to compensation of employees

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	Some schools use third party service providers and are reluctant to use SA-SAMS
Response to Challenge 1:	Third Party service providers have to ensure that their software is compatible with the SA-SAMS utility tools. The appointment of SA-SAMS /LURITS Administrators at District level will assist schools with lack of infrastructure in the supply of school data
Challenge 2:	Reported figure is based on either private funding or the use of the paper budget allocation for the use of e-mail services by public ordinary schools
Response to Challenge 2:	The Department will enhance this service to public ordinary schools through alternative ways of connectivity that will be provided centrally

PROGRAMME PERFORMANCE INDICATORS

Sub-programme 1.1: Office of the MEC				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of CEM meetings attended	12	12	4	Only 6 meetings were organized by DBE. The outstanding 2 were postponed to dates which clashed with other provincial priorities
Number of cluster committee meetings attended	72	72	12	Only 18 social cluster meetings were scheduled 6 of which didn't take place
Number of outreach programmes and stakeholder consultations conducted (incl. OTP)	21	21	11	10 of the outreach programmes were rearranged and postponed
Policy and Budget Speech conducted	1	1	1	None
Number of review sessions conducted	4	4	2	Other prior commitments by the MEC

Sub-programme 1.2: Cooperate Service				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Percentage of Debt recovered	20%	20%	21,34%	None
Percentage of payments made within 30 days	100%	100%	77%	The Department started the financial year with accruals of R414m and these affected the cash flow throughout the year
Percentage of excess educators redeployed	100%	100%	39%	259 out of 425 educators could not be placed mainly due to the fact that their profiles did not match the curricular needs of the schools
Number of cash offices monitored and supported	36	36	38	2 (two) new cash offices were established in Belfast and Delmas respectively
Sustainable clean audit report	Unqualified Audit report	Unqualified Audit report	Unqualified Audit report	None
Developed and maintained an accurate asset register	Asset register developed	Bid for asset register advertised Asset register developed	Bid for asset register advertised and awarded. Asset register developed	None
Number of warehouses established and maintained	Planning and network cabling	5 Warehouses established	1 (one) warehouse established at Gert Sibande District	Warehouses could not be established at Bohlabela and Head Office due to relocation of offices and expiry of lease contract for the Head Office stores. Ehlanzeni and Nkangala District warehouses could not be established due to network problems
Percentage of Ledger control and suspense accounts cleared	100%	100%	100% of ledger control and suspense accounts cleared.	None

Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of employees enrolled for short courses	1,000	1,500	853	The electronic procurement management system training was prioritized thus other trainings came to a halt
Number of portfolios of evidence of schools assessed for Premier's Service Excellence Awards	30	40	5	The electronic procurement management system training was prioritized thus other trainings came to a halt. This system was introduced by management in order to comply with treasury regulations on supplier databases
Number of bursaries awarded to students	175	150	85	Due to the higher than foreseen increase in Universities fees few bursaries were awarded
Number of bursaries awarded to employees	50	50	28	Due to the higher than foreseen increase in Universities fees few bursaries were awarded

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	The Department experienced serious cash flow problems during the period under review, exacerbated by the fact that Treasury did not always give the Department cash as per the department's requests.
Response to Challenge 1:	The Department will endeavour to reduce accruals since they have a direct impact on the cash flow for the subsequent financial year
Challenge 2:	By April 2011 the Department still had a total of 425 educators in addition, of the initial 1132 educators initially identified in addition to the 2011 post establishments. Of these 425 educators in addition, a further 165 (39%) were subsequently finalized. The 259 remaining cases could not be placed at this time, mainly due to the fact that their profiles did not match the curricular needs of the schools and therefore required re-skilling, or otherwise because no appropriate vacant posts were available e.g. in the Bohlabela District.
Response to Challenge 2:	The Department will consider the re-skilling of these educators or their placement in administration, due processes will be followed in this regard.

Sub-programme 1.3: Education Management				
Programme Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual (2011/12)	
Number of HEDCOM and CEM meetings attended	14	14	14	None
Number of Executive, Senior Management, Finance meetings with CFO and Service Delivery Fora conducted	42	42	42	None
Number of EXCO, PMC and Technical Committee meetings attended	111	121	80	Meetings are coordinated by the Office of The Premier and some of them did not sit as initially planned
Policy and Budget Speech conducted	1	1	1	None
Number of Strategic Planning and Review sessions conducted	6	6	6	None
Number of Audit Committee meetings attended	6	6	10	The Audit Committee had 4 special sittings to deal with Annual Financial Statements; Risk Issues and internal Audit Report on the 3 rd quarter
Number of Educational Projects Initiated, Planned and implemented	2	3	2	The sponsor changed its CSI Strategy and thus could not fund 1 project as was initially agreed to
Number of Educational Projects maintained, supported and controlled	7	7	7	None
Number of SGB members capacitated on Democratic School Governance, Financial Management, SNOC, Supply Chain Management and HIV & AIDS Policy Development, NSNP and Scholar Transport Management	9,160	9,160	13,347	The Department made use of community based facilitators which resulted in covering a wide audience at no extra cost

Programme Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual (2011/12)	
Number of Educational Projects closed-out	0	1	1	None
Number of schools visited for the promotion of standards; quality of work life and support on Quality Management Systems	112	80	73	Disengagement by the major labour union affected the implementation of school based programmes
Number of Circuits visited for feedback and alignment of support strategies.	1	8	6	Disengagement by the major labour union affected the implementation of school based programmes
Percentage of Performance Agreements signed before the start of the financial year	100%	100%	95%	Late signing of agreements, policy has since been advocated to inform officials on exact requirements

SPECIFIC CHALLENGE AND RESPONSE

Challenge 1:	Proper implementation of the performance management and development policy, often resulting in non-adherence to time frames.
Response to Challenge 1:	Through the establishment of an inclusive PMDS forum, implementation will be monitored from the contracting phase right through assessment, reporting and rewarding.

Sub-programme 1.4: Human Resource Management				
Programme Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of office based officials capacitated on HIV AIDS Postgraduate Diploma	10	20	20	None
Number of office based officials capacitated on Postgraduate Diploma in Public Management, office based officials	20	25	26	None
Number of office based officials capacitated on Public Finance Management	20	45	29	Other officials could not attend as they had to attend to other duties

1.6. Education Management Information System (EMIS)

The four key objectives of the EMIS are:

- To establish an integrated national education management information system that includes data collection and reporting from institutional to national level. The goal is to have all public institutions to be part of a fully networked EMIS that uses the EMIS network backed by the e-portal as its main backbone. The supply of connectivity to these institutions will support the national e-portal and the flow of data from school level to national level in an electronic format that will reduce the time constraints to timely access to accurate education data.
- To develop appropriate administrative and management systems that will bring about improvement of the quality of education including data accuracy, relevance and the timeliness starting at school level to national level, therefore the school administrative management system (SA-SAMS) was developed for the exporting of learner data into the provincial and National learner databases (LURITS).
- To develop the necessary capacity including human and hardware resources to manage information within the system.
- Customisation and implementation of Business Intelligence (BI) Systems (Decision-support and reporting system) in the province.

Sub-programme 1.6: Education Management Information System				
Programme Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of school administrators trained on SA-SAMS	1,465 Trained on modules 1-3	600 trained on New modules (Finance and Curriculum)	600	None
Number of Public Ordinary Schools with access to LURITS	1,200	1,500	1,336	Shortage of capacity to support all the targeted schools
Number of education sites connected to SENTECH	18	620	0	Sites could not be connected due to unacceptable high Sentech prices during implementation and not taking into account e-rates. Yearly price escalations are not market related and not in line with SITA regulation

SPECIFIC CHALLENGES AND RESPONSES

Challenge1:	Absence of LURITS Administrators at District level creates a shortage of capacity at this level in the support of schools.
Response to Challenge 1:	Department to consider appointing LURITS Administrators at District level to support schools, also to work closely with the Department of Communications.
Challenge 2:	Due to changes on agreed costs during implementation, sites could not be connected to SENTECH .
Response to Challenge 1:	To source other service providers and ensure adherence to agreed contract terms at all times.

PROGRAMME 2: PUBLIC ORDINARY SCHOOLS

Purpose: To provide ordinary education from Grades 1 – 12 in accordance with the South African School's Act.

Strategic Objectives

Strategic Objective	Learner Welfare
Objective Statement	To ensure that most vulnerable and indigent learners access and complete schooling through the provisioning of Nutrition to 782 654 and 511 759 learners benefiting from the No fee school programme by 2015
Baseline	There are currently 623 313 learners benefiting from NSNP and 479 561 learners benefiting from the No fee school programme

Strategic Objective	Learner Performance
Objective Statement	Improve the quality of overall learner performance in Grade 12 to achieve a pass rate of 70% by 2015
Baseline	The average percentage pass in Grade 12 in 2009 was 47.9%

Strategic Objective	Numeracy and Literacy competency levels
Objective Statement	Increase Numeracy and Literacy competency levels in Grades 3, 6 and 9 from 35% to 60% by 2015
Baseline	Systemic Evaluation reports indicate that learners from Mpumalanga are performing at 32 - 35% which is below the National average

Strategic Objective	Increase skills base in critical subjects
Objective Statement	Increase performance in Mathematics, Physical Science and vocational subjects (engineering, services and art) to rural schools and girl learners to 60% by 2015
Baseline	The learner performance in Mathematics, Science and vocational subjects is to be increased from 38% to 60 % by 2015

Strategic Objective	Teacher qualifications
Objective Statement	To upgrade educators (12 127 educators, 500 ABET educators) in order to meet REQV 14 requirements
Baseline	12 127 under qualified educators to be trained

Strategic Objective	Educator computer literacy
Objective Statement	To ensure that 31 605 school-based educators in public ordinary schools are computer literate by 2015
Baseline	11 025 educators will be trained

Strategic Objective	Maths and Science Educators
Objective Statement	Progressively increase the number of Maths and Science by 1 125 educators (including engineering) in the FET phase by 2015
Baseline	There are currently 2 818 educators offering Maths, Maths Literacy and Physical Sciences

Strategic Objective	Indigenous languages
Objective Statement	To enhance and promote the use and development of African languages in learning institutions through capacitating 1 625 educators by 2015 for teaching languages prevalent in the province
Baseline	Currently there are 298 educators trained on the use Indigenous languages

Strategic Objective	Financial Management
Objective Statement	To strengthen financial management and governance through capacity building of 844 managers across all levels of the system by 2015
Baseline	There are 344 managers and officials trained on management of finances and governance

Strategic Objective	Management and Leadership of Institutions
Objective Statement	To capacitate 1 700 managers on leadership and management of institutions by 2015
Baseline	There are currently 150 managers who have a management and leadership qualification

Strategic Objective	Rural Development
Objective Statement	To merge and close 120 small and non viable rural schools and building hostels by 2015
Baseline	There are currently 120 identified schools with enrolment of 150 and below that need to be merged or closed

Strategic Objective	ICT Connectivity
Objective Statement	To roll out VSAT broadband connectivity to 1 131 public ordinary schools by 2015
Baseline	525 Public secondary schools

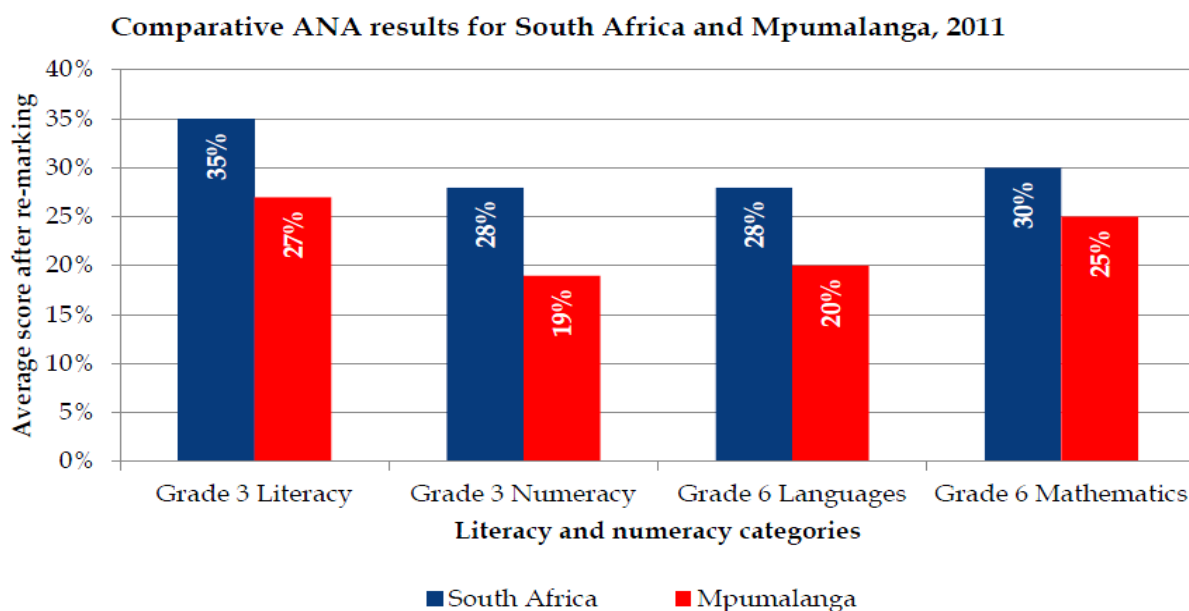
Strategic Objective	Promotion of safety and security in schools
Objective Statement	Ensure that 368 schools have safety promotion systems in place to enhance security by 2015
Baseline	Currently there is 1 school that has safety promotion systems in place

Strategic Objective	Unsafe Structures
Objective Statement	Eradicate 253 mud and unsafe structures by 2015 in order to ensure conducive environment for teaching and learning
Baseline	Currently there is a total of 253 mud and unsafe structures

Overview of the Primary Public Schooling sector in Mpumalanga

The improvement of the quality and levels of educational outcomes in the schooling system is a top priority of Government. The extent to which these outcomes are achieved will be monitored through the administration of the Annual National Assessment (ANA). In February 2011 almost six million learners in primary schools throughout South Africa took part in the first ANA to strengthen the foundational skills of Literacy and Numeracy among South African learners.

Learner results in Mpumalanga were below the national average scores and the lowest among all provinces in all four categories (Figure below). The average Grade 3 Numeracy score in Mpumalanga was only 19%, 9 percentage points lower than the national score of 28%. The average Grade 6 Languages score (20%) in Mpumalanga was 8 percentage points lower than the national result.



The Provincial Annual Assessments (PAA) were introduced after the poor performance of the province in Annual National Assessments (ANA) conducted in February 2011. PAA is a standardized test written by all learners in Grade 3, 6 and 9 conducted in Language and Mathematics and seeks to measure the level of learner achievement in all schools and to serve as an indicator of the success of intervention strategies put in place after ANA 2010/11 results were announced.

PAA was conducted in November 2011 in all schools offering Grade 3 and 6. Item analysis on samples of scripts was conducted after the writing of PAA. The findings of the analysis confirmed the findings of the ANA in February 2011 although there was an improvement in the results of the learners. Figure 2 (page 42) depicts the learner performance in PAA.



 2011 PAA PERFORMANCE PER DISTRICT						
	Grade 3 VERIFIED PAA		Grade 6 VERIFIED PAA		Grade 9 UNIVERSAL PAA	
	Literacy	Numeracy	Language	Maths	Language	Maths
Bohlabela	34%	48%	50%	28%	80%	60%
Ehlanzeni	60%	50 %	48 %	46%	89%	73%
Gert Sibande	61%	48%	49 %	36%	87%	69%
Nkangala	44%	48%	46 %	30%	86%	69%
Provincial	47%	49%	53%	35%	86%	68%
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Figure 2

In spite of this improvement the analysis clearly indicated that the learners in the province are still challenged by more demanding academic activities like making inferences from reading passages, and calculating where multi steps are required in the solving of problems.

Overview of Public Secondary Schools

Mpumalanga Province has four Districts with five hundred and twenty eight Secondary Schools. The schools are distributed over a vast rural area. Performance at FET level is mainly measured by the Grade 12 results which showed a steady increase from 47.9% in 2009 to 64,8% in 2011. However the success or failure of a complex system such as education cannot be measured adequately by the end result.

The importance of analysing learner performance on a continuous basis was taken seriously in the FET phase as well. Learner performance in grades 10 to 12 was analysed quarterly at circuit, district and provincial levels and feedback was given through review summits attended by the MEC and senior managers. The analysis of the Grade 12 Preparatory Examination of 2011 identified significant improvements in learner performance in 9 out of the 12 high enrolment subjects and predicted an overall improvement in the final results which were actualised by the 2011 NSC examination results.

The pass rates in all Languages showed an increase in 2011 with English Home Language showing a dramatic increase from 81% in 2010 to 98,6% in 2011. The pass rates in critical subjects such as Mathematics (46, 2%), Physical Science (52, 2%) and Accounting (49,5%) showed increases in 2011. However the pass rates of these subjects hover around 50% which are below the expected targets.

There is also a trend of learners migrating from these critical subjects for fear of not being able to achieve a pass at the end of the matric year. For example Mathematics showed 8% decrease in enrolment in 2011 alone. Hence the target of achieving 11,100 Mathematics passes was not achieved (only 9,199 passes) registering a shortfall of 17%. The fear of opting Mathematics stems mainly from the poor achievement rates in the GET phase. An intensive intervention in grades 1 to 9 to improve the achievement levels in Mathematics can only reverse the trend of migrating from the subject.

Provincial Grade 12 Performance

The average Grade 12 pass rate in South Africa was 70.2% in 2011 – an improvement over the 67.8% mark set in 2010. Similarly, Mpumalanga's Grade 12 pass rate improved from 56.8% in 2010 to 64.8% in 2011. The 8 percentage point increase was the largest among the nine provinces. Mpumalanga's pass rate was 5.4 percentage points lower than the national pass rate in 2011, however, it was a vast improvement over the 12.7 percentage point difference in 2009. A comparison of provincial Grade 12 pass rates for the period 2003 to 2011 is presented in Table 1.



 PROVINCIAL % OF PASS – 9 YEARS									
Provinces	2003	2004	2005	2006	2007	2008	2009	2010	2011
W. Cape	87.1	85.0	84.4	83.7	80	78.7	75.7	76.8	82.9
Gauteng	81.5	76.8	74.9	78.3	74.6	76.3	71.8	78.6	81.1
N. Cape	90.7	83.4	78.9	76.8	70.3	72.7	61.3	72.3	68.8
Fr State	80.0	78.7	77.8	72.2	70.5	71.6	69.4	70.7	75.7
N. West	70.5	64.9	63.0	67	67.2	67.9	67.5	75.7	77.8
KZN	77.2	74.0	70.5	65.7	63.8	57.2	61.1	70.7	68.1
MPU	58.2	61.8	58.6	65.3	60.7	51.8	47.9	56.8	64.8
E. Cape	60.0	53.5	56.7	59.3	57.1	50.6	51.0	58.3	58.1
Limpopo	70.0	70.6	64.9	55.7	58	54.7	48.9	57.9	63.9
National	73.3	70.7	68.3	66.6	65.2	62.2	60.6	67.8	70.2
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Table 1: (C) Department of Basic Education, 2011

Nature of Curriculum Intervention in the Province

- The curriculum intervention strategies were planned and implemented on the basis of two priorities namely:

(i) Schools which were under-performing in the past years

After the first quarter analysis, the schools receiving less than 30% were given special intervention. The teachers were supported constantly during the second quarter. Schools below 20% were given focused intervention. The majority of the schools in this category were in Bohlabela district, hence focussed intervention was given to Bohlabela district. This intervention made an impact which is testified by the 12.6% increase in its average percentage of pass from 40.1 % in 2010 to 52.7% in 2011.

(ii) Subject areas where majority of schools were under performing in the past examinations

The subjects that were not performing well in the province were identified on the basis of the Grade 12 results of the past three years. They are Mathematics, Physical Sciences and Accounting which had an average pass percentage around 40%.

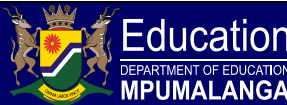

 PERCENTAGE CATEGORIES									
Province	Indicator	Total number of schools	0-19.9%	20-39.9%	40-59.9%	60-79.9%	80-100%	Exactly 0%	Exactly 100%
EC	Number	915	58	175	248	244	190	4	47
	%		6.3%	19.1%	27.1%	26.7%	20.8%	0.4%	5.1%
FS	Number	318	1	8	51	103	155	0	45
	%		0.3%	2.5%	16.0%	32.4%	48.7%	-	14.2%
GP	Number	771	1	16	98	210	446	0	100
	%		0.1%	2.1%	12.7%	27.2%	57.8%	-	13.0%
KZN	Number	1 701	50	174	408	491	578	4	116
	%		2.9%	10.2%	24.0%	28.9%	34.0%	0.2%	6.8%
LP	Number	1 410	34	180	389	413	394	4	60
	%		2.4%	12.8%	27.6%	29.3%	27.9%	0.3%	4.3%
MP	Number	525	8	72	139	165	141	0	18
	%		1.5%	13.7%	26.5%	31.4%	26.9%	-	3.4%
NW	Number	379	2	13	52	108	204	0	45
	%		0.5%	3.4%	13.7%	28.5%	53.8%	-	11.9%
NC	Number	133	1	9	28	40	55	0	21
	%		0.8%	6.8%	21.1%	30.1%	41.4%	-	15.8%
WC	Number	417	1	4	28	117	267	0	92
	%		0.2%	1.0%	6.7%	28.1%	64.0%	-	22.1%
National	Number	6 570	156	650	1 437	1 895	2 432	12	544
	%		2.4%	9.9%	21.9%	28.8%	37.0%	0.2%	8.3%
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Table 2: (C) DBE, 2011- School performance analysis report on the 2011 NSC examination

Table 2 above shows that in 2011, 544 schools in South Africa achieved a pass rate of exactly 100% whereas countrywide 12 schools registered a pass rate of 0%. Mpumalanga recorded no schools with a 0% pass rate in 2011 and 18 schools with a 100% pass rate.

Table 3 compares the percentage of Grade 12 learners that obtained admission to further studies between 2010 and 2011. It can be observed that the percentage of learners obtaining bachelors passes increased from 15, 8% in 2010 to 18,4% in 2011, an increase of 4,3% can also be observed in the increase of diploma passes.

In 2011, Mpumalanga recorded the third lowest share of Grade 12 learners that obtained admission to bachelor (18.4%) and diploma (27.4%) studies, respectively. Western Cape (38.1%) for bachelor studies and North-West (33.0%) for diploma studies achieved the highest share of Grade 12 learners with admission to further studies.



 Provincial comparison of percentage of Grade 12 learners that obtained admission to further studies, 2010 - 2011						
Province	Higher certificate studies		Diploma studies		Bachelor studies	
	2010	2011	2010	2011	2010	2011
EC	18.4%	18.5%	23.8%	23.8%	16.0%	15.7%
FS	19.5%	17.0%	29.7%	32.3%	21.4%	26.3%
GP	13.3%	13.3%	31.4%	32.5%	33.9%	35.2%
KZN	16.5%	17.5%	28.3%	28.0%	25.7%	22.4%
LP	19.5%	20.7%	22.7%	25.6%	15.6%	17.6%
MP	17.8%	18.8%	23.1%	27.4%	15.8%	18.4%
NW	17.0%	16.5%	30.9%	33.0%	27.7%	28.3%
NC	21.7%	20.5%	29.5%	28.4%	21.1%	19.9%
WC	16.4%	13.7%	30.0%	31.1%	31.5%	38.1%
National	17.1%	17.2%	27.2%	28.5%	23.5%	24.3%
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Table 3: (C) DBE, 2011- Technical report on the 2011 NSC examination

The Grade 12 pass rates of all four education districts improved, with Bohlabela achieving the largest improvement from 42.7% in 2010 to 52.7% in 2011. Ehlanzeni (72.1 %) recorded the highest Grade 12 pass rate in 2011 followed by Nkangala (67.9%). A comparison of Grade 12 pass rates among the four education districts from 2009 to 2011 is presented in table 4.

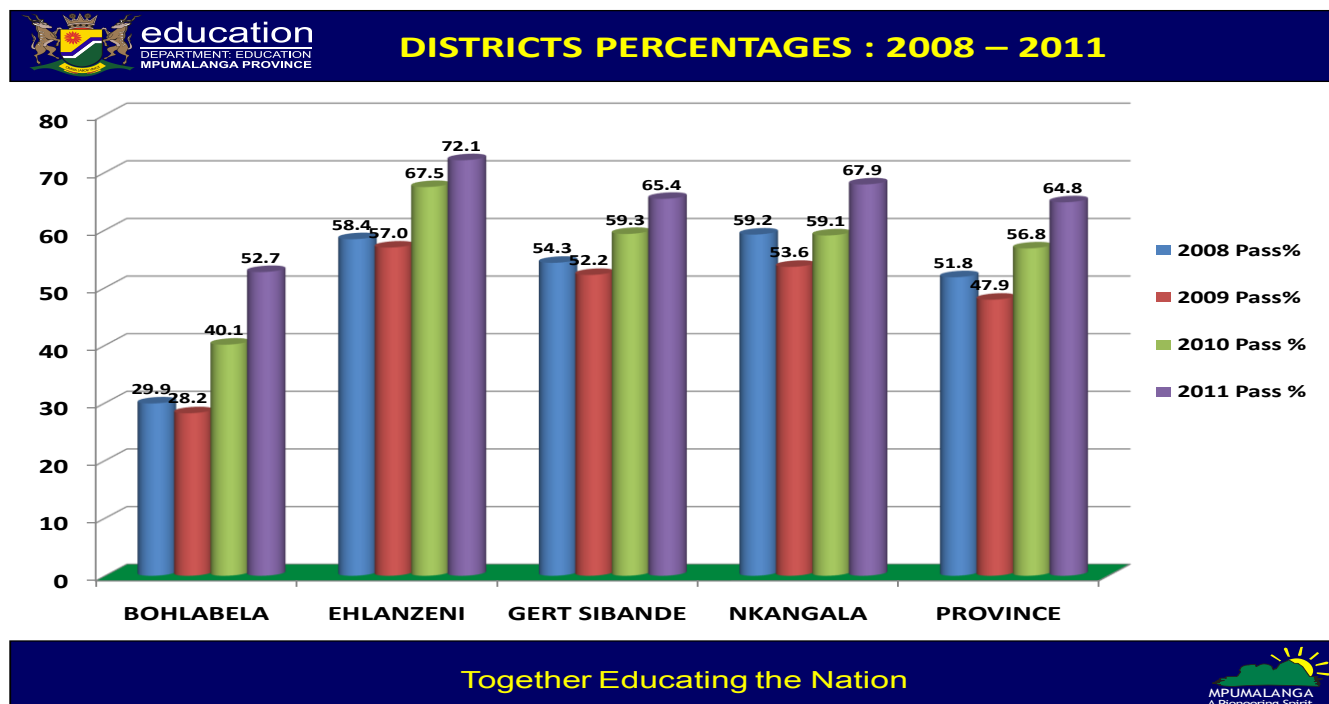


Table 4: District Percentages



The results of the 11 most popular Grade 12 subjects (non-languages) in Mpumalanga are presented and compared with the education districts' results in **Table 5**.

In 2011, Grade 12 learners in Bohlabela registered the lowest pass rate in 10 of the 11 most popular subjects. Bohlabela and Ehlanzeni jointly recorded the highest pass rate in Life Orientation when compared with the other education districts.

Ehlanzeni recorded the highest pass rate in 6 more subjects and Nkangala the highest pass rate in 4 of the most popular subjects. Less than 50% of Grade 12 learners in Bohlabela who wrote Geography, Mathematics, Physical Sciences, Agricultural Sciences, Economics and Accounting achieved the pass rate.



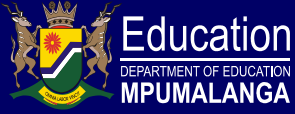
 Education District comparison of pass rate in 11 most popular Grade 12 subjects (non-languages), 2011					
Subject	Bohlabela	Ehlanzeni	Gert Sibande	Nkangala	Mpumalanga
Life Orientation	99.9%	99.9%	99.7%	99.8%	99.8%
Mathematical Literacy	63.9%	84.6%	85.5%	90.3%	80.5%
Life Sciences	61.0%	73.0%	70.4%	72.0%	69.1%
Geography	40.3%	73.1%	66.5%	68.0%	63.3%
Mathematics	32.0%	52.5%	50.7%	50.5%	46.2%
Business Studies	53.9%	72.5%	69.5%	72.8%	66.5%
Physical Sciences	43.6%	61.0%	51.3%	53.7%	52.2%
Agricultural Sciences	48.9%	69.6%	70.2%	74.2%	60.9%
Economics	40.9%	59.5%	50.7%	44.1%	47.5%
Tourism	93.3%	98.1%	97.7%	99.0%	96.4%
Accounting	38.5%	59.3%	48.3%	51.8%	49.5%
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Table 5: Subject performance per district

In 2011, schools in Nkomazi achieved the highest Grade 12 pass rate among the local municipal areas of 76.2%. The pass rate in thirteen of the eighteen local municipal areas was higher than the provincial pass rate of 64.8%.

The Grade 12 pass rate in Dipaleseng was the lowest at 42.6%. Between 2010 and 2011 the pass rate improved in fourteen local municipal areas, with Emalahleni registering the largest improvement of 16.9%. Thaba Chweu recorded a decline of 9.2% between 2010 and 2011, the largest decline amongst the municipal areas.

A comparison of Grade 12 pass rates among the eighteen local municipal areas over the period 2009 to 2011 is presented in **Table 6** here below.


 Local municipal area comparison of Grade 12 pass rates, 2009 - 2011			
Local municipal area	2009	2010	2011
Nkomazi	62.7%	72.2%	76.2%
Emalahleni	56.2%	58.9%	75.8%
Umjindi	51.1%	69.4%	74.9%
Emakhazeni	60.6%	78.3%	74.8%
Steve Tshwete	58.0%	67.3%	74.4%
Chief Albert Luthuli	55.5%	68.7%	72.0%
Govan Mbeki	61.8%	69.0%	71.4%
Lekwa	49.0%	55.6%	71.1%
Msukaligwa	47.6%	58.0%	70.5%
Victor Khanye	61.7%	76.2%	70.3%
Thaba Chweu	62.2%	78.2%	69.0%
Mbombela	53.0%	62.4%	68.9%
Thembisile Hani	52.2%	54.7%	67.2%
Dr JS Moroka	51.7%	54.6%	57.6%
Mkhondo	52.9%	50.3%	52.1%
Bushbuckridge	28.2%	40.1%	51.2%
Dr Pixley ka Isaka Seme	46.4%	44.8%	49.8%
Dipaleseng	36.2%	49.1%	42.6%
Mpumalanga	47.9%	56.8%	64.8%

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Table 6: (C) DBE, 2011- School performance analysis report on the 2011 NSC examination

In 2011, Lekwa (29.8%) recorded the highest percentage of learners that obtained admission to bachelor studies and Dipaleseng (6.3%) the lowest. Victor Khanye (38.3%) and Chief Albert Luthuli (22.6%) registered the highest share of learners that obtained admission to diploma and higher certificate studies, respectively, **Table 7 below** reflects on this performance.

 Local municipal area comparison of percentage of Grade 12 learners that obtained admission to further studies, 2011			
Local municipal area	Higher certificate studies	Diploma studies	Bachelor studies
Lekwa	13.3%	28.0%	29.8%
Umjindi	15.4%	31.2%	28.3%
Steve Tshwete	13.3%	34.7%	26.4%
Govan Mbeki	15.9%	31.0%	24.5%
Mbombela	18.0%	26.4%	24.5%
Msukaligwa	16.1%	30.3%	24.0%
Emalahleni	16.3%	35.8%	23.7%
Emakhazeni	20.4%	32.5%	21.9%
Nkomazi	22.1%	32.6%	21.4%
Thaba Chweu	16.6%	31.1%	21.1%
Chief Albert Luthuli	22.6%	28.8%	20.6%
Victor Khanye	12.9%	38.3%	19.2%
Mkhondo	14.6%	20.3%	17.3%
Thembisile Hani	18.9%	32.4%	15.9%
Dr Pixley ka Isaka Seme	16.2%	21.2%	12.8%
Dr JS Moroka	20.7%	24.7%	12.2%
Bushbuckridge	21.0%	20.6%	9.2%
Dipaleseng	16.0%	20.2%	6.3%
Mpumalanga	18.8%	27.4%	18.4%

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Table 7: (C) DBE, 2011- School performance analysis report on the 2011 NSC examination

Professional Teacher Development

The process of professional teacher development has a significant positive impact on teacher's beliefs and practices, students' learning, and on the implementation of educational reforms. Successful professional development experiences have a noticeable impact on teachers' work, both in and out of the classroom. To this end, our approach as a province hereon is based on the research reported by Baker & Smith (1999) which identified the following characteristics of professional development as being the most effective in sustaining change in teachers:

- A heavy emphasis on providing concrete, realistic and challenging goals
- Activities that include both technical and conceptual aspects of instruction
- Support from colleagues
- Frequent opportunities for teachers to witness the effects that their efforts have on student learning
- The more professional knowledge teachers have, the higher the levels of student achievement

Many more strategies still have to be implored in order for the system to reap positive rewards from the investments made on professional teacher development.

School Safety

When a child is not at home, then for the most part, they are at school. School safety is important because everyone must feel safe in their daily environment in order to function normally in society. The Department embarked on a drive to make schools a safe place for learners and all other stakeholders. Programs were conducted in collaboration with the SAPS following a signed protocol on school safety. The collaboration saw the Department linking schools to police stations for constant monitoring by the police. Further collaborations were established with the Department of Social Development, the Department of Community Safety, Security and Liaison, and the Department of Health. The Department managed to reach 1,161 school safety committee members with a program for search and seizure and drug testing and 234 were supported on the functionality of the school safety committees.

PROGRAMME PERFORMANCE MEASURES

Sub-Programme: Public Ordinary Schools (Primary and Secondary)				
Programme Performance Measure (Sector)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
PPM201: Number of learners enrolled in public ordinary schools	963,810	1,034,319	1, 022, 033	Efficient data management, schools are unable to inflate numbers as was done in the past. Due to checks and balances employed, more accurate figures are presented constantly.
PPM202: Number of educators employed in public ordinary schools	32,597	33,210	32,054	The Department by 31 March 2012 only released a total of 32476 educator posts for the 2012 academic year, in view of the fact that the learner enrolment did not justify more educator posts.
PPM203: Number of non-educator staff employed in	5,576	6,405	5,474	Non-educator staff who terminated service during the year could not be

public ordinary schools				replaced due to budgetary constraints.
PPM204: Number of learners in public ordinary schools benefitting from the "No Fee School" policy	710,569	805,167	805,167	None
PPM205: Number of public ordinary schools to be provided with water supply	142	12	8	Other projects could not be completed on time while others that had not commenced were deferred after it was clear that there would be over expenditure.
PPM206: Number of public ordinary schools to be provided with electricity	85	18	9	Some of the schools that are under the ASIDI programme could not commence due to the protracted verification, planning and design processes

Programme Performance Measure (Sector)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
PPM207: Number of public ordinary schools to be provided with sanitation facilities	232	82	27	Other projects could not be completed on time while others that had not commenced were deferred after it was clear that there would be over expenditure
PPM208: Number of classrooms to be built in public ordinary schools	1,501	787	717	Other projects could not be completed on time while others that had not commenced were deferred after it was clear that there would be over expenditure
PPM209: Number of specialist rooms to be built in public ordinary schools (all rooms except classrooms-include; laboratories, stock rooms, sick bays, kitchens, etc)	270	72	126	Due to the newly completed Comprehensive schools which have more specialised rooms than ordinary schools the number of specialist rooms has increased
PPM210: Number of learners with special education needs that are enrolled in public ordinary	13,311	17,944	15,417	Not enough learners applied (all learners with special needs were accommodated)

schools				
PPM211: Number of full service schools	140	140	140	None
PPM 212: Number of schools visited at least once a quarter by a circuit manager	1,825	1,933	1,346	Due to the major labour union disengagement schools could not be visited as planned

NB: PPM 212 represents the total number of schools visited by circuit managers during the year and not per quarter. Certain schools were visited more often than others, informed by issues that circuit managers would pick up in these schools which necessitated that they be given more attention.



PROGRAMME PERFORMANCE INDICATORS

Sub-programme 2.1: Public Primary Schools				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual (2011/12)	
FOUNDATION PHASE				
% of Grade 3 learners functioning at the required level in literacy	27%	45%	N/A	Annual National Assessments were not conducted for the year under review.
% of Grade 3 learners functioning at the required level in numeracy	19%	45%	N/A	Annual National Assessments were not conducted for the year under review
Number of officials and educators capacitated on Curriculum Assessment Policy Statement	New Indicator	9,246	7,455	Over estimation of number of educators to be trained
INTERSEN				
% of Grade 6 learners who by the end of the year have mastered the minimum language competencies	20%	45%	N/A	Annual National Assessments were not conducted for the year under review
% of Grade 6 learners who by the end of the year have mastered the minimum mathematics competencies	25%	45%	N/A	Annual National Assessments were not conducted for the year under review
% of Grade 9 learners who by the end of the year have mastered the minimum language competencies	No data	45%	N/A	Annual National Assessments were not conducted for the year under review
% of Grade 9 learners who by the end of the year have mastered the minimum mathematics competencies	No data	43%	N/A	Annual National Assessments were not conducted for the year under review

Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual (2011/12)	
QIDS-UP				
Number of schools provided with readers.	403	997	375	CAPS LTSM was prioritized for delivery and this delayed other projects. New LTSM (at 100%) for Grade 1-3 and Grade 10 had to be provided as opposed to providing just top ups, which have always been provided at 12% in the past therefore funds were shifted from this programme to procure CAPS LTSM
Number of teachers re-trained for Grade 3 language teaching	New Indicator	2,991	0	All training was halted in order to ensure maximum support was given for CAPS training
Number of Schools provided with resourced mini-libraries	0	947	0	CAPS LTSM was prioritized for delivery and this delayed other projects. New LTSM (at 100%) for Grade 1-3 and Grade 10 had to be provided as opposed to providing just top ups, which have always been provided at 12% in the past therefore funds were shifted from this programme to procure CAPS LTSM
Number of schools monitored to ensure maximum utilization of resources	403	997	0	Officials had to focus and support CAPS training in the main and this affected the implementation of this project
Number of schools provided with Maths equipment and apparatus.	403	997	375	CAPS LTSM was prioritized for delivery and this delayed other projects. New LTSM (at 100%) for Grade 1-3 and Grade 10 had to be provided as opposed to providing just top ups, which have always been provided at 12% in the past therefore funds were shifted from this programme to procure CAPS LTSM
Number of Grade R - 3 teachers trained on the use of delivered Mathematics resources	1,612	2,991	0	Training could not take place as planned due to the late delivery of the resources

Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual (2011/12)	
SCHOOL LIBRARIES				
Number of schools supplied with Library resources	182	800	341	CAPS LTSM was prioritized for delivery and this delayed other projects. New LTSM (at 100%) for Grade 1-3 and Grade 10 had to be provided as opposed to providing just top ups, which have always been provided at 12% in the past therefore funds were shifted from this programme to procure CAPS LTSM
Number of teacher-librarians on ACE Training	72	192	70	CAPS training was prioritised
TEACHER DEVELOPMENT				
Number of Newly appointed School Managers inducted on management and leadership	400	400	443	The 43 managers were particularly accommodated to complete the cohorts of appointees of that period at no extra cost.
Number of School managers registered for the ACE: School Leadership programme	110	300	120	180 students were supposed to be registered with Wits University, which due to Wits' internal processes delayed and ultimately deferred the registration to the 2012/13 financial year
Number of School and Circuit Managers developed and supported on the implementation of CAPS	800	867	420	The attendance of Circuit and School Managers was grossly affected by the Labour Action in the form of disengagement with the employer.
Improved implementation and coordination of Education Management Development programmes	4 Coordinators meetings and 4 Stakeholder (Provincial Operational Team meetings	4 Coordinators meetings and 4 Stakeholder (Provincial Operational Team meetings)	3 coordinators meetings 2 stakeholder meetings	The 3 coordinators meetings and the 2 stakeholder meetings had dealt with business for the whole financial year and therefore the other 3 remaining meetings were cancelled
Number of Managers from dysfunctional and underperforming schools capacitated on instructional leadership and management of Institutions	New indicator	200	58	The disengagement action prevented school managers from attending the programme

Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual (2011/12)	
Number of educators upgrading towards minimum qualification REQV 14 (Foundation Phase, ECD & Senior Phase)	115	456	446	The ECD practitioners qualifications did not meet the requirements for enrolment, they then were enrolled towards NQF level 4 & 5 qualifications
Number of schools empowered on the implementation of IQMS	960	720	206	Variance of 514 the disengagement action by Labour Unions made it difficult for officials to visit schools, the safety of the officials could not be guaranteed
Number of schools monitored and supported for the implementation of NPFTED	CPTD pilot to 13 schools	CPTD pilot to 13 schools	CPTD piloted to 13 schools	None
Number of Educators celebrating their contribution in Education	33,294	33,289	0	The World Teacher's Day coincided with Spring holidays and the beginning of Exams and the celebrations were thus cancelled
Number of Foundation Phase teachers to be capacitated on Numeracy and Literacy	0	200	200	None
Number of Educators to be supported through modules specific to their curriculum professional needs	0	400	0	The service providers could not submit proposals in keeping with the terms of reference i.e. provision of modules relevant to specific curriculum needs
Number of underperforming schools assisted in Strategies to develop a workable school improvement plan	151	140	51	The implementation process was disrupted by the disengagement action by Labour Unions
Number of SGB members capacitated on Democratic School Governance, Financial Management, SNOC, Supply Chain Management and HIV & AIDS Policy Development, NSNP and Scholar Transport management	9,160	9,160	13,347	The department made use of community based facilitators which resulted in covering a wider audience at no extra cost

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	The funding for procurement of learning material for the targeted schools in the Qids-Up programme was redirected to procure learning material for the implementation of CAPS. The training was intended to focus on the material that was not available.
Response to Challenge 1:	The staff members were deployed to assist with the language training in the implementation of CAPS in the Foundation Phase; the equipment will be procured and delivered in the next financial year if the LTSM budget can accommodate this.
Challenge 2:	Lack of monitoring of the use of teaching time is a factor that contributes to under-performance.
Response to Challenge 2:	Curriculum monitoring instruments for principals and HODs have been developed and distributed to all schools to monitor curriculum implementation, ensure time on task and compliance to subject policy.
Challenge 3	The Department does not have the capacity to evaluate all these learners as we do not have Speech Therapists, Occupational Therapists, Psychologists and Medical Doctors available in all the districts therefore the variance.
Response to challenge 3:	Through the implementation of the Integrated School Health Programme, the health teams will evaluate the learners.
Challenge 4	Weaknesses in keeping performance information at every level, particularly for programmes implemented in schools.
Response to challenge 4:	Performance information management sessions will be held at all levels of the system using different platforms.



Sub-programme 2.2: Public Secondary Schools				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of Grade 12 learners who become eligible for a Bachelors programme in the public national examinations	8,147	8,821	8,866	None
Number of Grade 12 learners who pass Mathematics	10,007	11,109	9,199	There was a 8% decrease from the 2010 matric enrolment in Mathematics, though the pass rate increased
Number of Grade 12 learners who pass Physical Science	8,352	11,109	9,025	There was a 14% decrease from the 2010 matric enrolment in Physical Science, though the pass rate increased
Percentage of learners passing grade 12 examination	56,8%	66,8%	64,8%	None
Number of NCS Workshops conducted for teachers	160	176	569	More workshops were conducted in subjects where needs were identified as per the investigation into assessment practices conducted
Total number of school visits	2,593	2,852	1,409	The scheduled school visits were cancelled in the second quarter semester due to disengagement of teacher unions

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	Decrease in the number of learners taking Mathematics and Physical Science leading to underachievement in the targeted number of passes even though the percentage pass in these subjects has increased
Response to Challenge 1:	Conduct advocacy among learners, parents and teachers to increase awareness regarding the critical role of Mathematics and Science in acquiring scarce skills leading to better employment opportunities. Also encourage learners to take the combination of Mathematics (not mathematical Literacy) and Physical Science
Challenge 2:	Depth of knowledge of teachers in specified content areas
Response to Challenge 2:	Content enrichment workshops in the short term and enrolment in accredited HE programs in the long term

Sub-programme 2.4: Human Resource Development (Primary and Secondary)				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of educators capacitated on ACE: Maths and Science	-	200	270	ETDP SETA funded other learners
Number of Educators capacitated on ACE: Technology Education	72	70	95	ETDP SETA funded other learners
Number of educators capacitated on Postgraduate Certificate in Education (PGCE)	65	75	111	Department received more applications than was expected
Number of educators capacitated on HIV AIDS Postgraduate Diploma	86	60	61	None
Number of educators enrolled for Postgraduate Diploma in Public Management and School Leadership	112	100	184	Department received more applications than was expected

SPECIFIC HIGHLIGHTS AND RESPONSES

Highlight 1:	84 educators were enrolled for Postgraduate Diploma in Public Management (December 2010 – November 2011) and 100 School Management Team members were enrolled for School Leadership & Management (December 2011 – November 2012)
Highlight 2:	24 educators were enrolled for the ACE: Technology Education programme with the University of Free State (January 2011– February 2013), 71 with the University of Kwa-Zulu Natal (January 2011 – February 2013).

PROGRAMME PERFORMANCE INDICATORS

Sub-programme 2.5: In-School Sports and Culture				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of schools provided with relevant sport equipment	20	40	832	Schools received sporting equipment from donors
Number of educators trained on Soccer Development	130	500	51 (YESS)	Educators could not be trained on soccer development due to New Accreditation requirements introduced by SRSA which all our service providers did not meet
Number of educators capacitated through short training sport courses	112	200	230	None
Number of adjudicators and conductors capacitated	2,450	2,500	2,199	Training was provided as per the need
Number of educators capacitated on cultural courses	400	500	0	Educators were trained in February 2011, the new cohort was postponed to next financial year due to budget reprioritization

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	The equipment distributed to schools were a donation from Sport and Recreation SA, Adidas and Swimming SA. The contract with North Rhine Soccer Federation in Germany expired during the 1 st quarter of 2011, making it impossible to embark on further training
Response to Challenge 1:	Sport & Recreation South Africa and the Department of Basic Education will release a list of accredited trainers in July 2012 after which Soccer Development will be embarked upon.
Challenge 2:	Overall inadequate funding and reduced budget make it difficult to fulfil all mandates in relation to schools arts and arts programmes like Music.
Response to Challenge 2:	Department will prioritise to fund curriculum, all other programmes will be catered for after, if the budget allows

CONDITIONAL GRANTS

Sub-programme 2.6A: Infrastructure				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of hostel schools completed	1	1	1	None
Number of schools in the ASIDI programme	0	100	18	The focus on ASIDI Programme changed to schools without facilities thus other schools were deferred
Number of Technical schools on the Recapitalisation programme	5	7	*5	The initial estimated costs by DBE for constructing and refurbishing workshops was much lesser than actual construction costs which resulted in projects being scaled down to 5
*8 New workshops were constructed and 12 refurbished in 5 Technical High Schools				

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	Poor workmanship by contractors
Response to Challenge 1:	The province has taken a decision to blacklist all contractors who deliver poor services in this regard. The National Treasury also keeps a database and before awarding tenders, contractors will be checked against this list to verify the delivery record.
Challenge 2:	Poor planning and coordination between the department and the Department of Public Works, Roads and Transport.
Response to Challenge 2:	Regular meetings were held between the department and the Department of Public Works, Roads and Transport, also the establishment of the political infrastructure committee assisted in this regard. The department will be prioritizing building its own capacity to handle the infrastructure delivery programme, often this is hampered by the Department's budgetary challenges on compensation of employees in particular, and the need to balance this with educator provisioning.
Challenge 3:	The Department does not have a reliable database on the actual conditions of schools infrastructure.
Response to Challenge 3:	A conditions assessment was commissioned by the Department to determine exactly the state of school infrastructure, this will ensure that infrastructure planning moving forward will respond to the exact need.

Sub-programme: 2.6 (B) National School Nutrition Programme (NSNP) Conditional Grant

The National School Nutrition Programme aims to enhance the educational experience of needy learners by providing a healthy meal at school. Since its inception, the programme has covered only learners in primary schools. In the 2009/10 financial year the programme was extended to quintile 1 secondary schools and in the 2010/11 financial year the programme was extended to quintile 2 secondary schools. All secondary schools ranked in quintile 3 started benefitting from the programme with effect from 01 April 2011.

Food handlers

Schools, through their SGBs contracted 4,534 unemployed men and women as volunteer food handlers (VFH) and R34,8 m was budgeted for this.

Gardeners and Food gardens

230 gardeners were contracted by schools which are participating in the Comprehensive Rural Development Programme (CRDP). Consequently all schools participating in the CRDP have gardens. A total amount of R3,9 m was allocated for this programme through the EPWP Incentive Grant.

Programme Performance Indicators

Sub-programme 2.6B: National School Nutrition Programme				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual (2011/12)	
Number of learners benefitting from NSNP	751,767	859,416	833,227	Discrepancies in database led to reduced number of beneficiaries after verification, all learners who qualified to be on the programme benefitted
Number of food gardens established	42	950	853	97 school gardens remained fallow after harvesting maize
Number of schools supported in teaching nutrition education.	1,072	1,400	1,145	Due to the late delivery of support material by DBE not all schools received the material on time which resulted in lesser schools being supported

SPECIFIC CHALLENGE AND RESPONSE

Challenge 1:	Lack of water and fencing impacts provisioning of school gardens negatively
Response to Challenge 1:	Request Department of Agriculture to erect fencing in schools through the Masibuyele Emasimini Project. Water tanks are in the process of being installed in schools to harvest rain water

2.6 (C) Dinaledi Schools

There are 46 Dinaledi schools in Mpumalanga; 4 in Bohlabela; 14 in Ehlanzeni; 14 in Gert Sibande and 14 in Nkangala. A conditional grant was allocated to improve the participation and performance of learners in Mathematics and Physical Science in line with the national strategy for Mathematics, Science and Technology education.

Recapitalization of Dinaledi Schools

Recapitalization of the Dinaledi schools commenced nationally in 2011 and all 46 schools in the province participated in the recapitalization program. The purpose of the grant is to:

- Supply schools with science laboratory equipment
- Supply schools with computers
- Capacitate Mathematics, Physical Sciences and English FAL teachers
- Capacitate Principals of underperforming schools, and
- Supply Mathematics, Physical Sciences and English FAL teaching and learning computer software to schools

Achievements in 2011/12

- A total of 175 computers were supplied to schools
- Each Dinaledi school was supplied with 80 calculators
- 96 teachers and 24 Principals registered with UNISA for a management and leadership course

2.6. (D) Technical High Schools

There are fifty-seven schools with 4,828 learners offering the four technical subjects i.e. Civil, Electrical and Mechanical Technology and Engineering Graphics and Design (EGD). The distribution of schools is skewed towards the advantaged areas with Bohlabela having only 2, Ehlanzeni 10, Gert Sibande 25 and Nkangala 20. There are 115 teachers in total teaching the technical subjects in the province.

Recapitalization of technical schools commenced through a conditional grant in 2010/11 financial year nationally. Fifteen out of the fifty-seven schools in the province have been selected to participate in the recapitalization program. They are spread as follows: Bohlabela 2, Ehlanzeni 2, Gert Sibande 6 and Nkangala 5.

The objectives of the recapitalization programme are the following:

- to improve conditions of technical schools and modernise them to meet the teaching requirements of learners in the technical fields by constructing or refurbishing workshops
- supply equipment to do hands on practical work and
- increase the number of suitably qualified and technically skilled graduates from these schools.

Achievements

- Eight new workshops were built in 3 schools
- Twelve workshops were refurbished in 4 schools
- All 15 schools have been supplied with computers for Engineering Graphics and Design (EGD)
- Plans for building 1 workshop and for refurbishing 3 workshops have been completed

GRADE 12 RESULTS COMPARED TO OTHER PROVINCES

SUBJECT	NO. WROTE	NO. PASSED	PASS%	NATIONAL RANKING
CIVIL	449	446	99	1
ELECTRICAL	331	316	96	1
MECHANICAL	362	345	95	6
EGD	1,453	1,405	97	5



Programme 3: Independent School Subsidies

Purpose: To support Independent Schools in accordance to the South African Schools Act.

Strategic Objectives

Strategic Objective	Learner Performance
Objective Statement	Improve the quality of overall learner performance in Grade 12 to achieve a pass rate of 70% by 2015
Baseline	The average percentage pass in Grade 12 in 2009 was 47.9%

Strategic Objective	Numeracy and Literacy competency levels
Objective Statement	Increase Numeracy and Literacy competency levels in grades 3, 6 and 9 from 35% to 60% by 2015
Baseline	Systemic Evaluation reports indicate that learners from Mpumalanga are performing at 32 - 35% which is below the National average

Strategic Objective	Increase skills base in critical subjects
Objective Statement	Increase performance in Mathematics, Physical Science and vocational subjects (engineering, services and art) to rural schools and girl learners to 60% by 2015
Baseline	The learner performance in Mathematics, Science and vocational subjects is to be increased from 38% to 60 % by 2015

Programme Overview

Section 29 of The Bill of Rights in the Constitution of the Republic of South Africa, 1996 (No. 108 of 1996) establishes the right to education in these terms:

Everyone has the right to establish and maintain, at their own expense, independent educational institutions that-

- (a) do not discriminate on the basis of race
- (b) are registered with the state and
- (c) maintain standards that are not inferior to standards at comparable public educational institutions.

The state has a constitutional and statutory responsibility to provide school education to all learners. As the right of seeking education from reputable, registered independent schools is protected by the Constitution, such schools are registered and operated in the province. Enrolment of learners in independent schools accounts for about five percent of total school enrolment in this province. Such independent schools perform a service to their learners that would otherwise have to be performed by the Provincial Education Department. Hence there is a policy on providing subsidies to schools which satisfy the national norms for independent school subsidies.

Subsidy allocations show preference for independent schools that are well managed, provide good education in areas where public schools are over-crowded, and are not operated for profit. These are measured according to objective, transparent and verifiable criteria.

Achievements

The performance of learners in Independent schools varied vastly from 10% to 100%, although the schools that received subsidy performed higher than the provincial average. The moderation of School Based Assessment has been tightened to ensure 100% compliance from all independent schools, and this yielded positive results for the Province in the 2011 academic year.

Most schools that received subsidies were monitored by officials to ensure compliance with the National Norms and Standards for School Funding. Non-compliance during these monitoring visits resulted in withholding of subsidy payments for two schools.

As is the norm, Independent Examination centres were assessed in 2011 to confirm compliance to policy. Permanent monitors were assigned to each centre during the writing of the National Senior Certificate Examination; this was done in order to ensure credibility of examinations. Only 16 independent examination centres were approved in 2011. The learners from other independent institutions were allowed to write in examination centres managed directly by district officials. This yielded positive results with an incident free examination in 2011.

Challenges & Mitigations

The monitoring of the implementation of curriculum in independent schools has not been up to the expected standard. Some independent schools do not honour the quarterly moderation of School Based Assessments, and this creates challenges at year end. The Province will prioritise the promulgation of Provincial regulations through which this laxity will be curbed and corrective measures put in place.

PROGRAMME PERFORMANCE MEASURES

Sub-Programme: Independent Schools Subsidies (Primary and Secondary)				
Programme Performance Measure (Sector)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
PPM 301: Number of subsidised learners in independent schools	4,834	6,879	5,852	Fewer enrolments estimated. Two schools forfeited the subsidy allocations due to non-compliance with NNSSF

SPECIFIC CHALLENGES / HIGHLIGHTS AND RESPONSES

Challenge 1:	The absence of a provincial regulatory framework prohibits eligible applicants to obtain the set requirements readily.
Response to Challenge 1:	Consult and promulgate a provincial regulatory framework that explains all the requirements for eligibility for subsidy.

PROGRAMME PERFORMANCE INDICATORS

Sub-Programme 3.1 & 3.2: Independent Schools Subsidies (Primary and Secondary)				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of schools monitored for compliance with National Norms & Standards for School Funding (NNSF)	30	32	22	The monitoring of FET Colleges examinations had to be prioritized due to alleged exam paper leakages and increased examination irregularities in FET Colleges.
Number of schools monitored to verify the qualifications and SACE registration of teachers, registration as a Non-Profit Organisation (NPO) and accreditation with Umalusi	30	32	22	The monitoring of FET Colleges examinations had to be prioritized due to alleged exam paper leakages and increased examination irregularities in FET Colleges.
Number of schools receiving subsidies	32	32	30	Two schools forfeited the subsidy allocations due to non-compliance with NNSF
Number of schools informed about National Minimum Uniform Norms & Standards for School Infrastructure (NMUNSSI)	30	32	22	The monitoring of FET Colleges examinations had to be prioritized due to alleged exam paper leakages and increased examination irregularities in FET Colleges.

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	Absence of a provincial regulative framework hinders the management of independent schools
Response to Challenge 1:	Consult and promulgate a provincial regulative framework to manage independent schools
Challenge 2:	All national and provincial initiatives are not implemented and monitored at all subsidized independent schools
Response to Challenge 2:	All national policies and provincial initiatives should be implemented and monitored at all subsidized independent schools by the directorates concerned with the implementation of policies and initiatives. Circuit managers will also provide monitoring and support from the 2012/13 financial year

Programme 4: Public Special Schools

Purpose: To provide compulsory Public Education in schools, in accordance with South African Schools Act and White Paper 6 on Inclusive Education, Child Justice Bill, etc.

Strategic Objectives

Strategic Objective	Learner Performance
Objective Statement	Improve the quality of overall learner performance in Grade 12 to achieve a pass rate of 70% by 2015
Baseline	The average percentage pass in Grade 12 in 2009 was 47.9%

Strategic Objective	Reach out-of-school youth
Objective Statement	To ensure that 8 000 out of school youth and vulnerable children attend schools by 2015
Baseline	Number of out-of-school youth and vulnerable children: 12 135

Programme Overview

Public Special Schools follow the NCS in an adapted version also called Curriculum Differentiation. Schools accommodating learners with high levels of support in addition, offer pre-vocational skills such as needlework, cooking, gardening, bead work, nail & beauty, car wash, arts & crafts etc. Platorand, Jim van Tonder and WH de Klerk Schools accommodate learners with moderate levels of support and besides the adapted NCS also offer pre-vocational skills such as woodwork, metal work, motor engine repair, motor body repair, shop and office practice as well as hairdressing, Hotel keeping, Cooking and Entrepreneurship. **Tables 4.1 & 4.2** depict the performance of learners in Public Special Schools.

The Child and Youth Care Centres follow the National Curriculum Statement from Grade R-12. They also have technology subjects for boys and girls. The CYCC also offer entrepreneurial skills programmes such as cane work, pottery and leather work.



 Education DEPARTMENT OF EDUCATION MPUMALANGA					
	Total number of learners in grade	Total number of learners pass	% Pass	Total number of learners in fail	% Fail
Grade 1 (SPE)	326	298	91%	28	7%
Grade 2 (SPE)	252	201	79%	51	21%
Grade 3 (SPE)	337	280	83%	57	17%
Grade 4 (SPE)	123	90	73%	33	27%
Grade 5 (SPE)	117	101	86%	16	14%
Grade 6 (SPE)	182	169	92%	13	8%
Grade 7 (SPE)	323	290	89%	33	11%
Grade 8 (SPE)	320	300	93%	20	7%
Grade 9 (SPE)	219	198	90%	21	10%
Grade 10 (SPE)	234	202	86%	32	14%
Grade 11	0	0		0	
Grade 12	0	0		0	
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Table 4.1



	Total number of learners in grade	Total number of learners pass	% Pass	Total number of learners in fail	% Fail
Grade 1	2	2	100%	0	0%
Grade 2	5	2	40%	3	60%
Grade 3					
Grade 4	5	2	40%	3	60%
Grade 5	5	5	100%	0	0%
Grade 6	19	15	79%	4	21%
Grade 7	20	16	80%	4	20%
Grade 8	36	26	72%	10	28%
Grade 9	44	35	80%	9	20%
Grade 10	35	32	91%	3	9%
Grade 11	21	20	95%	1	5%
Grade 12	11	11	100%	0	0%

Together Educating the Nation



Table 4.2

LTSM

The Child and Youth Care Centres received textbooks for CAPS according to their requisitions. The other 11 special schools that received Specialized LTSM in the 2010/11 financial year, received training on the use of those resources so as to enhance learner participation during teaching and learning. Moreover, all 18 Special schools received subsidy accordingly.

UPGRADING OF SPECIAL SCHOOLS

The Department planned to upgrade 11 special schools in the 2011/12 financial year. As at the end of the year, only 4 special schools were implemented, the other seven schools could not be implemented due to delays in the finalisation of designs and the ultimate halt of new projects to curb over expenditure.

PROGRAMME PERFORMANCE MEASURES

Sub-programme: Public Special Schools				
Programme Performance Measure (Sector)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
PPM 401: Number of learners enrolled in public special schools	3,447	3,940	3,507	Learners with moderate levels of support were referred to full service schools
PPM 402: Number of educators employed in public special schools	340	344	340	None

PPM 403: Number of Professional non-educator Staff employed in public special schools	98	22	18	The final approved COE Budget for 2011/12 only provided for the filling of vacant educator posts in institutions
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SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	The vacancy rate of Child and Youth Care Workers is high.
Response to Challenge 1:	Posts will be prioritized for filling in the next financial year, provided the Department's compensation of employees budget allows.
Challenge 2:	Health professionals (Therapists) are not easy to recruit and retain due to scarcity of the professionals and remuneration packages offered by DOE.
Response to Challenge 2:	Collaboration with the Department of Health through the Integrated School Health Programme will be enhanced.

PROGRAMME PERFORMANCE INDICATORS

Sub-programme 4.1: Public Special Schools				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of personnel capacitated on programmes that minimize/prevent barriers to learning	128	288	287	Some of the targeted personnel had attended training in the previous financial year
Number of special schools provided with assistive devices & specialized LTSM	11	18	0	Financial constraints due to payment of accruals
Number of special schools provided with machinery and equipment for vocational skills training	18	3	0	Funds were transferred to the 3 schools to procure once construction of the workshops has been completed
Number of special schools received subsidies	18	18	18	None
Number of Special schools upgraded	4	11	4	Delays in finalization of designs
4.3 Human Resource Development				
Number of special schools Educators enrolled for Sign Language	15	30	0	Budget reprioritization
Number of special schools educators capacitated on Curriculum Adaptation	35	35	36	None

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	Due to delays in the completion of construction in the schools identified for upgrading, the relevant machinery and equipment has not yet been fitted and thus the classrooms are not in use
Response to Challenge 1:	Machinery and equipment will be installed in the new financial year
Challenge 2:	Due to financial pressures, the Sign Language programme was not implemented for special schools educators
Response to Challenge 2:	Will prioritize Sign Language programme in the new financial year
Challenge 3:	Upgrading of schools reprioritized
Response to Challenge 3:	05 of 07 schools to be reprioritized for 2012/13

Programme 5: Further Education and Training

Purpose: To provide Further Education and Training (FET) at public FET Colleges in accordance with the Further Education and Training Act

Strategic Objectives

Strategic Objective	Increase skills base in critical subjects
Objective Statement	Increase performance in Mathematics, Physical Science and vocational subjects (engineering, services and art) to rural schools and girl learners to 60% by 2015
Baseline	The learner performance in Mathematics, Science and vocational subjects is to be increased from 38% to 60 % by 2015

Programme Overview

The Provincial certification rate target for 2011 was 40%. At the time when results were released the Colleges had achieved a 42% certification rate which is 6% better than the 2010 certification rate. At that time some results were still outstanding. The final results indicated a 54.3% certification rate. National has targeted a 50% certification rate by 2014. We have already surpassed that. If we continue improving at this rate, by 2014, we shall have surpassed the 60% certification rate.

A big challenge in this regard is the type of students that Colleges receive. These learners are not ready for the rigours of college curriculum. An intensive and comprehensive induction programme has been introduced by colleges. Students are tested for placement into appropriate fields; they are also assisted in study skills; those found to be lacking in language mastery and mathematical skills are assisted through an individualised computer programme (Plato and Khuphuka)

The subject pass rate for the 2011 academic year stands at 73%. We had targeted 74%. One college has dropped from over 70% to 66%. We will be closely monitoring and supporting this college to avoid a recurrence. The National target for subject pass rate is 80% by 2014. We are definitely on course to achieve that. It is pleasing to note that there is more quality work produced than just a mere pass in individual subjects. In 2010, 128 lecturers obtained 100% pass in their respective subjects. In 2011, the number increased to 142. The number of subject distinctions has been steadily increasing as well.

In 2010, there were 1,757 subject distinctions and that number has gone up to 2,568 in the last examination. This can be summarised in the following table:

	2007	2008	2009	2010	2011
NCV Enrolment	1,826	3,972	8,386	8,976	8,182
Subject Pass rates	52%	61%	69%	74%	73%
Certification rates	11%	20%	26%	36%	54%
Number of subject distinctions	107	392	803	1,757	2,568
No. of lecturers achieving 100% pass in their subjects	30	53	114	128	142

Mpumalanga is one of the three Provinces that consistently performed above the National certification rates across all three levels. Western Cape was the top performer on NCV level 2 (59.97%), North West on NCV level 3 (54%) and Mpumalanga on NCV level 4 (53.4%) See table below:

	LEVEL 2	LEVEL 3	LEVEL 4	AVERAGE
MPUMALANGA	58,9%	50,6%	53,4%	54,3%
NORTH WEST	54,3%	54,0%	50,5%	53,3%
WESTERN CAPE	59,9%	51,7%	47,7%	53,1%

The NCV level 4 qualification provides access to study programmes at higher education institutions. Of the 821 level 4 students who passed: 618 (75.3%) met the requirement entry for Higher certificate studies; 175 (21.3%) to Diploma studies and 28 (3.4%) to Bachelor Degree studies. The Western Cape produced the highest number of actual candidates (31) eligible for Degree studies, with Mpumalanga (28) and Gauteng (22) following.

Attendance and retention rates have been a problem. This is due to a variety of factors. Some learners were dropping out because of financial reasons; some would not cope and others still had social problems. The Colleges had to come up with various strategies to tackle this problem; these strategies are now paying dividends. We started the year at 8,434 learners in NCV. At enrolment time, there were 55,270 subject entries which works out at 7,895 learners. Of those, 7,367 wrote the examination. This is 87% retention rate. Our target is 76%. However, we feel, 1,067 drop out is still too high.

In order to address this, each college is to implement the code of conduct persistently. At induction learners are given copies after having been taken through the rules and regulations.

The use of guardian lecturers to offer professional support and guidance is being encouraged. Parents are also being involved through parents' meetings and regular feedback concerning their children. The bursaries given to the learners have not just been increased to cater for tuition only but now cater for accommodation and transport as well. In 2011, 5,911 learners benefitted from the bursary scheme to the tune of R67,7 m. Of the 5,911 that received bursaries, 2,887 passed all 7 subjects which is 49% certification, surpassing the National target by 20%. The National average is 32%.

For effective teaching and learning, an enabling environment should be created. Out of 89 classrooms/ workshops planned to be refurbished in this financial year, 99 classrooms have been upgraded, which is more than the number targeted. 60 classrooms were to be built. That number has been surpassed by 14 (78%). In equipping classrooms and workshops for better curriculum delivery, 74 classrooms / workshops were targeted. 203 have been equipped. 96% in NCV had all the required textbooks and 87% of NATED had the required textbooks. A lot has to be done in this instance because the lack of resources is tantamount to setting the learners for failure.

With artisan training, the process has been very slow. Colleges have to get partners and have accreditation for the workshops. In Nkangala FET College, the National tooling initiative programme started in 2010 with 25 students. They are to go through 3 phases. In 2012 these students are in phase 3 where they have industry exposure with on job training in preparation for Trade testing. In 2011, 50 students were enrolled for phase 1. Out of 75 students who were recruited, only 43 are still remaining. 32 students have accepted fulltime employment in different companies.

The Kusile project started in March 2011 with 14 students: 10 fitters and 4 welders. The MOU is running for 24 months because these students are starting at N2 level. Industry exposure took place in September 2011. In 2012 these students will be on job training in preparation for Trade Testing.

At Gert Sibande FET College's Skills academy and Artisan Development centre, 14 welding and 16 electrical students were enrolled. They have completed their theory and are busy with practical work. In April, they will be going to employers with whom they have contracts. They are awaiting a further 60 students to start in March 2012 at the Skills centre.

Work placement is another thorny issue. It is easier to get space for work exposure for those still in training but more difficult for work experience. One college has appointed a fulltime placement officer, another has advertised and interviewed for the post. This helps in forging partnerships with employers. Gert Sibande has signed 15 MOU's with potential employers and placed 412 students. Ehlanzeni has been able to sign 13 partnership agreements and has placed 153 students for work exposure. Nkangala on the other hand has concluded 6 agreements with employers and placed 152 students for work exposure.

PROGRAMME PERFORMANCE MEASURES

Sub-programme: Public Institutions				
Programme Performance Measure (Sector)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
PPM 501: Number of students enrolled in NC(V) courses in FET Colleges	9,425	10,083	8,182	Quite a big number of students have left NCV for Report 191 programmes. There is also a lack of understanding on the side of business and industry on NCV and its advantages
PPM 502: Number of FET College NC(V) students who completed full courses successfully	3,582	4,033	3,094	The type of student that the colleges receive is not ready for the rigours of a college curriculum. There is lack of language and numeracy proficiency

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	There is competition between NCV and Report 191 and lack of knowledge by business and industry on NCV
Response to Challenge 1:	Intensive marketing is to be undertaken and have SETAs involved. Placement officers to be appointed in all colleges in order to accelerate the forging of partnerships with business and industry
Challenge 2:	Weaknesses in English and Mathematics have been identified
Response to Challenge 2:	An integrated student support programme and the use of technological support such as Plato and Khuphula to be used in all campuses

PROGRAMME PERFORMANCE INDICATORS

Sub-programme 5.1: Public Institution				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Certification rate	34%	40%	54%	A comprehensive student support system has been implemented, which includes amongst others early warning signs identification, placement, academic support and counseling.
Subject pass rate	74%	74%	73%	A comprehensive student support system has been implemented, which includes amongst others early warning signs identification, placement, academic support and counseling. The provision of learning support material has improved.
Retention rate	72%	76%	87%	A programme of tasks for the year is given in advance. Bursaries are available and include transport fee and accommodation.
Attendance rate	77%	77%	90%	Code of conduct implemented Guardian lecturers offer professional support, parents are involved and bursaries are available.
Placement rate	43%	55%	32%	There is still no buy-in from business and industry although a number of partnerships have been signed.
Number of Artisans produced	70	270	205	Students face challenges with work placement. 170 students who were taken through theoretical training were transferred to DHET in line with the National Skills Fund pronouncement.
5.4 HUMAN RESOURCE DEVELOPMENT				
Number of educators/lecturers from FET colleges capacitated on NCV Programmes	15	20	20	None

SPECIFIC CHALLENGES / HIGHLIGHTS AND RESPONSES

Highlights

Colleges were able to train the 20 lecturers on NCV programmes as planned. Over and above this number, 454 lecturers were trained on various identified needs as per dictates of the HRD regulations that 1% of the salary bill be used for staff development. This was made possible by the fact that College councils became employers of the college staff and all money budgeted for salaries was transferred to the colleges.

Challenge 1:	The type of students the colleges receive is not ready for the rigors of a college curriculum, there is lack of language and numeracy proficiency amongst students
Response to Challenge 1:	An intensive and comprehensive induction programme has been introduced by colleges. Students are tested for placement into appropriate fields; assisted in study skills. Those lacking in language mastery and mathematical skills are assisted through an individualized computer program (Plato and Khuphuka)
Challenge 2:	Some students drop-out; others do not cope due to social problems thus affecting the retention and attendance rates
Response to Challenge 2:	The code of conduct is doggedly followed; guardian lecturers are used to offer professional guidance and regular feedback is given to parents through parents' meetings
Challenge 3:	The 205 artisans consists of 35 trade tested by MRTT, 170 learners were enrolled through the NSF funded Vule' Matfuba Programme. At the time of transfer to the NSF these learners had completed theoretical work and workshop practice
Response to Challenges 3:	FET Colleges to improve their infrastructure so as to get accreditation for trade testing



Programme 6: Adult Basic Education and Training -

Purpose: To provide Adult Basic Education and Training (ABET) in accordance with the Adult Basic Education Act.

Strategic Objectives

Strategic Objective	Eradication of illiteracy
Objective Statement	To recruit and enrol 221 090 adult learners into public adult learning centres and Kha Ri Gude sites
Baseline	There are currently 82 000 learners in ABET programmes in the Province:

Strategic Objective	Teacher qualifications
Objective Statement	To upgrade educators (12 127 educators, 500 ABET educators) in order to meet REQV 14 requirements
Baseline	12 127 under qualified educators to be trained

Programme Overview

The ABET sector has been able to achieve on the set priorities aimed at improving learner attainment and transforming the sector despite the limitations posed by financial constraints. The Department has created job opportunities by training 65 learners on short accredited skills. This training is regarded as a stepping stone towards empowering learners on how to establish co-operatives in order to participate in the first economy.

Educators were trained on various aspects of curriculum to improve the quality of teaching and learning. 382 educators were trained on the content of learning areas. 310 educators were trained on gender to create awareness on stereotypes to address inequalities, gender imbalances and promote inclusivity in adult education and training institutions. In 2011 performance of learners in Mathematical literacy improved by 11% from 21 to 32.57%, in Mathematical Science a growth of 5.9% from 32.26% to 38.16% has been achieved, Economic & Management Sciences with a growth of 11% has been attained, Arts & Culture has moved from 87% to 93% thus registering 6% growth. The average performance in indigenous languages has improved from 75.30% to 80.16%. The pass rate for Life Orientation (Core) is 64.56% as compared to the previous performance of 62.63%. A significant improvement of 36.52% was obtained whereby performance increased from 21.17% to 57.69% in Applied Agriculture and Agricultural Technology (AAAT) and moved from 51% to 72% in Human Social Science (HSS) thus hiking by 21,27%. The Mpumalanga Province in adult education occupies position five in relation to the nine provinces.

The Department has started to transform the sector by extending the notion of fulltime centres to the two other districts, namely Bohlabela and Ehlanzeni. Kwa-Guqa fulltime centre in Nkangala has begun to yield the desired result in terms of a programme mix whereby learners learn to read and write through the use of computers. Learner attainment is at an average of 70%. Learner enrolment and retention rate has stabilised. There is no migration of educators thus the ability to retain classroom and management expertise at Kwa-Guqa fulltime centre.

PROGRAMME PERFORMANCE MEASURES

Sub-programme: Public Centres				
Programme Performance Measure (Sector)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
PPM601: Number of learners enrolled in public ABET Centres	27,930	30,000	26,347	Decrease of learner enrolment in ABET Level 1 due to migration of learners to Kha-Ri-Gude and programmes that do not address the needs of the current clientele
PPM602: Number of educators employed in public ABET Centres	1,866	1,750	1,678	The Department by the end of the 2011 academic year employed 1,776 educators in public ABET Centres, whose contracts expired 31 December 2011. By 31 March 2012 the Department had employed/ re-employed 1,678 ABET educators, and was still finalising said process for the new academic year

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	Unattained set target in terms of learner enrolment could be attributed to the decrease of learners in ABET Level 1 in PALCs including inadequate programmes to address the needs of current clientele. The drastic change of adult education clientele necessitates inclusion of programmes beyond NQF Level 1
Response to Challenge 1:	Introduction of fulltime centres and a programme mix though on a limited scale will serve as a pull factor thus improving learner enrolment
Challenge 2:	The set target for educators could not be attained due to low learner enrolment
Response to Challenge 2:	The Department will intensify advocacy campaigns coupled with introduction of new programmes and recruit educators to facilitate new programmes in PALCs

PROGRAMME PERFORMANCE INDICATORS

Sub-programme 6.1: Public Centres				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of educators trained on gender & inclusive education	0	800	310	The Department started the financial year with accruals of 414 million and these accruals affected the cash flow for 2011/12 financial year.
Number of learners trained on the establishment of cooperatives	0	100	0	The Department started the financial year with accruals of 414 million and these accruals affected the cash flow for 2011/12 financial year.
Number of learners trained on short accredited skills (hard skills)	52	100	65	The Department started the financial year with accruals of 414 million and these accruals affected the cash flow for 2011/12 financial year
Number of under-qualified educators trained on ABET qualifications	126	100	96	None
Number of centres provided with resources	265	270	257	Suspension of some of the classes and merging of centres due to low enrolment
Number of CGB members trained on governance	234	1,890	1,015	Members did not attend
Number of CM trained on Financial Management	100	170	185	None
Number of ABET level 4 entrants	13,604	15,504	12,540	Low enrolment numbers due to non resulting of learners
6.4 HUMAN RESOURCE DEVELOPMENT				
Number of Adult Basic Education and Training (ABET) educators trained	150	140	0	Focus was shifted towards the under-qualified ABET educators. The department started the financial year with accruals of 414 million and these accruals affected the cash flow for 2011/12 financial year

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	The set targets for training workshops could not be attained due to cash flow challenges
Response to Challenge 1:	Outstanding planned targets for training are deferred to the 2012/13 financial year
Challenge 2:	Planned targets for governance training were not achieved as a result of elected members that did not pitch up for training
Response to Challenge 2:	Districts will conduct follow up training sessions to accommodate untrained CGB members
Challenge 3:	The province achieved below the set target in terms of ABET Level 4 entrants. This could be attributed to systems challenges in resulting learners at NQF Level1
Response to Challenge 3:	The Department geared itself to improving the resulting of ABET Level 4 learners in subsequent years
Challenge 4:	The ABET programme was not implemented due to financial pressures
Response to Challenge 4:	Will prioritize ABET programme in the new financial year



Programme 7: Early Childhood Development

Purpose: To provide Early Childhood Education (ECD) at Grade R and earlier levels in accordance with White Paper 5.

Strategic Objectives

Strategic Objective	Access to ECD
Objective Statement	Provide quality, coordinated, coherent and integrated ECD services to 136 000 children in 0 – 6 age cohort by 2015
Baseline	Enrolment in ECD is currently standing at 78 025 learners

Strategic Objective	ECD Practitioners
Objective Statement	Increase access to ECD by training 400 practitioners annually to a total training of 1600 to ensure that they have basic accredited ECD NQF Level 4 qualifications by 2015
Baseline	There are currently 449 Qualified Practitioners

Programme Overview

There were 57,364 learners registered in 1,020 schools. There were 19,000 learners registered in community based centres. It should be noted that parents prefer to enrol their children at community based centres because they offer education stimulation services for the full day and parents are working long hours. Schools are only offering education stimulation services for half a day.

The number of practitioners employed in schools is 1,964. The Department of Education supplied LTSM to 1,020 schools. Initially 1,070 schools were targeted to register Grade R learners but the 50 schools did not have space to accommodate Grade R learners hence LTSM could not be supplied to these schools.

There were 400 practitioners enrolled for ECD NQF Level 4 training. There were 400 practitioners enrolled for ECD NQF Level 5 training. These practitioners were trained in Basic Child Care especially with facilitation, assessment and support services to Grade R learners.

Training of 80 child minders could not occur because of the high training costs per learner charged by FET colleges.

The Department negotiated with FET colleges to lower learner costs and it was finally agreed that the cost per learner would be R13,2 k effective from the 2012/13 financial year. In order to adhere to Basic Child Care principles, 344 Child minders were placed in 344 Pre-Grade R ECD centres.

The number of practitioners trained on CAPS is 1,500. Some practitioners could not be trained due to disengagement by one of the teacher unions with the Department of Education while others attended Level 4 and 5 training in the October holidays. There were 16 schools earmarked for Grade R infrastructure. Each school was supplied with 2 Grade R classrooms, a kitchen, a sick bay, toilets (learners and practitioners) and jungle gyms. The Grade R infrastructure has reduced Grade R overcrowding in these schools.

PROGRAMME PERFORMANCE MEASURES

Sub-programme: Programme Performance Measures				
Programme Performance Measure (Sector)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
PPM 701: Number of learners enrolled in Grade R in public schools	55,164	60,726	57,364	Ineffective advocacy campaigns
PPM 702: Number of public schools that offer Grade R	1,003	1,070	1,020	Due to the minimal increase in learner enrolment the department could not increase the number of schools that offer Grade R

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	Due to the fact that Grade R is not compulsory, parents are not statutorily obliged to enroll learners in Grade R therefore this constitutes an impediment on the increase of Grade R enrolment. The Department has conducted advocacy campaigns which have proved to be ineffective as the response from the communities has not yielded the required results. A lack of integration has been noted in the way ECD programmes are being implemented in the Province
Response to Challenge 1:	The Department with all its stakeholders will be reviewing the Provincial Integrated ECD strategy; further to this the Department will strengthen the data management processes to ensure linkage with other Departments, municipalities and private providers.
Challenge 2:	The unavailability of quality Grade R infrastructure, suitably qualified ECD practitioners and the non formalisation of conditions of service for Grade R practitioners hinders the potential growth and stability of the sector.
Response to Challenge 2:	Considerable efforts are being made to universalise Grade R, this touches on the learners accessing Grade R and professionalisation of ECD

PROGRAMME PERFORMANCE INDICATORS

Sub-programme 7.1, 7.2, 7.3: Early Childhood Development				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of learners enrolled for Grade R	72,726	75,000	*76,364	None
Number of Grade R Practitioners employed on Persal	1,974	1,974	1,968	None

Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of schools resourced with workbooks, readers, activity books, integrated life skills kit, big books and first aid kits	1,003	1,070	1,020	Non availability of space in the 50 schools to accommodate more learners
Number of Practitioners enrolled in ECD NQF Level 5 qualification	400	400	400	None
Number of Child minders Enrolled on ECD NQF Level 4	80	80	0	The training cost per learner was high
Number of practitioners empowered on FFL	800	2,300	708	Most practitioners heeded the teacher unions' call not to attend the training
Number of ECD specialized Classrooms erected	0	16	17	None
7.5 HUMAN RESOURCE DEVELOPMENT				
Number of educators enrolled for ECD programmes	15	20	0	Focus was given to practitioners. The Department started the financial year with accruals of 414 million and these accruals affected the cash flow for 2011/12 financial year
* This actual output refers to learners in public schools and community based centres				

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1:	Under-age learners in Grade R
Response to Challenge 1:	Grade R learner enrolment needs to be verified on a quarterly basis and disciplinary action will be taken against principals who admit under-age learners as per dictates of SASA
Challenge 2:	Late appointment of practitioners to posts in schools
Response to Challenge 2:	All practitioner appointments should be finalised before the start of the new financial year when the new contract commences. A three year contract will be finalized with practitioners, effective from the 1 April 2012 and ending on the 31 March 2015
Challenge 3:	The challenge experienced was with regard to the unavailability of funds to implement skills programmes as planned
Response to Challenge 3:	Will prioritize ECD programme in the new financial year

Programme 8: Auxiliary and Associated Services

Purpose: To provide the education institutions as a whole with training and support

Strategic Objectives

Strategic Objective	Reach out-of-school youth
Objective Statement	To ensure that 8 000 out of school youth and vulnerable children attend schools by 2015
Baseline	Number of out-of-school youth and vulnerable children: 12 135

Sub-programme 8.2 LIFE SKILLS HIV AND AIDS**Programme Overview****The 2011/12 Conditional Grant Framework**

The goal of the 2011/12 Conditional Grant Framework was not only to enhance awareness programmes offered by schools to prevent and mitigate the impact of HIV and AIDS but to increase knowledge, skills and confidence amongst learners and educators to take self appropriate Sexual and Reproductive Health decisions. Furthermore to mitigate the impact of HIV and AIDS by providing a caring, supportive and enabling environment for learners and educators.

Progress analysis of 2011/12 policy priorities**8.2.3.1 Care and Support for Orphaned and Vulnerable Children (OVC's)**

One of the Department's responses in mitigating the impact of HIV and AIDS in schools is the implementation of Care and Support Programmes which includes the following key elements:

- Educator training to identify and refer learners who are vulnerable or orphaned. 1961 Educators and support staff were trained to implement and support these learners.
- Responding to the basic needs of OVC's the Department hosted four co-ordinated Service Delivery (Leth'impilo / Jamborees) Campaigns where 8071 learners from 155 schools benefitted as follows:
 - Application for Identity Documents: **3297**
 - Application for Birth Certificates: **2015**
 - Provision of Social Grants: **665**
 - Other services e.g. Health screening: **478**
- Creating an environment in which children are both able and enabled to learn, strengthening the School Governing Bodies' ability to act as links to Care, Support and Government as well as community offered benefits and services through a programme called "Turning schools into Nodes of Care and Support for OVC's (SNOC)." For the year under review, 450 schools turned into Nodes of Care and Support. These schools do not only promote a caring and learning environment, but an environment which is healthy, friendly and protective of children. The promotion of such a learning environment is an essential part of increasing access to quality of teaching and learning. To date 1249 schools have been turned into Nodes of Care and Support for OVC's.

PROGRAMME PERFORMANCE INDICATORS

Sub-programme 8.2: Conditional Grants (Life Skills, HIV and AIDS)				
Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of educators capacitated on Sexual Reproductive Health (SRH)	2,378	1,920	1,918	None
Number of Learners empowered on Peer Education programmes	3,203	3,318	3,420	Performed above the set target by 102 due to collaboration with other social sectors and partners such as DOH Mayihlasele Izazi and Soul City Soul Buddyz Programme
Number of schools established as centres of Care, Support, Teaching and Learning	400	450	340	SGB elections were brought forward which interfered with the establishment of schools as centres of Care, Support, Teaching and Learning
Number of Educators trained on Care and Support of OVC's	2,378	2,100	1,712	Performed below target due to the disengagement and competing priorities such as CAPS
Number of educators trained on Peer Mentoring and Master Training	New indicator	300	242	Performed below the set target by 58 due to competing priorities such as CAPS
Number of Schools on the Comprehensive School Health Programme	0	103	0	Programme put on hold by DBE to be implemented as Integrated School Health Programme in the new financial year
Number of Coordinated Service Delivery Campaigns (Leth'impilo) conducted	4	4	4	None

SPECIFIC CHALLENGES/HIGHLIGHTS AND RESPONSES

The promotion of a multi-sectoral approach in addressing issues of HIV and AIDS is gaining momentum in the Province. This was evident in the drawing of the Provincial Strategic Plan for 2012-2016 and the Integration of the Implementation Plan for 2012/13 where all the departments and sectors made their inputs.

Challenge 1:	Some planned activities not achieved due to the cancellation of the HCT Program in schools
Response to Challenge 1:	Program to be replaced by the Integrated School Health Program in the new financial year
Challenge 2:	Not all targeted educators trained due to disengagement and competing priorities such as CAPS
Response to Challenge 2:	Plan in place to include them during trainings in the new financial year

8.4. External Examinations**Programme Overview**

The Mpumalanga Department of Education reconstituted its Examinations Directorate in 2011. Nineteen critical managerial posts were filled. The examination gap analysis was established which gave rise to mitigation strategies in administration of examinations. Security was upgraded at Head Office and at the 4 Districts. Vetting of staff was conducted to 130 officials in examinations Directorate. A composite management plan was developed to manage the examination processes for Head Office and the 4 Districts. Constant meetings were held with Extended Examination Management to assess the implementation of examination processes continuously. Results of all registered candidates were released on time and the Department ensured that credible examinations were cordially administered.

PROGRAMME PERFORMANCE MEASURES

Sub-programme 8.4: External Examinations				
Programme Performance Measure (Sector)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
*1 PPM801: Number of candidates for the Grade 12 Senior certificate examinations (matric exams)	51,772	59,000	68,254	The DBE extended the administration of Senior Certificate registration from 2011 to 2014. Part-time candidates' enrolment increased.
*2 PPM802: Number of candidates for the ABET NQF Level 4 examinations	10,962	15,000	20,085	This includes November and June ABET Level 4 examinations
*1 The break-down of the 2011 registered Grade 12 candidates entails: May/June Senior Certificate Examination (12,434) October /November National Senior Certificate Final Examination (55,820)				
*2 The break-down of the registered ABET Level candidates entails in 2011: November ABET Level 4 Final Examination (13,667) June ABET Level 4 Examination (6,418)				

SPECIFIC CHALLENGES/HIGHLIGHTS AND RESPONSES

The efficient administration of examinations to ensure that all candidates are effectively registered and resulted, is the primary purpose of programme 8. All candidates were correctly registered and each candidate provided with an opportunity to write examinations. The scripts were marked by competent markers, marks captured on the examinations data system and all candidates received their results. The results improved from 56,8% of 2010 to 64.8% pass rate.

Challenge 1:	The Grade 12 enrolment declined by 10,852 candidates in the year 2011.
Response to Challenge 1:	The enrolment of Grade 12 candidates generally decreased across the country in 2011 This is a result of the increase of the admission age in 1999
Challenge 2:	ABET Level 4 candidates enrolment increased by 5,085 candidates
Response to Challenge 2:	The stepping up of campaigns for ABET enrolments resulted in an increase of ABET Level 4 candidates.

Sub-programme 8.4: External Examinations

Programme Performance Indicator (Departmental)	Baseline (Actual Output) 2010/11	Actual Performance against Target		Reason for Variance
		Target (2011 /12)	Actual(2011/12)	
Number of invigilators trained for grade 12 and ABET Level 4	721	721	850	721 chief invigilators were trained. 67 Circuit Managers and 62 Curriculum Implementers attended the training
*Number of Grade 12 and ABET Level 4 candidates received results and certificates on time.	71,000	74,000	88,339	The DBE extended the administration of Senior Certificate examination from 2011 to 2014. Part-time candidates' enrolment increased.
Number of credible markers appointed to mark scripts.	8,000	8,000	5,230	The DBE revised the norm times for appointment of markers. The process reduced the required marking personnel.
*Number of grade 12 candidates registered by March each year	71,000	73,000	76,260	The DBE extended the administration of Senior Certificate examination from 2011 to 2014. Part-time enrollment increased by 3 260 candidates

*1.This refers to registered candidates for Oct/November, February/ March and May/June examinations.

SPECIFIC CHALLENGE AND RESPONSE

Challenge 1:	The DBE extended the administration of Senior Certificate examination from 2011 to 2014. Part-time candidates' enrolment increased
Response to Challenge 1:	The enrolment for part-time candidates increased in 2011. The Directorate has introduced the PR-Centres that will cater for part-time candidates. This will assist in separating the fulltime and the part-time candidates



Part 3

ANNUAL FINANCIAL STATEMENTS



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REPORT OF THE AUDIT COMMITTEE

Provincial Department of Education (Mpumalanga Province)

We are pleased to present our report for the financial year ended 31 March 2012.

Audit Committee Members and Attendance:

The Audit committee had a full membership compliment and met 6 (six) times for the period under review, as per approved terms of reference. The committee also made 4 (four) special sittings. The details of attendance of meetings are recorded below. During the period under review the contract terms of 2 members of the committee expired. These members were re-appointed to the audit committee.

NAME OF MEMBER	ORDINARY MEETINGS	SPECIAL MEETINGS	TOTAL
Mr. JBM Sibanyoni	6	4	10
Mr TT Ntuli	6	3	9
Dr. H Jooste (re-appointed 01 December 2011)	5	4	9
Mr. AC Keyser (re-appointed 01 December 2011)	6	3	9

Audit Committee Responsibility

The Audit Committee is pleased to report that it has complied with its responsibilities arising from section 38 (1) (a) (ii) and section 51 (1) (a) (ii) of the PFMA and Treasury Regulation 3.1. The Committee has adopted appropriate formal terms of reference as its audit committee charter, and has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal controls

The system of internal controls is designed to provide assurance that the Department maintains effective, efficient and transparent financial and risk management systems, safeguarding of assets and efficient management of available working capital. In line with the Public Finance Management Act and the King III Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with reasonable assurance that the internal controls are appropriate and effective. Management strives to establish good internal controls by means of a prudent risk management process, as well as identification of corrective actions on issues identified by internal auditors and/or implementation of suggested enhancements to internal controls and processes.

Significant control weaknesses continued to be reported through both external and internal audit reports. Deviations from policies and procedures, improper implementation of controls, organizational staffing deficiencies, and inadequate competency levels in financial management continued to be major factors contributing to the severity of internal control weaknesses. Auditor-General's unfavourable comments on leadership, financial management, performance management and

governance are noted. The Auditor-General specifically mentioned financial misconduct, human resources management, procurement, and contract management including supply chain. Accordingly we cannot report that the system of internal control for the period under review was effective and adequate.

We take note that the Audit Steering Committee established in the previous financial year (2010/2011) under the leadership of the Chief Financial Officer has had a positive impact.

The Quality of In-Year Management and Quarterly Reports Submitted in Terms of the PFMA and the Division Of Revenue Act.

The Audit Committee has taken note of the contents and quality of the monthly and quarterly reports prepared and issued by the Head of the Department during the period under review. The quality of these reports was not in terms of the PFMA and the Division of Revenue Act. The area of concern for the Audit Committee relates to reporting on performance information.

Evaluation of Financial Statements

The Audit Committee has:

- ✓ reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the Head of the Department;
- ✓ noted the Auditor-General's management letter and management's responses thereto;
- ✓ noted that there were no changes in accounting policies and practices; and
- ✓ noted the significant adjustments resulting from the audit.

The Audit Committee concurs and accepts the Auditor-General's conclusion on the annual financial statements, and recommends that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

Independence of the Audit Committee

The Audit Committee is independent of management in the execution of its duties.

Internal audit

The Department operated with an Acting Chief Audit Executive for the period under review and in the previous financial year. There were still posts that had not been filled due to austerity measures that were adopted by the department for the better part of the period under review. As a result, the Department outsourced some of the internal audit projects.

Subsequent to year end the department commenced the process of recruiting the Chief Audit Executive and the filling of some of the internal audit vacant posts. It is of concern to the Audit Committee that the appointment of the Chief Audit Executive had still not been finalized at the end of the Auditor-General audit.

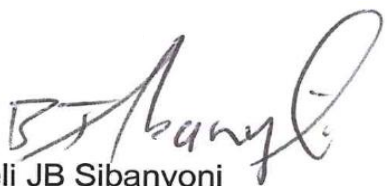
Management of risk

There has been an improvement in the risk assessment processes in the Department. However the comments of the Auditor-General in relation to risk management are noted.

We have met with the Auditor-General to ensure that there are no unresolved issues.

Appreciation

The Audit Committee congratulates the Head of the Department and her senior management for attaining an unqualified audit opinion for the 2nd year in a row. The Audit Committee urges the Department to fill **ALL** vacant Internal Audit posts as a matter of urgency. The Audit Committee appreciates the assistance and cooperation of management in assisting the Audit Committee to discharge its responsibility.



Mhleli JB Sibanyoni
Chairperson of the Audit Committee
Mpumalanga Department of Education

Date: 31 May 2012

**REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON
VOTE NO. 7: DEPARTMENT OF EDUCATION****REPORT ON THE FINANCIAL STATEMENTS****Introduction**

1. I have audited the financial statements of the Department of Education set out on pages 128 to 179, which comprise the appropriation statement, the statement of financial position as at 31 March 2012, the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor - General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Education as at 31 March 2012 and its financial performance and cash flows for the year then ended in accordance with the Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Additional matter

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary information

8. The supplementary information set out on pages 180 to 190 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

Financial reporting framework

9. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. Thus, my opinion would have reflected that the financial statements had been properly prepared instead of fairly presented as required by section 20(2)(a) of the PAA, which requires me to express an opinion on the fair presentation of the financial statements of the department.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

10. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

11. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 15 to 88 of the annual report.
12. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury's *Framework for managing programme performance information*.
13. The reliability of the information in respect of the selected programme is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).
14. There were no material findings on the annual performance report concerning the usefulness and reliability of the information.

Additional matters

15. Although no material findings concerning the usefulness and reliability of the performance information were identified in the annual performance report, I draw attention to the following matters:

Achievement of planned targets

16. Of the total number of 159 planned targets, only 55 were completely achieved during the year under review. This means that 65% of the total planned targets were not achieved during the year under review. This was mainly due to the fact that indicators and targets were not suitably developed during the strategic planning process.

Material adjustments to the annual performance report

17. Material misstatements in the annual performance report were identified during the audit, all of which were corrected by management.

Compliance with laws and regulations

18. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

Annual financial statements, performance report and annual report

19. The financial statements submitted for auditing did not comply with section 40(1)(c)(i) of the

PFMA. Material misstatements were identified during the audit and were corrected by management.

20. The draft annual report for the year under review did not include the audit committee's comments on the effectiveness of internal control and the quality of in-year management and quarterly reports submitted in terms of the PFMA and DoRA as well as their evaluation of the annual financial statements, as required by Treasury Regulations 3.1.13 and 18.3.1(g).

Expenditure management

21. Payments due to creditors were not settled within 30 days from receipt of an invoice, as per the requirements of section 38(1)(f) of the PFMA and Treasury Regulation 8.2.3.
22. The accounting officer did not take effective steps to prevent irregular as well as fruitless and wasteful expenditure, as per the requirements of section 38(1)(c)(ii) of the PFMA.

Financial misconduct

23. Investigations into allegations of financial misconduct against officials were not instituted within 30 days of the discovery thereof, as required by Treasury Regulation 4.1.2.
24. The outcomes of disciplinary hearings were not reported as soon as the hearings were completed to the member of the executive council (MEC) and the Public Service Commission, as required by Treasury Regulation 4.3.1.
25. The MEC and the Public Service Commission were not informed of the outcomes of criminal proceedings instituted against officials, as required by Treasury Regulation 4.3.3.

Human resource management

26. The accounting officer did not ensure that all leave taken by employees had been recorded accurately and in full, as required by Public Service Regulation 1/V/F (b).
27. Employees received overtime compensation in excess of 30% of their monthly salaries, in contravention of Public Service Regulation I/V/D.2 (d).
28. Funded vacant posts were not filled within 12 months, as required by Public Service Regulation 1/VII/C.1A.2.
29. Employees acted in higher vacant posts for more than 12 months, in contravention of Public Service Regulation 1/VII/B.5.3.

Procurement and contract management

30. Goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, as required by Treasury Regulation 16A6.1.
31. Bid adjudication was not always done by committees that were composed in accordance with the policies of the department, as required by Treasury Regulation 16A6.2(b) and (c).
32. Contracts were awarded to bidders who did not submit a declaration of past supply chain management (SCM) practices, such as fraud, abuse of SCM systems and non-performance, contrary to Treasury Regulation 16A9.1.
33. Employees of the department performed remunerative work outside their employment in the department without written permission from the relevant authority, as required by section 33(1) of the Employment of Educators Act of South Africa, 1998 (Act No. 76 of 1998).
34. Persons in the service of the department who had a private or business interest in contracts awarded by the department failed to disclose such interest, as required by Treasury Regulation 16A8.4 and Public Service Regulation 3C.

35. Persons in the service of the department whose close family members, partners or associates had a private or business interest in contracts awarded by the department failed to disclose such interest, as required by Treasury Regulation 16A8.4.

Service delivery – education

36. The cost per meal per learner was not at an average of R2,46 in primary/special schools and R3,36 in secondary schools, in contravention of the Division of Revenue Grant Framework contained in *Gazette No. 34280*.
37. Meals were not prepared according to the recommended food specifications and approved menu, in contravention of the Division of Revenue Grant Framework contained in *Gazette No. 34280*.
38. Meals were not served to learners by 10:00, in contravention of the Division of Revenue Grant Framework contained in *Gazette No. 34280*.
39. New and upgraded schools were unutilised due to the poor quality of construction, in contravention of section 38(1)(b) of the PFMA

Strategic planning and performance

40. The accounting officer did not ensure that the department had and maintained an effective, efficient and transparent system of internal control regarding performance management, which described and represented how the department's processes of performance planning, monitoring, measurement, review and reporting were conducted, organised and managed, as required by section 38(1)(a)(i) and (b) of the PFMA.

Transfer of funds and conditional grants

41. The accounting officer, prior to transferring funds, did not obtain written assurance from entities that they had implemented effective, efficient and transparent financial management and internal control systems, as required by section 38(1)(j) of the PFMA.

Internal control

42. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the findings on compliance with laws and regulations included in this report.

Leadership

43. There is currently a moratorium on the filling of vacancies, as the province decided to revise the organisational structures of departments. In view of this, the department did not implement effective human resource management to ensure that adequate and sufficiently skilled resources were in place and that performance was monitored.
44. The accounting officer did not always ensure that ongoing monitoring and supervision were undertaken to enable an assessment of the effectiveness of internal control.
45. The accounting officer did not evaluate whether management had implemented effective internal controls by gaining an understanding of how senior management members had met their responsibilities.

Financial and performance management

46. Management did not implement adequate controls over daily and monthly processing and reconciling of transactions.
47. Management did not prepare regular, accurate and complete financial and performance reports that were supported and evidenced by reliable information.

48. Management at the appropriate level did not ensure that compliance with applicable laws and regulations was adequately reviewed and monitored throughout the year.
49. Financial information submitted with the financial statements for auditing was not adequately reviewed for accuracy and completeness.

Governance

50. A risk assessment was not properly performed in order to understand the risks facing the department and the fraud prevention plan was only approved after the middle of the year.

OTHER REPORTS

INVESTIGATIONS

51. The integrity management unit within the Office of the Premier completed the investigation of seven cases of alleged procurement irregularities, financial misconduct and nepotism in the department.

PERFORMANCE AUDITS

52. Performance audits were conducted during the year under review on early childhood development and adult basic education and training. These audits are currently in the reporting phase and the findings will be reported on in separate reports.
53. A performance audit is being conducted on the readiness of government to report on its performance. The focus of the audit is on how government institutions are guided and assisted to report on their performance as well as the systems and processes that they have put in place. The audit is currently in the reporting phase and the findings will be reported on in a separate report.

Auditor-General.

Nelspruit

31 July 2012



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

**MPUMALANGA DEPARTMENT OF EDUCATION
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REPORT OF THE ACCOUNTING OFFICER

1. INTRODUCTION

The purpose of this report is to highlight specific financial matters of the 2011/12 financial year.

2. REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2012

The following is the report by the Accounting Officer to the Executive Authority and the Mpumalanga Provincial Legislature on financial performance, financial position and activities of the Department of Education for the financial year ended 31 March 2012.

2.1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

The 2011/12 financial year continued to be a challenging year as the Department faced financial pressure due to accruals to the value of R414 million from 2010/11 financial year mainly in goods and services and payment on capital assets. These accruals necessitated the department to review the 2011/12 Annual Performance Plan to cater for the unplanned expenditure in the 2011/12 financial year. During the 2011/12 adjustment appropriation, the Department received an additional budget of R249.077 million to resolve the projected over expenditure on compensation of employees and payment of capital assets. The Department continued to implement austerity measures to ensure that spending on goods and services operational items were reduced in order to prevent overspending in particular on compensation of employees.

2.1.1. Important policy decisions and strategic issues facing the Department

To continuously enhance both the educators and administrative staff's competence and performance, a Provincial Human Resource Development Strategy was adopted by the Executive Council on 30 November 2011. Furthermore a Provincial Bursary Policy was adopted by the Executive Council on 30 November 2011. The management and payment for bursaries will be centralized in the Department of Education with effect from 01 April 2012 and all departments are expected to comply with the resolution to centralize the bursaries. The implementation of the Curriculum and Assessment Policy Statement (CAPS) from January 2012 in Grades R - 3, Foundation Phase and Grade 10, Further Education and Training Phase, resulted in the Department budgeting for the training of educators on CAPS and the purchase of learning teacher support material during the financial year.

2.1.2. Comments on significant events that have taken place during the year

The following events took place during the 2011/12 financial year as part of ensuring that the Department realized its vision of 'Accelerating Excellence in Education Delivery' in the province:

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No	Description of Event	Venue	Date
1.	Provincial Education Indaba	Govan Mbeki Local Municipality	01-02 April 2011
2.	Handover of computers at Khutsalani Secondary School	Mbombela Municipality	16 April 2011
3.	Policy and Budget Speech	Provincial Legislature	14 May 2011
4.	Official handover of Cyril Clarke and John Mdhuli Primary School	Mbombela Municipality	24 May 2011
5.	Career Exhibition at Lowveld Show - grounds	Mbombela Municipality	28-31 July 2011
6.	Official handover of KaMhlushwa Primary School	Nkomazi Municipality	31 July 2011
7.	Meeting with all primary School Principals	Mbombela Municipality	11 August 2011
8.	Human Resource Development Summit	Mbombela Municipality	18-19 August 2011
9.	National Teaching Awards Ceremony	Emalahleni Municipality	07 October 2011
10.	Announcement of the Grade 12 Results	Gert Sibande District Municipality	05 January 2012
11.	MEC's Visit to the Provincial Top performing school	Emalahleni Municipality	07 February 2012
12.	Consultative Meetings on the 2012 Intervention Programmes to improve learners outcomes with stakeholders	Mbombela Municipality	07 February 2012
13.	Launch of the Eskom Bursary Programme	Mbombela Municipality	21 February 2012
14.	Launch of the Provincial Human Resource Development Strategy	Mbombela Municipality	27 March 2012
15.	Launch of the You Decide Campaign to curb underage drinking	Mbombela Municipality	29 March 2012

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2.1.3. Comments on major projects undertaken during the year

The following projects were completed during the financial year:

Project name		Project description	District	Contract amount R '000
Ezakheni School	Boarding	Construction of 24 classrooms, administration block 3 laboratories, rails and ramps, dining hall, toilets, fence and supply of water and electricity as well as boarding facilities	Gert Sibande	167 813
Khunjuliwe Schools	Secondary	Construction of 28 classrooms, computer centre, library, laboratory, kitchen, rails and ramps, 40 toilets, fence and supply of water and electricity.	Gert Sibande	43 663
Inqubeko Secondary School		Construction of 28 classrooms, computer centre, library, laboratory, rails and ramps, Home Economics Centre, toilets, fence, supply of water and electricity.	Gert Sibande	44 655
KaMhlushwa School	Primary	Construction of 28 classrooms, computer centre, library, kitchen rails and ramps, 3 school grounds, parking area, 24 toilets, administration block, fence and supply of water and electricity.	Ehlanzeni	42 000
Mbuzini Primary School		Construction of 8 classrooms, computer centre, library, laboratory, kitchen, rails and ramps, home economics centre, administration block, school hall and 13	Ehlanzeni	11 361

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Project name	Project description	District	Contract amount R '000
	toilets, fence and supply of water and electricity.		
Masinakane Special School	Construction of 5 classrooms, library, laboratory, kitchen, administration block, school hall and 5 toilets.	Nkangala	11 913
Phelwane Primary School	Construction of 13 classrooms, kitchen, administration block, fence, 12 toilets and supply of water and, electricity.	Nkangala	13 300
Lifiso Primary School	Construction of 9 classrooms, computer centre, kitchen, administration block, 2 school grounds and 14 toilets	Nkangala	10 070

2.1.4. Spending trends

The final expenditure outcome for the 2011/12 financial year amounted to R13.024 billion against the final appropriation of R13.201 billion which resulted in a net under expenditure of R177 million or 1.3%. This means that the department spent 98.7% of its adjusted budget for the year. The functioning of the departmental Budget Advisory Committee will be strengthened to ensure that no over or under spending happens within the department by implementing corrective measures on a monthly basis. Any responsibility or programme manager, who has under spent or over spent its budget in 2011/12 financial year, will be dealt with as per the requirements of the PFMA as this is regarded as a financial misconduct. The department was allocated an original budget of R12.952 billion during the 2011/12 financial year as compared to adjustment budget of R11.962 billion in the 2010/11 financial year. An additional amount of R249.077 million was allocated to the department during the adjustment budget appropriation resulting in a total budget of R13.201 billion.

The additional budget allocation includes rollovers to the value of **R121.192 million** broken down as follows:

Programme	Amount R`000	Description
Programme 8: Auxiliary and Associated Services	123	Conditional grant: HIV/AIDS
Programme 2: Public Ordinary Schools	7 050	Conditional grant: NSNP
Programme 2: Public Ordinary Schools	316	Conditional grant: Technical Secondary Schools
Programme 2: Public Ordinary Schools	13 703	Conditional grant: Infrastructure Development

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The balance of the additional amount received during the 2011/12 adjustment appropriation was made up as follows:

Programme	Amount R`000	Description
Programme 1: Administration	8 720	Provincial Adjustments for improvement of conditions of services
Programme 2: Public Ordinary Schools	84 275	Provincial Adjustments for improvement of conditions of services
Programme 6: Adult Basic Education	5 438	Provincial Adjustments for improvement of conditions of services
Programme 7: Early Childhood Development	4 939	Provincial Adjustments for improvement of conditions of services
Programme 8: Auxiliary and Associated Services	5 628	Provincial Adjustments for improvement of conditions of services
Additional National Grants:		
Programme 2: Public Ordinary Schools	3 600	Flood Damages
Programme 2: Public Ordinary Schools	9 901	EPWP Social grant as compensation of employees
Programme 2: Public Ordinary Schools	3 386	Technical secondary schools recapitalization grant
Programme 2: Public Ordinary Schools	536	EPWP Social grant payment of capital assets
Programme 5: Further Education and Training	1 462	Improvement of conditions of services

The department has spent 98.7% of its adjusted budget.

The following are the Spending trends per Programme:

Programme	2011/12 adjusted budget	2011/12 expenditure	% spent	%spent	%spent	%spent
	R'000	R'000	2011/12	2010/11	2009/10	2008/09
1. Administration	644 176	565 343	88.8%	91.4%	99.9%	85.2%
2. Public Ordinary Schools	11 420 251	11 374 306	99.6%	97.9%	103.3%	103.1%
3. Independent Schools	11 887	11 474	96.5%	100%	93.6%	89.1%
4. Special	255 471	243 928	95.5%	86.6%	93.6%	82.3%

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Programme	2011/12 adjusted budget	2011/12 expenditure	% spent	%spent	%spent	%spent
	R'000	R'000	2011/12	2010/11	2009/10	2008/09
Schools						
5. FET Colleges	398 123	393 246	98.8%	99.7%	93.5%	95.3%
6. ABET	124 909	111 900	89.6%	100.0%	99.6%	69.4%
7. ECD	199 096	177 145	89.0%	89.9%	83.2%	68.9%
8. Auxiliary and Associated Services	146 917	146 860	100%	82.6%	101.6%	120.6%
Total	13 200 830	13 024 202	98.7%	97%	102.4%	100.0%

The following are the spending trends per economical classifications:

Economic Classification	2011/12 adjusted budget	2011/12 expenditure	% spent	%spent	%spent	%spent
	R'000	R'000	2011/12	2010/11	2009/10	2008/09
Compensation of employees	10 303 528	10 235 116	99.4%	100.1%	101.6%	106.0%
Goods and services	1 299 692	1 279 045	98.4%	90.0%	112.8%	80.1%
Transfers and subsidies	876 345	872 598	99.6%	99.6%	97.1%	91.6%
Payment for Capital assets	721 265	637 443	88.4%	64.0%	89.0%	85.2%
Total	13 200 830	13 024 202	98.7%	97%	102.4%	100.0%

- Reasons for under/over spending**

The department had a total under expenditure of R177 million on the budget by the end of the financial year. The Department continued to experience cash flow problems despite the fact that it is showing an under expenditure as indicated above. The cash flow problems were caused largely by the fact that an amount of R143 million was only paid during the 2011/12 financial year, but the transaction was recorded in the 2010/11 financial year. The payment was for Government Employees Pension Fund R93 million and Government Employees Medical Scheme R50 million.

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The reasons for the under expenditure are as indicated in the following table per programme:

Per Programme	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Programme 1: Administration	644 176	565 343	78 833	12.2%
Not all the invoices could be settled before the year end due to cash flow challenges being experienced on equitable share in March 2012.				
Programme 2: Public Ordinary Schools	11 420 251	11 374 306	45 945	0.4%
Not all the invoices, especially on goods and services and LTSM could be settled.				
Programme 3: Independent Schools	11 887	11 474	413	3.5%
Not all the committed claims could be settled before the year end due to cash flow challenges being experienced on equitable share in March 2012.				
Programme 4: Public Special Schools	255 471	243 928	11 543	4.5%
Not all service providers could be paid before the year end due to cash flow challenges being experienced on equitable share in March 2012.				
Programme 5: Further Education and Training	398 123	393 246	4 877	1.2%
Variance is less than 2%				
Programme 6: Adult Basic Education and Training	124 909	111 900	13 009	10.4%
Not all claims for tuition and service providers could be paid before the year end due to cash flow challenges being experienced on equitable share in March 2012.				

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Per Programme	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Programme 7: Early Childhood Development	199 096	177 145	21 951	11.0%
Not all service providers could be paid before the year end due to cash flow challenges being experienced on equitable share in March 2012. New contracts of ABET educators for the 2012 academic year were delayed due to incorrect information.				
Programme 8: Auxiliary and Associated Services	146 917	146 860	57	0%
Variance is less than 2%				

- **Impact on programmes and service delivery**

The under expenditure did not have any impact on the programmes and service delivery. The largest programme, programme 2: public ordinary schools, which is 86% of the total budget has spent 99.4% of its allocated budget.

- **Actions taken or planned to avoid recurrence**

The Department has a three year rolling plan to reduce accruals in order to minimize cash flow problems at the end of each financial year. In the 2010/11 financial year the Department brought forward to 2011/12 financial year accruals to the value of R414 million versus the 2011/12 accruals of R334 million as per note number 21 to the Annual Financial Statements.

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2.1.5. Virement

The following virements have been effected after the November 2011 Adjustment Appropriation and submitted to the Provincial Treasury and disclosed in the Annual Financial Statements as per the requirements of the PFMA and the Treasury Regulations.

Main division the virement was made from	Main division the funds was relocated to	Reason for the virement	The approval given by whom
Programme 1: Administration	Programme 2: Public Ordinary schools and Programme 8: Auxiliary and associated services	R4 million was shifted to public primary schools to purchase library books and cater for human resource development expenses under programme 2. R2.4 million has been shifted to examination services resulting in accruals. (This is 1% of the programme budget)	Provincial Legislature with the tabling of the Adjustment Appropriation Bill.
Programme 1: Administration	Programme 8: Auxiliary and associated services	R184 k has been shifted to examination services to cater for an over expenditure on purchase of equipment for the Grade 12 examination. (This is 0.03% of the programme budget)	Accounting Officer. (Provincial Treasury notified)
Programme 2: Public Ordinary Schools	Programme 1: Administration and Programme 5: FET colleges	R7 million was shifted to administration to cater for accruals in corporate services and office of the MEC. R5 million has been shifted to FET Colleges for the refurbishment of the Ndebele College of Education. (This is 0.1% of the programme budget)	Provincial Legislature with the tabling of the Adjustment Appropriation Bill.
Programme 2: Public Ordinary Schools	Programme 7: Early Childhood Development	R9.9 million was shifted to early childhood development where the stipends were paid for ECD practitioners and NSNP workers	Accounting Officer. (Provincial Treasury notified)

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Main division the virement was made from	Main division the funds was relocated to	Reason for the virement	The approval given by whom
		from the EPWP incentive conditional grant. (This is 0.09% of the programme budget)	
Programme 4: Public Special Schools	Programme 1: Administration	R82 k was shifted to administration resulting accruals in education management. (This is 0.02% of the programme budget)	Provincial Legislature with the tabling of the Adjustment Appropriation Bill.
Programme 4: Public Special Schools	Programme 2: Public Ordinary Schools	R20 million was shifted to public ordinary schools from the infrastructure conditional grant to cater for infrastructure projects in programme 2. (This is 7% of the programme budget)	Accounting Officer. (Provincial Treasury notified)
Programme 6: Adult Basic Education	Programme 1: Administration	R440 k was shifted to administration as the result accruals in corporate services. (This is 0.4% of the programme budget)	Provincial Legislature with the tabling of the Adjustment Appropriation Bill.
Programme 7: Early childhood development	Programme 1: Administration	R77 k was shifted to administration as the result of accruals in corporate services. (This is 0.004% of the programme budget)	Provincial Legislature with the tabling of the Adjustment Appropriation Bill.
Programme 7: Early childhood development	Programme 2: Public Ordinary Schools	R9 million was shifted to public ordinary schools from the infrastructure conditional grant to cater for infrastructure projects in programme 2. (This is 5% of the programme budget)	Accounting Officer. (Provincial Treasury notified)

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REPORT OF THE ACCOUNTING OFFICER

2.1.6. OTHER MATERIAL MATTERS

- **Unauthorised expenditure**

The department incurred no unauthorised expenditure as disclosed in Note 9 of the Annual Financial Statements in the year under review. The select committee on Public accounts has condoned the unauthorized expenditure of R131.9 million reported in the 2009/10 financial year to be funded from the provincial revenue fund.

- **Irregular Expenditure**

The Department incurred irregular expenditure as disclosed under the disclosure Note 24 of the Annual Financial Statements the matters have been referred to the Internal Audit Unit for investigations on the expenditures. The internal audit unit will investigate all the reported irregular expenditure and the recommendations will be implemented by the Accounting Officer within 30 days of receipt of the report. The outcomes of the implementation of the report will be communicated to the audit committee and other stakeholders. The Department will continuously ensure that officials working with supply chain management matters as well as all responsibility managers are trained to curb irregular expenditure. The Department will implement the recommendations and report quarterly on the progress of the implications to the Audit committee.

- **Fruitless and wasteful expenditure**

The Department incurred fruitless and wasteful expenditure as disclosed in Note 25 of the Annual Financial Statements. The matter has been referred to the internal audit to determine liability and the Accounting Officer will implement the recommendations within a month of receipt of the report.

2.2. SERVICES RENDERED BY THE DEPARTMENT

The activities of the Mpumalanga Department of Education are organized in terms of the following 8 (eight) programmes.

Programme 1: Administration

Provides for the overall management of the Department in accordance with the Public Finance Management Act, Act 1 of 1999 as amended, Public Service Act of 1994, Employment of Educators Act, Act 76 of 1997 as well as other policies and prescripts.

Programme 2: Public Ordinary Schools Education

Provides for public ordinary schools to all learners in the province in accordance with the South African Schools Act, Act no. 84 of 1996. This is the largest programme and utilizes the bulk of the budget allocation in this Department.

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The core mandate of this programme is the actualization of the broad curriculum thrust of the Mpumalanga Department of Education to improve curriculum delivery and learner achievement at all levels of the education sector. A vast number of activities respond to this mandate that includes implementation of National Curriculum Statements in all grades as well as the ongoing support to improve curriculum delivery in all phases of schooling in the province.

Programme 3: Independent Schools Education

To support independent schools in accordance with the South African Schools Act, Act no. 84 of 1996. The independent schools sector continues to grow in the province. This, however, has not prevented the Department from fulfilling its obligation of subsidizing those schools that qualify as dictated by the National Norms and Standards of school funding.

Programme 4: Public Special Schools Education

To provide education for learners with special educational needs in accordance with the South African Schools Act, Act no. 84 of 1996 and White Paper 6 on inclusive education. The Department strives to ensure that all learners with special education needs are suitably accommodated in institutions that are appropriately resourced. The number of learners in the special schooling sector continues to grow annually, however, this has not deterred the Department from meeting its obligations of ensuring that proper schooling is available to all learners with special needs.

Programme 5: Further Education and Training

The scope of the 3 (three) Further Education and Training (FET) Colleges is determined in terms of FET Colleges Act, Act 16 of 2006, as the need to develop high level skills in accordance with world class standards of academic and technical quality.

Programme 6: Adult Basic Education and Training

To provide Adult Basic Education and Training (ABET) in accordance with the stipulations of the Adult Basic Education and Training Act, Act 52 of 2000.

Programme 7: Early Childhood Development

The broad goals of the Early Childhood Development is focused on the elimination of inequality, the promotion of increased access and the provision of quality services and the development of appropriate and enabling legislative and policy framework to support Early Childhood Development in the province.

Programme 8: Auxiliary and Associated Services

The key output is examination services.

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2.2.1. Tariff policy

The Department has implemented the following tariffs during the 2011/12 financial year as approved by the Provincial Treasury in compliance with the requirements of the PFMA and Treasury Regulations.

Category	Tariffs for 2010/2011	Proposed tariffs for 2011/2012	Approved tariffs for 2011/2012
National Senior Certificate	R40.00	R46.00	R46.00
General Education and Training Certificate (GETC)	R40.00	R46.00	R46.00
Application for duplicate certificates that were issued to replace previous certificates (Senior Certificates and GETC)	R40.00	R46.00	R46.00
Re-issue of statements of symbols/results (Subject Certificate/Statement)	R40.00	R46.00	R46.00
Changes/amendments to certificates (re-issues)	R40.00	R46.00	R46.00
Changes, surnames, ID Numbers changed legally	R250.00	R250.00	R250.00
Application for replacement (duplicate) certificates - National Senior Certificate (Technical), National Certificate (Vocational), National N Certificate and Subject Statement (subject certificates)	R80.00	R90.00	R90.00
National Senior Certificate (Technical), National Certificate (Vocational), National N Certificate and Subject Statement	R80.00	R90.00	R90.00
Confirmation document issued prior to the certificate (system generated document)	R15.00	R15.00	R15.00
Letter to embassies and authentication of qualifications (work/study abroad)	R20.00	R20.00	R20.00
Re-issue statement of results (provincial)	R15.00	R15.00	R15.00
Standard 6,7,8,9 and 10 practical certificates	R40.00	R46.00	R46.00
Teachers certificates/diplomas	R40.00	R46.00	R46.00
Statement of teacher qualifications	R15.00	R15.00	R15.00
Verification of qualifications prior to 1992 for government organisations	R15.00	R15.00	R15.00
Verification of qualifications prior to 1992 for government organisations	R35.00	R35.00	R35.00

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2.2.2. Free Services

The Department did not render any free services during the period under review.

2.2.3. Inventories

The Department has managed to establish one warehouse at the Gert Sibande District and will continue with the programme of establishing warehouses. Warehouses will be established at Head Office, Nkangala, Ehlanzeni and Bohlabela during the 2012/13 financial year. Where the warehouses have not yet been established the procurement of inventory was handled on a simultaneous receipt and issue basis.

The total inventories on hand at year end in Gert Sibande District warehouse is R607k as per **Annexure 6** of the Annual Financial Statements on inventory. It should however be noted that the inventory is only for Gert Sibande District as the other stores/warehouses will only be established in 2012/13 financial year.

The Department has developed a fixed asset register for movable assets. All assets have been bar coded and have a value. The asset register meets all the requirements for the 2011/12 financial year.

With regard to immovable assets the Department has transferred all immovable assets to the Department of Public Works, Roads and Transport.

2.3. CAPACITY CONSTRAINTS

The following are some of the major capacity constraints that the Department had during the period under review.

2.3.1. Physical Resources and Facilities Management

The Department still had serious capacity constraints in as far as physical resources and facilities management is concerned. The physical resources and facilities management business unit continued to be under staffed due to budgetary constraints during the year. The Technical Assistant that was provided by the National Treasury had to be released of his responsibilities during October 2011 as there was no impact within the department. This has had a major impact on service delivery since the Department is unable to plan and implement infrastructure projects properly and also to cost and budget for these projects adequately.

The Department appointed service providers to do condition assessment of all our facilities to resolve the challenge of putting wrong infrastructure in wrong areas; the condition assessment is currently at 35% completion in as far as capturing this on the Education Financial Management System is concerned.

The Department will continue with the process of appointing a Project Management Agency/Unit in order to improve the capacity of the physical resources and facilities management unit to deal with the planning and implementation of infrastructure projects.

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2.3.2. Asset Management

The Department continued to experience capacity constraints within the asset management unit. This has resulted in a situation where the Department had to appoint a service provider to assist with asset management to enable it to maintain an unqualified Audit opinion in the 2011/12 financial year. One of the conditions of service providers is to do skills transfer to officials that are currently in the unit to be able to do the work on their own when the contract comes to an end. The department will appoint a qualified official to manage the unit in the 2012/13 financial year.

2.3.3. Mathematics, Science and Technology Educators

The Department continues to struggle to fill maths, science and technology educator's posts due to the shortage of these educators in the country especially in the rural areas. The Department will lead with the development of a provincial retention and recruitment strategy and these professionals will be targeted by the Department during the 2012/13 financial year.

As part of dealing with this challenge, the department established a Maths, Science and Technology Directorate from April 2011 so that it can implement the national strategy on this matter holistically. In 2012/13 financial year, the department will ensure that the unit is adequately capacitated by employing the head and other officials.

2.4. UTILIZATION OF DONOR FUNDS

The Department did not receive any donor funding during the 2011/12 financial year.

2.5. TRADING ENTITIES AND PUBLIC ENTITIES

The department has the Mpumalanga Regional Training Trust (MRTT) as the only public entity that forms part of the executing authority's portfolio.

The focus area of the MRTT is the implementation of the Skills Development Act, Act No. 97 of 1988. The main functions of the entity are to:

- Deliver technical, entrepreneurial, management and leadership skills training and,
- Placement of trainees in employment

The funding of the MRTT was as follows:

2011/2012	2010/2011	2009/2010
R61.370 million	R29.594 million	R23.47 million

The Department increased the funding of MRTT during the 2011/12 financial year in response to the Mpumalanga Provincial Legislature' House resolution from R29.594 million in the 2010/11 financial year to R61,370 m in the 2011/12 financial year. The increase was also meant to be used to implement the comprehensive rural development programmes as per the State of the Province injunction. This is an increase of more than 100%.

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2.6. ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

The department made transfers payments to the following institutions.

Non-profit institutions	Adjusted Appropriation	Actual Transfer	Reasons for the transfer
	R'000	R'000	
Transfers			
Mpumalanga Regional Training Trust	61 370	56 084	Implementation of the Skills Development Act No. 97 of 1998
Total	61 370	56 084	
Subsidies			
Section 21 schools	369 326	376 496	Subsidy to Public Ordinary Schools
Independent schools	11 887	11 474	Subsidy to Independent Schools
Special schools	37 724	37 797	Subsidy to Special Schools
Further Education and Training	321 840	321 840	Subsidy to Further Education and Training
Further Education and Training	5 000	5 500	Subsidies to NIHE
Adult Basic Education and Training	2 885	1 129	Subsidy to Adult Basic Education Centres
Early Childhood Development Centres	17 101	13 165	Subsidy to Early Childhood Development Centres
Total	765 763	767 401	

Transfers that were made to MRTT were in advance in the beginning of each quarter accompanied with detailed plans how they will spend the funds. Subsidies paid to the above institutions were made inline with their paper budgets, accompanied with audited financial statements. Most of the Section 21 schools are struggling to submit quality audited financial statements on time. The Provincial Treasury has appointed a service provider to conduct a gap analysis on the financial management and preparation of financial statements by all quintile 1 to 3 schools. The project is about 80% complete and the recommendations of the service providers will assist the Provincial Government to formulate standard charts of accounts for schools.

2.7. PUBLIC PRIVATE PARTNERSHIP (PPP)

The Department did not enter into any Public Private Partnership (PPP) during the 2011/12 financial year.

2.8. CORPORATE GOVERNANCE ARRANGEMENTS

2.8.1. Audit Committee

The Department has a fully functional Audit Committee. The committee consists of external members. The committee is effective in that it provides valuable support, advice and oversight to the Department in relation to financial and performance management as well as accountability. This committee was functional and reviewed all plans and progress for the year under review. The Audit Committee made recommendations to management to resolve weaknesses in controls that were raised by the Internal Audit, Auditor General and the

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Standing Committee on public accounts. The Accounting Officer and team implemented most of the recommendations and some are still under implementation.

2.8.2. Internal Audit Business Unit

The Internal Audit business unit has delivered substantial benefits to the Department by focusing primarily on the system of internal control resulting in better risk management and good governance as well as delivery of set business objectives. It is established in terms of section 38(i) (a) (ii) of the Public Finance Management Act (PFMA) which requires that the Accounting Officer must ensure that the Department has and maintains a system of internal audit under the control and direction of an audit committee. In line with best practices, the unit reports to the Head of Department for administrative purposes and to the Audit Committee for functional purposes.

The internal audit business unit operated in terms of the audit charter, which provides a structured framework for conducting internal audit works. The business unit conducted internal audit in line with the approved Internal Audit Plan for 2011/12, which was drawn up in accordance with the Treasury Regulations Paragraph 3.2.7 and the standards for the professional practice of Internal Audit (SPPIA). The plan and any changes thereto, were always approved by the Audit Committee.

The annual internal audit plan has been executed as planned and where applicable, with amendments approved by the Audit Committee.

The post of the Chief Audit Executive was vacant for the whole financial year and the official who was heading the business unit was doing so on an acting capacity.

The post of the Chief Audit Executive and two other posts have since been advertised for filling on or before the 30th of June 2012. The department had to outsource some of the audits to ensure the work on the operational plan is completed by the 31st of March 2012, and as indicated above this was achieved.

2.8.3. Risk Management

Effective management of risk is essential in the achievement of the Department's goals and objectives.

Risk management has remained an integral part of the operation of the Department during the year under review.

The Department has adopted an enterprise-wide approach to risk management which means that each key risk in every business unit of the Department is included in a structured framework and systematic process of risk management.

Risk assessment reviews are conducted annually and specifically address strategic, operational, human resource, information, communication and technology and financial risks.

A dedicated risk management business unit has been established to facilitate the process of embedding risk management into the day to day activities and management processes within the department. This includes the following activities.

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- ✓ Conducting annual strategic risk assessment reviews.
- ✓ Conducting operational risk assessment or re-evaluate key risks for all business units at least annually.
- ✓ Regular review and update of risk registers and program on management action intended to or minimize or reduce the identified risk.
- ✓ Development of contingency plans for high risks.
- ✓ Early identification of emerging risks and of risk reduction or and
- ✓ Monitor and report on key risks affecting the Department, including any losses.

The identified risks are reported to the Audit Committee on a quarterly basis. The department has established a Risk Management Committee to monitor the implementation of mitigation strategies by all risk owners. The committee meet quarterly and their progress reports are tabled in all committee meetings. The Department will continue to strive towards improving on risk management by using the advice from Provincial Treasury and the Audit Committee.

2.8.4. Fraud Prevention Strategy

The Department has approved and adopted a fraud prevention strategy.

The plan was compiled during the year in line with the requirements of the Public Finance Management Act (PFMA) and the Treasury Regulations (TR). The main objectives of the plan include:

- Developing a culture of ethical behaviour and instilling zero tolerance to fraud and corruption.
- Sending a clear message to all employees and members of the public who interact with the Department that it is committed in fighting fraud and corruption.
- Improving accountability, efficiency and effective administration within the Department and to deal decisively with act of fraud and corruption.
- Improving the application of system policies, procedures and regulations.
- Encouraging all employees and other stakeholders to strive towards the detection and prevention of fraud and corruption impacting or having the potential to impact on the Department.

The fraud prevention policy and the strategy were approved for the implementation during the 2011/12 financial year. The Department held advocacy workshops for both district and head office during the financial year under review. 520 Officials attended these workshops and as the result of this, the department are now receiving tip-offs of possible fraud acts and corruption taking place.

2.8.5. Process to manage conflict of interest

The Department of Public Service and Administration (DPSA) requires all senior managers (Directors and above) to disclose their financial interest annually and all other levels are required to apply for permission to do remunerative work over and above their normal work.

In addition, the Department requires the disclosure of interest by bid committee members prior to all evaluation and adjudication processes of bids.

Similarly all employees are required to seek permission of the Executing Authority for additional remunerative work. Most applicants if not all that was receive during the year was

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not approved by the Executive Authority. Since the 07th of December 2011 all payments and requisitions were checked whether their directors are not government officials. In instances where directors are government officials no orders were issued to those service providers and where the documents were at payment level the said service providers were requested to submit letters from their executive authority approving that they can do remunerative work.

2.8.6. Implementation of the code of conduct

- **Learners**

All School Governing Bodies were trained and supported on the development and implementation of a code of conduct for learners. Districts are doing continuous monitoring of the implementation.

- **School Governing Bodies**

The code of conduct for SGBs has been distributed to all schools. Training will happen during the 2012/13 financial year as elections were completed during March 2012.

- **Educators**

Monitoring and support on the implementation of the Code of Professional ethics is going on. 90 dysfunctional schools are being closely monitored and supported by Education Centre managers.

2.8.7. Safety, Health and Environmental issues

The Department has started a process of strengthening safety at public schools. A total of 1161 School Safety committee members were trained on random search and seizure and drug testing during the year under review. As a way of implementing the school safety protocol, 740 schools have been linked to police stations for constant monitoring.

2.8.8. Progress with Financial Management improvements

The Department is continuing with the process of improving the management of finances.

The Department has managed to improve oversight throughout the Department, with regard to spending and budget control through the budget committee initiative, which is a monthly reporting system. This promotes accountability and addresses measures to ensure the achievement of objectives and delivery according to operational plans.

The Department has managed to implement an electronic procurement management system for quotations which assist in rotating suppliers automatically.

Automated chief user functionality has been introduced on the Logistical Information System (LOGIS) which allows cost centre managers to capture and approve their requisitions and this improves accountability on the part of the responsibility managers.

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2.8.9. Financial Management

The Department strives to improve the understanding of the standard chart of accounts by both Head Office and District officials. Together with the Provincial Treasury there are numerous initiatives to enhance financial management and improve internal controls.

2.8.10. Internal Controls

The Head of Department has the ultimate responsibility for establishing a framework for internal controls designed to effectively provide reasonable assurance against material losses, including appropriate risk management and good corporate governance frameworks and systems.

The Department has established key controls and measures that focus on critical areas identified by line management, facilitated by risk management and assessed and evaluated by the internal auditors. They include approved organizational structures, delegation of authority, quality assurance, and policies and procedures.

These controls are designed to provide a cost effective assurance that the Department's assets are safeguarded and that resources are efficiently managed. Regular internal audits are conducted to timely identify and control weaknesses in the system. Material control weaknesses are reported to appropriate senior management for correction and to the Audit Committee.

After the receipt of the 2010/11 Auditor General's report the Department developed and action plan to resolve and implement the recommendations to improve on its internal controls. The implementation of the action plan was monitored by the Audit Steering Committee established by the Accounting Officer as well as the Audit Committee. It has been agreed that the implementation of the action plan will start as early as May 2012 as the department respond to informal audit queries so that the impact can be felt in the financial year and not await the final audit report for implementation in August of each year.

2.9. DISCONTINUED ACTIVITIES / ACTIVITIES TO BE DISCONTINUED

The payments for security services and the budget thereof will be transferred to the Department of Community Safety, Security and Liaison with effect from 01 April 2012.

2.10. NEW / PROPOSED ACTIVITIES

The Department will commence with the construction of two new comprehensive boarding schools at Emakhazeni and Mkhondo Municipalities respectively.

The boarding schools will cater for learners in the rural farming communities since the Department is in the process of closing farm schools.

The administration and payment for bursaries for the province will be centralised to this department with effect from 01 April 2012. This will assist in the streamlining the management of bursaries and also allow the other departments to concentrate on their core business.

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The Department will continue to refurbish the Ndebele College of Education so that it can be used as a satellite campus for the proposed new University in this province.

2.11. ASSET MANAGEMENT

The Department has an asset management function which is located in the CFO's Office.

Capacity has been sourced externally during the 2011/12 financial year with the approval of the proposed new structure capacity will be employed to undertake the asset management activities in the Department. The officials within the asset management unit have been subjected to further training through the Provincial Treasury and also the service provider. The Department will submit its asset register on excel since it is still busy with the process of cleaning up the data as captured on LOGIS. The cleaning up process will be completed in September 2012 as directed by the Provincial Treasury.

2.12. EVENTS AFTER REPORTING DATE

- There were no major events after the reporting date

2.13. INFORMATION ON PREDETERMINED OBJECTIVES

The overall performance of the Department can be seen in the program performance as described in part 2 of the Annual Report of the Department.

2.14. SCOPA RESOLUTIONS (2009/10)

The following are SCOPA resolutions of the 2009/10 financial year and progress reports as at 31 March 2012.

Reference to previous audit report and SCOPA resolutions	Subject: SCOPA Resolutions	Findings on progress
CAPITAL ASSETS According to the Report of the Auditor-General on page 59, the Auditor General was unable to obtain sufficient appropriate audit evidence concerning the existence and completeness as well as the accuracy of the adjustments of the movable assets amounting to R 173 436 000 and R50 036 000 respectively.	3.1 The Accounting Officer investigates how the official appointed, Deputy Director responsible for managing Asset Management without relevant and required qualifications.	The Department has investigated the appointment of the said Deputy Director and it was confirmed that he was appointed as successful candidate after due recruitment and selection process. It can also be mentioned that the official was absorbed as part of the staff was original appointed by the former Department of Education and Training in North West.
	3.1.1(b) The Accounting Officer subject the Deputy Director transferred to Human Resource	The Department has conducted a competency assessment to determine if the official is well

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Reference to previous audit report and SCOPA resolutions	Subject: SCOPA Resolutions	Findings on progress
	Development to Competency Assessment to determine if the official is well placed and taking consideration of the requirement of position of the Deputy Director: HRD	placed as a Deputy Director HRD and the results have confirmed that he can work as a Deputy Director HRD but needs close supervision.
	3.1.1(c) The Accounting Officer must ensure that officials in the Asset Management unit are adequately capacitated.	The Department is currently experiencing cash flow problems, however, the training of the officials within the asset management unit will be prioritised in the 2012/13 financial year. A qualified head of Asset Management will be recruited on or before 30 June 2012.
EXPENDITURE The Auditor-General on page 70, indicated that he was unable to obtain sufficient appropriate audit evidence concerning the occurrence and accuracy of goods and services due to the failure of the Department to provide sufficient audit evidence for expenditure amounting to R33 355 820 .	3.1.2 The AO must ensure that the Department has a register of all documents and/or payment vouchers handed over to the SIU, SAPS Commercial Branch and the Scholar Transport Commission including copies of each document/payment voucher by 30 July 2011.	All the capital assets related payment vouchers were retrieved and properly recorded from SIU and SAPS. Documents for accommodation, books, catering, labour saving device and other related payments were collected from Special Investigating Unit in Middelburg and subsequently recorded. All payment vouchers for scholar transport were taken by the Commissioner and are still in their possession. All documents requested by investigators are recorded adequately and where practical copies are made as well.
	The AO must ensure that in future the Department register all documents that are being confiscated by the SAPS or any law enforcement agency and/or	The resolution is noted and the Department will ensure that all documents sent to the Auditor-General, SIU and/or any other organisation are recorded

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Reference to previous audit report and SCOPA resolutions	Subject: SCOPA Resolutions	Findings on progress
	commission of enquiry.	properly before handed over and where practical copies of these documents will be made and kept by the department.
FRUITLESS AND WASTEFUL EXPENDITURE (R159 000) The Department has incurred fruitless and wasteful expenditure amounting to R159 000 due to interest charges on the bank overdraft.	3.1.4 (a) The committee recommend that the House resolve that the fruitless and wasteful expenditure be recovered from the officials who caused the bank overdrafts.	The Department has drafted charges against the officials concerned and disciplinary hearings have been conducted and the Department is awaiting the verdict. The process is being managed or supervised by the Director of Labour Relations and a final decision on the fruitless and wasteful expenditure will be taken once the verdict has been delivered.
	3.1.4 (b) The AO must improve the cash flow management of the Department	The cash flow management of the Department has been improved. Bank reconciliation is done on a daily basis and supported by the CFO.
	3.1.4 (c) The Chief Financial Officer must develop a strategy that will turnaround the financial management of the department i.e. cash flow management.	The cash flow management of the Department has been improved. Bank reconciliation is done on a daily basis prior to payments being effected by officials.
UNAUTHORISED EXPENDITURE In terms of the Auditor-General's report, unauthorised expenditure amounting to R343 016 000 was incurred due to certain programmes overspending	3.2.1.1 The Committee recommend that the House resolve that the unauthorised expenditure on Compensation of employees amounting to R131 936 000 is condoned as a charge against the Provincial Revenue Fund.	The resolution is noted and the Department has already written to the Provincial Treasury to request for the appropriation of this amount.

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Reference to previous audit report and SCOPA resolutions	Subject: SCOPA Resolutions	Findings on progress
	<p>The Committee recommend that the House resolve that, the unauthorised expenditure amounting R176 970 000 Scholar Transport is not condoned.</p>	<p>The matter of scholar transport fraud and corruption was referred to the Commissioner as appointed by the Office of the Premier.</p> <p>The Commissioner has already submitted the final report and the matter has further been referred to the Special Investigations Unit (SIU) for assistance with laying of charges against the affected individuals and entities.</p> <p>The SIU has recently requested the documents from the Office of the Premier and the department has granted approval in this regard.</p>
<p>CONDITIONAL GRANT</p> <p>The Department indicated it could not surrender to National Revenue Fund R31 110 000 due to unavailability of funds for surrender.</p>	<p>3.1.3.1(a)</p> <p>The unauthorised expenditure amounting R31 110 000 is not condoned (conditional grant).</p>	<p>The unauthorised expenditure was treated as a first charge against the 2010/11 financial year budget.</p>
<p>(b)</p>	<p>3.1.3.1(b)</p> <p>The MEC (executive authority) takes disciplinary action against the accounting officer for using R31 110 000 of Conditional Grant funding to finance over expenditure on goods and services as well as compensation of employees (financial misconduct).</p>	<p>The disciplinary action against the Accounting Officer will be handled by the Office of the Premier through the office of the MEC for Education as the Accounting Officer has signed a contract with the Premier.</p> <p>This matter was referred by the Executing Authority to the Office of the Premier for further handling and implementation of the resolution.</p>

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Reference to previous audit report and SCOPA resolutions	Subject: SCOPA Resolutions	Findings on progress
(c)	3.1.3.1(c) The MEC (executive authority) takes disciplinary action against the accounting officer for using R31 110 000 of Conditional Grant funding to finance over expenditure on goods and services as well as compensation of employees (financial misconduct).	The disciplinary action against the Accounting Officer will be handled by the Office of the Premier through the office of the MEC for Education as the Accounting Officer has signed a contract with the Premier. This matter was referred by the Executing Authority to the Office of the Premier for further handling and implementation of the resolution.
IRREGULAR EXPENDITURE An irregular expenditure of R134 936 000 was incurred as a result of over expenditure on compensation of employees.	3.3.1 The Committee recommend that the House resolved that the irregular expenditure amounting to R134 936 000 must be accepted by Provincial Treasury.	The Department has noted the ruling that the irregular expenditure amounting to R134 936 000 must be accepted by the Provincial Treasury. The irregular expenditure will be reduced by an amount of R134 936 000 in the 2011/12 Annual Financial Statements.
FINANCIAL AND PERFORMANCE INFORMATION Lack of effective, efficient and transparent systems and internal controls regarding performance management.	3.4.1 The Accounting Officer must ensure that the Department has an effective and efficient system of performance information management	The Department has an approved Policy on Management of Performance Information which is aimed at efficiently and effectively managing the Departmental performance information. The policy is supervised by the Director of Strategic Planning and it had positive impact since there has been improvement on the reporting and submission of portfolio of evidence for the performance information. Quarterly performance reviews

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Reference to previous audit report and SCOPA resolutions	Subject: SCOPA Resolutions	Findings on progress
		were conducted during the 2011/12 financial year as part of the system to improve on the matter.
<p>FAILURE TO PAY CREDITORS WITHIN 30 DAYS</p> <p>According to the Auditor-General's report on page 71, the Department has failed to settle all payments due to creditors within 30 days in terms of Treasury Regulation 8.2.3 as well as Treasury Regulation 11.2.1, which requires the Accounting Officer to take effective and appropriate steps to timeously collect all the money due to the Department.</p>	<p>3.5.1</p> <p>The MEC must request Cabinet to intervene and assist the Department to fund liabilities and contractual obligations.</p>	<p>The department has introduced a set of austerity measures so as to realize savings on operational costs and therefore avoid over expenditure on compensation of employees and other core mandates. This has improved the cash flow situation and therefore payment of creditors within 30 days has also shown a tremendous improvement.</p> <p>The Executive Council Lekgotla has instructed all departments in February 2012, to ensure that payments to service providers are made within 30 days as per the Treasury Regulations.</p>
<p>STAFF DEBTS</p> <p>The Committee noted in the report of the Auditor-General that the Accounting Officer had failed to take effective and appropriate steps to timeously collect all monies due to the Department as required by Section 38(c)(i) of the PFMA and Treasury Regulation 11.2.1</p>	<p>3.6.1(a)</p> <p>The MEC (executive authority) take disciplinary action against the Accounting Officer for contravening section 38 (c)(i) of the PFMA and Treasury Regulation 11.2.1</p>	<p>The disciplinary action against the Accounting Officer will be handled by the Office of the Premier through the office of the MEC for Education as the Accounting Officer has signed a contract with the Premier.</p> <p>This matter was referred by the Executing Authority to the Office of the Premier for further handling and implementation of the resolution.</p>
	<p>3.6.1(b)</p> <p>The AO must recover all monies owed to the Department</p>	<p>The Department has put in place system and process of recovery of all monies owed to the department. A debt management strategy has also</p>

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Reference to previous audit report and SCOPA resolutions	Subject: SCOPA Resolutions	Findings on progress
		<p>been compiled.</p> <p>Furthermore the department has appointed a service provider to perform debt collection functions. The service provider will be paid a 15% commission on all amounts collected on behalf of the department.</p>
	<p>3.6.1(c)</p> <p>The AO must recover the R2,819,776.90 owed by current employees of the department by 23 November 2011 in terms of Section 38(1)(c)(i) of the PFMA</p>	<ul style="list-style-type: none"> • The department has recovered an amount of R1 148 million from 400 debtors. • An amount of R951 k has been recommended for writing off as irrecoverable in terms of the departmental debt policy. • Claims amounting to R175 k have been lodged with other departments and will be collected in due course. • Deductions have been implemented against the salaries of 40 employee debtors for the purpose of recovering R575k worth of debt. Due to provisions of the Departmental debt management policy and the limitations afforded by the debtors' salaries, the instalments would not allow the department to recover the amount by November 2011.
	<p>3.6.1(d)</p> <p>The Department must minimize outsourcing debt collection and utilise the officials employed for such purposes (Debt Section).</p>	<p>The Department will endeavour to minimise the outsourcing of debt collection and utilise the officials employed for such purposes, however, it should be</p>

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Reference to previous audit report and SCOPA resolutions	Subject: SCOPA Resolutions	Findings on progress
		noted that this will only be possible after 3 years since the Department already has signed a contract with a service provider to assist in debt collection on a commission basis.
REPORT OF THE AUDIT COMMITTEE	3.7.1(a) The AO must ensure that Human Resources Directorate facilitates that all officials of the Department sign performance agreements.	The resolution is noted and to address the issue of non-submission of and signing of performance agreements, the Department issued an HR Directive to all staff members reminding them to sign their performance agreements. It was further indicated that disciplinary measures will be taken against officials who are failing to comply.
	3.7.1(b) The Audit committee and MEC assist the Department to turnaround the leadership and management challenges (insubordination).	<p>The resolution is noted. The Department is currently employing various strategies to deal with leadership and management challenges such as staff rotation in order to utilise officials optimally in business units where they are better suited and qualified.</p> <p>However, there is resistance from officials on the matter and currently disciplinary processes are underway while some of the affected officials have taken the department to court and the department is defending the matter.</p>

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REPORT OF THE ACCOUNTING OFFICER

2.15. PRIOR MODIFICATION TO AUDIT REPORTS

The Department received an unqualified audit opinion for the 2010/11 financial year from the Auditor-General and therefore there are no matters to report under this item except for those that were reported under emphasis of matters and other matters.

2.16. EXEMPTIONS AND DEVIATIONS RECEIVED FROM NATIONAL TREASURY

The Department did not receive any exemption and deviation from the National Treasury, however, authorization was granted by the Provincial Treasury for the Department to:

- Submit the asset register in excel format instead of LOGIS for the 2011/12 financial year. The Department will be utilised as a pilot on the matter of uploading from excel to LOGIS.

2.17. INTERIM FINANCIAL STATEMENTS

The department submitted Interim Financial Statements for the period ending 30 September 2011 and 31 December 2011 respectively to the Provincial Treasury. The interim financial statements were audited by the internal audit unit and exceptions were raised with management as a process of improving on weaknesses raised in the past on misstatements etc. The Department used the findings by the internal audit to improve on the final annual financial statements submitted to Provincial Treasury and the Auditor General for the 2011/12 financial year.

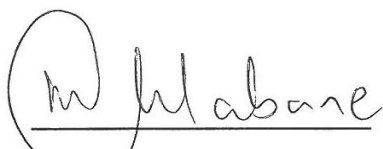
2.18. OTHER MATTERS

The Department re-graded Assistant Directors to salary level 10 and Deputy Directors to salary level 12 with effect from 1 June 2007, while Circuit Managers were translated to salary level 11 in 2005. These re-grading was deemed illegal by the Department of Public Service and Administration. These cases are currently still being discussed further with the DPSA as well as in various forums such as the Provincial Management Committee, Executive Council, Labour formations, etc.

This matter will be disclosed as a contingent asset once a final decision has been arrived at.

2.19. APPROVAL

The Annual Financial Statements set out on pages 127 - 178 have been approved by the Accounting Officer.



MOC MHLABANE (MRS)

HEAD OF DEPARTMENT

DATE: 31 May 2012

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

Appropriation per programme									
2011/12								2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Programme 1									
Administration									
Current payment	619 040			619 040	542 131	76 909	87.6%	980 892	909 268
Transfers and subsidies	4 449			4 449	1 791	2 658	40.3%	5 308	3 204
Payment for capital assets	19 305		(184)	19 121	16 236	2 885	84.9%	18 148	6 382
2. Programme 2									
Public Ordinary Schools									
Current payment	10 422 969	(31 000)	(9 901)	10 382 068	10 402 734	(20 666)	100.2%	9 039 283	9 028 720
Transfers and subsidies	384 786	23 500		408 286	418 286	(9 754)	102.4%	378 795	378 796
Payment for capital assets	593 397	7 500	29 000	629 897	553 532	76 365	87.9%	612 046	413 799
3. Programme 3									
Independent Schools									
Current payment									
Transfers and subsidies	11 887			11 887	11 474	413	96.5%	11 800	11 797
Payment for capital assets									
4. Programme 4									
Public Special Schools									
Current payment	164 890			164 890	158 162	6 728	95.9%	145 132	139 191
Transfers and subsidies	38 619			38 619	38 140	479	98.8%	30 588	30 629
Payment for capital assets	71 962		(20 000)	51 962	47 626	4 336	91.7%	22 384	1 770

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

Appropriation per programme									
2011/12								2010/11	
	Adjusted Appropriation	Shifting of Funds	Veriment	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5. Programme 5									
Further Education & Training									
Current payment	9 913			9 913	9 257	656	93.4%	43 635	40 295
Transfers and subsidies	388 210			388 210	383 989	4 221	98.9 %	286 597	288 935
6. Programme 6									
ABET									
Current payment	121 901			121 901	110 771	11 130	90.9%	97 245	99 963
Transfers and subsidies	3 008			3 008	1 129	1 879	37.5%	2 727	-
Payment for capital assets									
7. Programme 7									
ECD									
Current payment	161 868			161 868	143 996	17 872	89.0%	107 615	101 501
Transfers and subsidies	7 226		9 901	17 127	13 284	3 843	77.6%	10 992	10 597
Payment for capital assets	29 101		(9 000)	20 101	19 865	236	98.8%	6 244	114
8. Programme 8									
Auxiliary Services									
Current payment	141 974			141 974	141 925	49	100.0%	155 918	128 527
Transfers and subsidies	4 759			4 759	4 751	8	99.8%	5 116	4 558
Payment for capital assets			184	184	184	0	100.0%		
Subtotal	13 199 264	0	0	13 199 264	13 019 017	180 247	98.6%	11 960 465	11 598 146

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

Appropriation per programme									
	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Statutory Appropriation									
Current payment	1 566			1 566	1 566	-	100%	1 407	1 492
Transfers and subsidies									
Payment for capital assets									
Subtotal	1 566			1 566	1 566	-	98.7%	1 407	1 492
TOTAL	13 200 830			13 200 830	13 024 202	176 628	98.7%	11 961 872	11 598 146

Appropriation per programme					
	2011/12			2010/11	
	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
TOTAL (brought forward)	13 200 830	13 024 202		11 961 872	11 598 146
Reconciliation with statement of financial performance					
ADD					
Departmental receipts	20 930			25 288	
Actual amounts per statement of financial performance (total revenue)	13 221 760			11 987 160	
ADD					
Aid assistance					
Direct Exchequer payments					
Prior year unauthorised expenditure approved without funding					
Actual amounts per statement of financial performance (total expenditure)		13 024 202			11 598 146

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

Appropriation per economic classification									
2011/12								2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	10 311 760		(9 901)	10 301 962	10 235 116	66 846	99.4%	9 245 072	9 251 784
Goods and services	1 330 692	(31 000)		1 299 692	1 278 142	21 550	98.3%	1 295 054	1 166 089
Interest and rent on land					903	(903)			
Transfers & subsidies									
Provinces and municipalities	150			150	60	90	40.0%		
Departmental agencies and accounts	4 751			4 751	4 751		100.0%	4 558	4 558
Non-profit institutions	813 232	4 000	9 901	827 133	823 485	3 648	99.6%	727 165	726 439
Households	24 811	19 500		44 311	44 302	9	100.0%	29 244	27 111
Payment of capital assets									
Buildings and other fixed structures	690 798	7 500		698 298	620 071	78 227	88.8%	636 092	413 938
Machinery and equipment	22 967			22 967	17 372	5 595	75.6%	23 280	8 227
Software and other intangible assets									
Total	13 199 161	0	0	13 199 161	13 024 202	174 959	98.7%	11 960 465	11 598 146

Statutory Appropriation									
2011/12								2010/11	
Direct charge against the Provincial Revenue Fund	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Member of executive committee	1 566			1 566	1 566	-	100.0%	1 407	1 492
Total	1 566			1 566	1 566	-	100.0%	1 407	1 492

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

Detail per sub-programme 1	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Office of the MEC									
Current payment	5 090			5 090	5 930	(840)	116.5%	3 879	4 940
Transfers and subsidies	16			16	0	16	0.0%	16	-
								-	100
1.2 Education Management									
Current payment	137 583			137 583	107 021	30 562	77.8%	500 981	511 973
Transfers and subsidies	673			673	551	122	81.9%	2 056	1 654
Payment for capital assets	15 103			15 103	10 113	4 990	67%	13 478	4 260
1.3 Corporate Services									
Current payment	435 738			435 738	415 453	20 285	95.3%	444 150	380 610
Transfers and subsidies	3 758			3 758	1 240	2 518	33.0%	3 234	1 550
Payment for capital assets	4 202		(184)	4 018	1 264	2 754	31.5%	4 670	1 585
1.4 Human Resource Development									
Current payment	3 348			3 348	3 242	106	96.8%	3 343	19
1.5 Education Management Information Systems									
Current payment	37 281			37 281	14 104	23 177	37.8%	28 539	11 726
Transfers and subsidies	2			2	0	2	0.0%	2	-
Payment for capital assets	0			0	4 859	(4 859)		-	537
Total	642 794	0	(184)	642 610	563 777	78 833	87.7%	1 004 348	918 954

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

2011/12								2010/11	
Programme 1: Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	339 533			339 636	322 785	16 851	95.0%	664 576	674 437
Goods and services	279 404			279 404	223 628	55 776	80.0%	316 316	234 832
Interest and rent on land					903	(903)			
Transfers & subsidies									
Provinces and municipalities	150			150	60	90	40.0%		
Households	4 299			4 299	1 731	2 568	40.3%	5 308	3 203
Payment for capital assets									
Buildings and other fixed structures	8 868			8 868	8 031	837	90.6%	8 268	380
Machinery and equipment	10 437		(184)	10 253	8 205	2 048	80.0%	9 880	6 102
Software and other intangible assets									
Total	642 691	0	(184)	642 610	565 343	77 267	88.0%	1 004 348	918 954

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

Detail per sub-programme 2	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Public Primary Schools									
Current payment	5 978 783	(110 566)	(9 901)	5 858 316	5 793 702	64 614	98.9%	5 539 465	5 405 232
Transfers and subsidies	245 548	19 500		265 048	265 746	(698)	100.3%	230 434	230 241
Payment for capital assets	91 288			91 288	52 108	39 180	57.1%	201 803	137 295
2.2 Public Secondary Schools									
Current payment	3 511 015	79 566		3 590 581	3 620 236	(29 655)	100.8%	3 035 480	3 188 525
Transfers and subsidies	137 874	4 000		141 874	141 468	406	99.7%	126 361	128 285
Payment for capital assets	(16 162)	7 500		(8 662)	26 446	(35 108)	(305.3%)	102 888	151 114
2.3 Professional Services –POS									
Current payment	408 448			408 448	443 786	(35 338)	108.7%		
Transfers and subsidies	1 364			1 364	1 701	(337)	124.7%		
Payment for capital assets	165			165	164	1	99.4%		
2.4 Human Resource Development									
Current payment	43 296			43 296	41 711	1 585	96.3%	39 442	21 670
2.5 In School Sports & Culture									
Current payment	17 113			17 113	18 313	(1 200)	107.0%	22 616	8 661
2.6 Conditional Grants									
Current payment	464 314			464 314	484 986	(20 672)	104.5%	402 280	404 632
Transfers and subsidies	0			0	9 125	(9 125)		22 000	20 270
Payment for capital assets	518 106		29 000	547 106	474 814	72 292	86.8%	307 355	125 390
Total	11 401 152	0	19 099	11 420 251	11 374 306	45 945	99.6%	10 030 124	9 821 315

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

2011/12								2010/11	
Programme 2: Economic classification	Adjusted Appropriation	Shifting of Funds	Veriment	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	9 473 818		(9 901)	9 463 917	9 435 194	28 723	99.7%	8 167 257	8 171 503
Goods and services	949 151	(31 000)		918 151	967 540	(49 389)	105.4%	872 026	857 218
Transfers & subsidies									
Non-profit institutions	365 326	4 000		369 326	376 496	(7 170)	101.9%	355 315	355 315
Households	19 460	19 500		38 960	41 544	(2 584)	106.6%	23 480	23 480
Payment of capital assets									
Buildings and other fixed structures	580 927	7 500	29 000	617 427	544 549	72 878	88.2%	604 196	411 913
Machinery and equipment	12 470			12 470	8 983	3 487	72.0%	7 850	1 886
Total	11 401 152	0	19 099	11 420 251	11 374 306	45 945	99.6%	10 030 124	9 821 315

2011/12								2010/11	
Detail per sub-programme 3	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Primary Phase									
Transfers and subsidies	7 987	2 000		9 987	9 976	11	99.9%	8 931	11 321
3.2 Secondary Phase									
Transfers and subsidies	3 900	(2 000)		1 900	1 498	402	78.8%	2 869	476
Total	11 887	0	0	11 887	11 474	413	96.5%	11 800	11 797

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

2011/12								2010/11	
Programme 3: Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies to:									
Non-profit institutions	11 887	0	0	11 887	11 474	413	96.5%	11 800	11 797
Total	11 887	0	0	11 887	11 474	413	96.5%	11 800	11 797

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

2011/12								2010/11	
Detail per sub-programme 4	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Schools									
Current payment	153 207			153 207	149 821	3 386	97.8%	142 503	139 085
Transfers and subsidies	38 503			38 503	38 140	363	99.1%	30 588	30 629
Payment for capital assets	6 609			6 609	2 305	4 304	34.9%	10 498	1 770
4.2 Professional Services – PSP									
Current payment	10 956			10 956	7 515	3 441	68.6%		
Transfers and subsidies	116			116	0	116			
4.3 Human Resource Development									
Current payment	727			727	826	(99)	113.6%	694	104
4.5 Conditional Grants									
Current payment	0				0	0		1 935	2
Payment for capital assets	65 353		(20 000)	45 353	45 321	32	99.9%	11 886	0
Total	275 471	0	(20 000)	255 471	243 928	11 543	95.5%	198 104	171 590

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

2011/12								2010/11	
Programme 4: Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	153 167			153 167	147 791	5 376	96.5%	135 565	132 034
Goods and services	11 723			11 723	10 371	1 352	88.5%	9 567	7 157
Transfers and subsidies to:									
Non-profit institutions	37 724			37 724	37 797	(73)	100.2%	30 221	30 221
Households	895			895	343	552	38.3%	367	408
Payment of capital assets									
Buildings and other fixed structures	71 962		(20 000)	51 962	47 626	4 336	91.7%	17 384	1 531
Machinery & Equipment								5 000	239
Total	275 471	0	(20 000)	255 471	243 928	11 543	95.5%	198 104	171 590

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

Detail per sub-programme 5	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Public Institutions									
Current payment	9 607			9 607	9 257	350	96.4%	13 826	10 701
Transfers and subsidies	5 000			5 000	6 065	(1 065)	121.3%	500	-
5.2 Youth Colleges									
Transfers and subsidies	61 370			61 370	56 084	5 286	91.4%	29 594	29 594
5.3 Human Resource Development									
Current payment	306			306	0	306		215	
5.4 Conditional Grant									
Transfers and subsidies	321 840			321 840	321 840	0	100%	286 097	288 935
Total	398 123	0	0	398 123	393 246	4 877	98.8%	330 232	329 230

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

2011/12								2010/11	
Programme 5: Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	9 607			9 607	8 731	876	90.9%	13 826	10 328
Goods and services	306			306	526	(220)	171.9%	215	373
Transfers and subsidies to:									
Non-profit institutions	388 210			388 210	383 424	4 786	98.8%	316 191	318 529
Households	0			0	565	(565)			
Total	398 123	0	0	398 123	393 246	4 877	98.8%	330 232	329 230

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

Detail per sub-programme 6	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Public Centres									
Current payment	118 920			118 920	108 153	10 767	96.9%	96 745	99 910
Transfers and subsidies	2 983			2 983	1 129	1 854	37.8%	2 727	-
Payment for capital assets									
6.2 Professional Services – ABET									
Current payment	2 481			2 481	2 227	254	89.8%		
Transfers and subsidies	25			25	0	25			
6.3 Human Resource Development									
Current payment	500			500	391	109	78.2%	500	53
Total	124 909	0	0	124 909	111 900	13 009	89.6%	99 972	99 963

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

2011/12								2010/11	
Programme 6: Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	110 876			110 876	107 358	3 518	96.8%	89 630	92 404
Goods and services	11 025			11 025	3 413	7 612	31.0%	7 615	7 559
Transfers and subsidies to:									
Non-profit institutions	2 885			2 885	1 129	1 756	59.9%	2 646	-
Households	123			123	0	123		81	-
Total	124 909	0	0	124 909	111 900	13 009	89.6%	99 972	99 963

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

Detail per sub-programme 7	2011/12							2010/11	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
7.1 Grade R in Public Schools									
Current payment	147 292			147 292	141 171	6 121	95.8%	102 600	98 553
Transfers and subsidies	-			-	119	(119)		6 500	6 145
7.2 Grade R in Community Centres									
Transfers and subsidies	7 200			7 200	7 409	(209)	102.9%	4 492	4 452
7.3 Pre-Grade R									
Current payments	12 000			12 000	116	11 884	1.0%	3 500	2 948
7.4 Professional Services – ECD									
Current payments	2 072			2 072	2 315	(243)	111.7%		
Transfers and subsidies	26			26		26			
Payment for capital assets	60			60		60			
7.5 Human Resource Development									
Current payment	504			504	394	110	58.1	499	-
7.6 Conditional Grant									
Transfers and subsidies	0		9 901	9 901	5 756	4 145	58.1%	1 016	-
Payment for capital assets	29 041		(9 000)	20 041	19 865	176	99.1%	6 244	114
Total	198 195	0	901	199 096	177 145	21 951	89.0%	124 851	112 212

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

2011/12								2010/11	
Programme 7: Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	133 360			133 360	132 651	709	99.5%	95 219	95 350
Goods and services	28 508			28 508	11 345	17 163	39.8%	12 396	6 151
Transfers and subsidies to:									
Non-profit institutions	7 200		9 901	17 101	13 165	3 936	77.0%	10 992	10 577
Households	26			26	119	(93)	457.7%	-	20
Payment for capital assets									
Buildings & other fixed structures	29 041		(9 000)	20 041	19 865	176	99.1%	6 244	114
Machinery & Equipment	60			60	0	60			
Total	198 195	0	901	199 096	177 145	21 951	89.0%	124 851	112 212

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

2011/12								2010/11	
Detail per sub-programme 8	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
8.1 Payment to SETA									
Transfers and subsidies	4 751			4 751	4 751	0	100.0%	4 558	4 558
8.2 External Examination									
Current payment	125 463			125 463	126 228	(765)	100.6%	139 285	111 467
Transfers and subsidies	8			8	0	8	0.0%	8	-
Payment for capital assets			184	184	0	184	0.0%		
8.3 Conditional Grants									
Current payment	16 511			16 511	15 697	814	95.1%	16 633	17 060
Transfers and subsidies								550	-
Payment for capital assets					184	(184)			
Total	146 733	0	184	146 917	146 860	57	100.0%	161 034	133 085

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DETAIL PER PROGRAMME
for the year ended 31 March 2012**

2011/12								2010/11	
Programme 8: Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	91 399			91 399	80 606	10 793	88.2%	78 999	75 728
Goods and services	50 575			50 575	61 319	(10 744)	121.2%	76 919	52 799
Transfers and subsidies to:									
Departmental agencies and accounts	4 751			4 751	4 751	0	100.0%	4 558	4 558
Households	8			8	0	8		8	-
Payment for capital assets									
Machinery & Equipment			184	184	184	0	100.0%	550	-
Total	146 733		184	146 917	146 860	57	100.0%	161 034	133 085

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2012**

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in note 6 (Transfers and subsidies) and Annexure 1 (A-D) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in note 3.5 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

		Final	Actual		Variance as a %
4.1	Per Programme	Appropriation	Expenditure	Variance	of Final
		R'000	R'000	R'000	Appropriation
					%
	Programme 1: Administration	642 507	565 343	77 164	12.0%
Not all the invoices could be settled before the year end due to cash flow challenges being experienced on equitable share in March 2012					
	Programme 2: Public Ordinary Schools	11 420 251	11 374 306	45 945	0.4%
Not all the invoices, especially on goods and services and LTSM could be settled					
	Programme 3: Independent Schools	11 887	11 474	413	3.5%
Not all the committed claims could be settled before the year end due to cash flow challenges being experienced on equitable share in March 2012					
	Programme 4: Public Special Schools	255 471	243 928	11 543	4.5%
Not all service providers could be paid before the year end due to cash flow challenges being experienced on equitable share in March 2012					
	Programme 5: Further Education and Training Less than 2%	398 123	393 246	4 877	1.2%

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2012**

4.1 Per Programme (Continued)	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Programme 6: Adult Basic Education and Training	124 909	111 900	13 009	10.4%

Not all claims for tuition and service providers could be paid before the year end due to cash flow challenges being experienced on equitable share in March 2012

Programme 7: Early Childhood Development	199 096	177 145	21 951	11.0%
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Not all service providers could be paid before the year end due to cash flow challenges being experienced on equitable share in March 2012. New contracts of ABET educators for the 2012 academic year were delayed due to incorrect information.

Programme 8: Auxiliary and Associated Services	146 917	146 860	57	0.0%
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Less than 2%

4.2 Per Economic classification

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
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Current payments

Compensation of employees	10 301 859	10 235 116	66 743	0.65%
Goods and services	1 299 692	1 278 142	21 550	1.7%
Interest and rent on land		903	(903)	

Transfers and subsidies

Provinces and municipalities	150	60	90	60%
Departmental agencies and accounts	4 751	4 751	0	0%
Non-profit institutions	827 133	823 485	3 648	0.4%
Households	44 311	44 302	9	0.0%

Payments for capital assets

Buildings and other fixed structures	698 298	620 071	78 227	11.2%
Machinery and equipment	22 967	17 372	5 595	24.4%

MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
REVENUE			
Annual appropriation	<u>1</u>	13 199 264	11 960 465
Statutory appropriation	<u>2</u>	1 566	1 407
Departmental revenue	<u>3</u>	20 930	25 288
TOTAL REVENUE		13 221 760	11 987 160
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>4.2</u>	10 235 116	9 251 784
Goods and services	<u>5</u>	1 278 142	1 166 089
Interest and rent on land	<u>6</u>	903	-
Total current expenditure		11 514 161	10 417 873
Transfers and subsidies		868 979	758 108
Transfers and subsidies	<u>7</u>	868 979	758 108
Expenditure for capital assets			
Tangible capital assets	<u>8</u>	637 443	422 165
Software and other intangible assets	<u>7</u>	-	-
Total expenditure for capital assets		637 443	422 165
TOTAL EXPENDITURE		13 020 583	11 598 146
SURPLUS FOR THE YEAR		201 177	389 014
Reconciliation of Net Surplus for the year			
Voted funds		180 247	363 726
Annual appropriation			
Conditional grants			
Departmental revenue	<u>3</u>	20 930	25 288
SURPLUS/DEFICIT FOR THE YEAR		201 177	389 014

MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7
STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2012

	<i>Note</i>	2011/12 R'000	2010/11 R'000
ASSETS			
Current assets		748 115	714 061
Unauthorised expenditure	<u>9.1</u>	664 980	664 980
Fruitless and wasteful expenditure	<u>10.1</u>	-	62
Cash and cash equivalents	<u>11</u>	38 744	-
Receivables	<u>12</u>	54 391	49 019
TOTAL ASSETS		758 115	714 061
LIABILITIES			
Current liabilities		754 531	710 704
Voted funds to be surrendered to the Revenue Fund	<u>13</u>	744 096	572 889
Departmental revenue to be surrendered to the Revenue Fund	<u>14</u>	2 013	2 190
Bank overdraft	<u>15</u>	-	132 392
Payables	<u>16</u>	8 422	3 233
TOTAL LIABILITIES		754 531	710 704
NET ASSETS		3 584	3 357
Represented by:			
Recoverable revenue		3 584	3 357
TOTAL		3 584	3 357

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2012**

	<i>Note</i>	2011/12 R'000	2010/11 R'000
Recoverable revenue			
Opening balance		3 357	3317
Transfers:		227	40
Debts revised		227	40
Debts recovered (included in departmental receipts)		-	
Closing balance		3 584	3 357
TOTAL		3 584	3 357

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**CASH FLOW STATEMENT
for the year ended 31 March 2012**

	<i>Note</i>	2011/12 R'000	2010/11 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		13 221 274	11 790 829
Annual appropriated funds received	<u>1.1</u>	13 199 264	11 764 865
Statutory appropriated funds received	<u>2</u>	1 566	1 407
Departmental revenue received	<u>3</u>	20 444	24 557
Net (increase)/decrease in working capital		(121)	(13 332)
Surrendered to Revenue Fund		(30 147)	(25 185)
Current payments		(11 514 161)	(10 417 873)
Transfers and subsidies paid		(868 979)	(758 108)
Net cash flow available from operating activities	<u>17</u>	807 866	576 331
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>8</u>	(637 443)	(422 165)
Proceeds from sale of capital assets	<u>3.4</u>	486	731
Net cash flows from investing activities		(636 957)	(421 434)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		227	40
Net cash flows from financing activities		227	40
Net increase/(decrease) in cash and cash equivalents		171 136	154 937
Cash and cash equivalents at the beginning of the period		(132 392)	(287 329)
Cash and cash equivalents at end of period	<u>18</u>	38 744	(132 392)

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ACCOUNTING POLICIES
for the year ended 31 March 2012**

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 2 of 2006.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

1.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.4 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. Revenue

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

The total appropriated funds received during the year are presented in the statement of financial performance. Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Any amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ACCOUNTING POLICIES
for the year ended 31 March 2012**

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund is recognised as a payable in the statement of financial position.

No accrual is made for the amount receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.

2.3 Direct Exchequer receipts / payments

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and subsequently paid into the National/Provincial Revenue Fund, unless otherwise stated.

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

Any amount owing to the National/Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

2.4 Aid assistance

Aids assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexure to the Annual Financial Statements

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final authorisation for payments effected on the system (by no later than 31 March of each year)

Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ACCOUNTING POLICIES
for the year ended 31 March 2012**

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

The cost of short-term employee benefits are expensed in the statement of financial performance when financial authorisation for payment is effected on the system (by no later than 31 March each year)

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts must not be recognised in the statement of financial performance or position.

Employee cost are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time in the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Post retirement benefits

Employer contribution (i.e. social contributions) is expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Funds and not in the financial statements of the employer department.

Social contribution (such as medical benefits) made by the department for certain of its ex-employees are classified as transfers to households in the statement of financial performance.

3.1.3 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements.

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ACCOUNTING POLICIES
for the year ended 31 March 2012**

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements amounts.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.6 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ACCOUNTING POLICIES
for the year ended 31 March 2012**

4. Assets

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and where the goods and services have not been received by year end.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party or from the sale of goods/rendering of services.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

4.7 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the FIFO cost formula.

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ACCOUNTING POLICIES
for the year ended 31 March 2012**

4.8 Capital assets

4.8.1 Movable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register at R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

4.8.2 Immovable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset". On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national department of public works.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ACCOUNTING POLICIES
for the year ended 31 March 2012**

5. Liabilities

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

5.3 Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is possible that an inflow of economic benefits will flow to the entity.

5.4 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.5 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.6 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

5.7 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

5.8 Provisions

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ACCOUNTING POLICIES
for the year ended 31 March 2012**

6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

7. Net Assets

7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlining asset is disposed and the related funds are received.

7.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

8. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

9. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

10. Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

1. Annual Appropriation

1.1 Annual Appropriation

	Final Appropriati on R'000	Actual Funds Received R'000	Funds not Requested/ not Received R'000	Appropriation Received 2010/11 R'000
Programmes				
1: Administration	642 610	642 610	-	1 004 348
2: Public Ordinary School Education	11 420 251	11 420 251	-	9 834 524
3: Independent School Subsidies	11 887	11 887	-	11 800
4: Public Special School Education	255 471	255 471	-	198 104
5: Further Education and Training	398 123	398 123	-	330 232
6: Adult Basic Education and Training	124 909	124 909	-	99 972
7: Early Childhood Development	199 096	199 096	-	124 851
8: Auxiliary and Associated Services	146 917	146 917	-	161 034
Total	13 199 264	13 199 264	-	11 764 865

1.2 Conditional grants

	Note	2011/12 R'000	2010/11 R'000
Total grants received	Annex1A	1 415 165	862 490
		1 415 165	862 490

2. Statutory Appropriation

Member of executive committee/parliamentary officers	1 566	1 407
Total	1 566	1 407
Actual Statutory Appropriation received	1 566	1 407

3. Departmental revenue

Sales of goods and services other than capital assets	3.1	13 116	12 004
Interest, dividends and rent on land	3.3	2 617	3 047
Sales of capital assets	3.4	486	731
Financial transactions in assets and liabilities	3.5	4 711	9 506
Total revenue collected		20 930	25 288
Departmental revenue collected		20 930	25 288

3.1 Sale of goods and services other than capital assets

Sales of goods and services produced by the department	3	13 116	12 004
Sales by market establishment		1 588	1 397
Other sales		11 528	10 607
Total		13 116	12 004

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

	<i>Note</i>	2011/12 R'000	2010/11 R'000
3.2 Interest, dividends and rent on land	<u>3</u>		
Interest		2 617	3 047
Total		2 617	3 047
3.3 Sale of capital assets	<u>3</u>		
Tangible capital assets		486	731
Machinery and equipment		486	731
Total		486	731
3.4 Financial transactions in assets and liabilities			
Receivables	<u>3</u>	289	2 465
Other Receipts including Recoverable Revenue		4 422	7 041
Total		4 711	9 506
4 Compensation of employees			
4.1 Salaries and Wages			
Basic salary		7 402 965	6 621 854
Performance award		42 262	36 554
Service Based		15 852	15 931
Compensative/circumstantial		247 253	212 262
Periodic payments		10 582	11 091
Other non-pensionable allowances		1 056 164	1 011 881
Total		8 775 078	7 909 573
4.2 Social contributions			
Employer contributions			
Pension		943 127	875 331
Medical		514 176	464 129
Bargaining council		631	646
Official unions and associations		2 104	2 105
Total		1 460 038	1 342 211
Total compensation of employees		10 235 116	9 251 784
 Average number of employees		 44 818	 44 737

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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5 Goods and services

	<i>Note</i>	2011/12 R'000	2010/11 R'000
Administrative fees		687	713
Advertising		4 855	3 224
Assets less than R5,000	<u>5.1</u>	7 148	9 320
Bursaries (employees)		7 193	7 828
Catering		25 341	7 543
Communication		30 949	22 014
Computer services	<u>5.2</u>	15 459	11 640
Consultants, contractors and agency/outsourced services	<u>5.3</u>	395 736	467 081
Audit cost – external	<u>5.4</u>	6 243	4 591
Fleet services		14 281	7 933
Inventory	<u>5.5</u>	355 847	298 828
Operating leases		118 664	143 012
Owned and leasehold property expenditure	<u>5.6</u>	-	8 445
Transport provided as part of the departmental activities		-	41 916
Travel and subsistence	<u>5.7</u>	99 526	67 460
Venues and facilities		28 250	12 633
Training and staff development		55 231	25 620
Other operating expenditure	<u>5.8</u>	112 732	26 288
Total		1 278 142	1 166 089
5.1 Assets less than R5 000	<u>5</u>		
Tangible assets		7 148	9 320
Machinery and equipment		7 148	9 320
Total		7 148	9 320
5.2 Computer services	<u>5</u>		
SITA computer services		7 454	6 598
External computer service providers		8 005	5 042
Total		15 459	11 640
5.3 Consultants, contractors and agency/outsourced services	<u>5</u>		
Infrastructure and planning		-	99 920
Legal costs		1 743	1 251
Contractors		34 386	41 258
Agency and support/outsourced services		359 607	324 652
Total		395 736	467 081

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	Note	2011/12 R'000	2010/11 R'000
5.4 Audit cost – External	<u>5</u>		
Regularity audits		6 243	4 591
Total		6 243	4 591
5.5 Inventory			
Learning and teaching support material	<u>5</u>	298 008	271 092
Food and food supplies		186	103
Fuel, oil and gas		14 122	9 021
Other consumable materials		1 069	1 054
Maintenance material		2 164	893
Stationery and printing		40 298	16 665
Total		355 847	298 828
5.6 Owned and leasehold property expenditure	<u>5</u>		
Municipal services		-	8 445
Total		-	8 445
5.7 Travel and subsistence	<u>5</u>		
Local		99 526	67 072
Foreign		23	388
Total		99 526	67 460
5.8 Other operating expenditure	<u>5</u>		
Professional bodies, membership and subscription fees		40 777	26 043
Resettlement costs		703	245
Other		71 252	-
Total		112 732	26 288
6 Interest and rent on Land			
	Note	2011/12 R'000	2010/11 R'000
Interest paid		903	-
Total		903	-
7 Transfers and subsidies			
Provinces and municipalities	Annex 1B	60	-
Departmental agencies and accounts	Annex 1C	4 751	4 558
Non-profit institutions	Annex 1D	823 485	726 439
Households	Annex 1E	40 683	27 111
Total		868 979	758 108

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8 Expenditure for capital assets

Tangible assets		637 443	422 165
Buildings and other fixed structures	<u>8.1</u>	620 070	413 937
Machinery and equipment	<u>8.1</u>	17 373	8 228
Total		637 443	422 165

**8.1 Analysis of funds utilised to acquire capital assets –
2011/12**

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	637 443	-	637 443
Buildings and other fixed structures	620 070	-	620 070
Machinery and equipment	17 373	-	17 373
Total	637 443	-	637 443

**8.2 Analysis of funds utilised to acquire capital assets –
2010/11**

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	422 165	-	422 165
Buildings and other fixed structures	413 937	-	413 937
Machinery and equipment	8 228	-	8 228
Total assets acquired	422 165	-	422 165

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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9 Unauthorised expenditure

	<i>Note</i>	2011/12 R'000	2010/11 R'000
9.1 Reconciliation of unauthorised expenditure			
Opening balance		664 980	664 980
Unauthorised expenditure – discovered in the current year		-	-
Less: Amounts approved by Parliament/Legislature with funding		-	-
Less: Amounts approved by Parliament/Legislature without funding		-	-
Current		-	-
Capital		-	-
Transfers and subsidies		-	-
Less: Amounts transferred to receivables for recovery		-	-
Unauthorised expenditure awaiting authorisation		664 980	664 980
 Analysis of awaiting condonement per economic classification			
Current		664 980	664 980
Capital		-	-
Transfers and subsidies		-	-
Total		664 980	664 980

**9.2 Details of unauthorised expenditure – Previous year
2010/2011**

Incident	Disciplinary steps taken/criminal proceedings	R'000
The unauthorised expenditure was as a result of over expenditure on compensation of employees and goods and services		664 980

**MPUMALANGA DEPARTMENT OF EDUCATION
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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10 Fruitless and wasteful expenditure

	Note	2011/12 R'000	2010/11 R'000
10.1 Reconciliation of fruitless and wasteful expenditure			
Opening balance		62	62
Less: Amounts condoned		-	-
Current		-	-
Capital		-	-
Less: Amounts transferred to receivables for recovery		(62)	-
Fruitless and wasteful expenditure written off as per approval		-	62
Analysis of awaiting condonement per economic classification			
Current		-	62
Total		-	62

11 Cash and Cash Equivalents

Consolidated Paymaster General account	38 000	-
Disbursements	744	-
Total	38 744	-

12 Receivables

		2011/12				2010/11
	Note	Less than one year R'000	One to three years R'000	Older than three years R'000	Total R'000	Total R'000
Claims recoverable	<u>12.1</u> <i>Annex 3</i>	1 373	-	-	1 373	2 571
Recoverable expenditure	<u>12.2</u>		-	-	-	562
Staff debt	<u>12.3</u>	10 345	21 380	18 311	50 036	45 240
Other debtors	<u>12.4</u>	2 758	235	(11)	2 982	646
Total		14 476	21 615	18 300	54 391	49 019

12.1 Claims recoverable

	<u>Annex3</u>		
National departments	<u>12</u>	-	448
Provincial departments		1 373	2 123
Total		1 373	2 571

12.2 Recoverable expenditure (disallowance accounts)

Salary Tax debt	<u>12</u>	-	562
Total		-	562

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	<i>Note</i>	2011/12 R'000	2010/11 R'000
12.3 Staff debt	<u>12</u>		
Employees		6 318	4 265
Ex Employees		33 418	29 669
Other Debts		11 934	11 306
Total		51 670	45 240
12.4 Other debtors	<u>12</u>		
Sal: Reversal control		556	646
Sal: Tax debt		792	-
Total		1 348	646
13 Voted funds to be surrendered to the Revenue Fund			
Opening balance		572 889	404 763
Transfer from statement of financial performance		180 247	363 726
Voted funds not requested/not received		(9 040)	(195 600)
Closing balance		744 096	572 889
14 Departmental revenue to be surrendered to the Revenue Fund			
Opening balance		2 190	2 087
Transfer from Statement of Financial Performance		20 930	25 288
Paid during the year		(21 107)	(25 185)
Closing balance		2 013	2 190
15 Bank overdraft			
Consolidated Paymaster General Account		-	132 392
		-	132 392
16 Payables – current			
Description			
Advances received	<u>16.1</u>	7 403	2 671
Clearing accounts	<u>16.2</u>	887	562
Other payables	<u>16.3</u>	132	-
Total		8 422	3 233
	<i>Note</i>	2011/12 R'000	2010/11 R'000
16.1 Advances received	<u>16</u>		
Pension Debt		1 522	1 652
ACB recalls		5 501	990
Disallowance Miscellaneous		380	29
Total		7 403	2 671

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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16.2 Clearing accounts	<u>16</u>		
Housing: Loan Guarantees		558	562
Sal: Pension fund		(64)	-
Sal: Garnishee order		11	-
Sal: Income tax		395	-
Sal: Medical aid		(13)	-
Total		887	562
16.3 Other payables			
Claims recoverable National Departments		132	-
Total		132	-
17 Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		201 177	389 014
Add back non cash/cash movements not deemed operating activities		606 689	187 317
(Increase)/decrease in receivables – current		(4 372)	(13 166)
(Increase)/decrease in other current assets		62	-
Increase/(decrease) in payables – current		5 189	(166)
Proceeds from sale of capital assets	<u>3.3</u>	(486)	(731)
Expenditure on capital assets	<u>8.1</u>	637 443	422 165
Surrenders to Revenue Fund		(30 147)	(25 185)
Voted funds not received/not requested	<u>1.1</u>	-	(195 600)
Net cash flow generated by operating activities		807 866	576 331
18 Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		38 000	(132 392)
Disbursements		744	-
Total		38 744	(132 392)

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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19 Contingent liabilities

		<i>Note</i>	2011/12 R'000	2010/11 R'000
Liable to	Nature			
Housing loan guarantees	Employees	<i>Annex 2A</i>	4 523	9 998
Claims against the department		<i>Annex 2B</i>	44 339	34 855
Total			48 862	44 853

20 Commitments

Current expenditure

Approved and contracted	76 034	501 901
Approved but not yet contracted	-	-
	76 034	501 901

Capital expenditure (including transfers)

Approved and contracted	502 605	745 104
Approved but not yet contracted	-	-
	502 605	745 104
Total Commitments	578 639	1 247 005

21 Accruals

Listed by economic classification

	30 Days	30+ Days	Total	Total
Goods and services	207 469	55 555	263 024	319 912
Transfers and subsidies	5 315	37	5 352	5 938
Capital assets	55 260	27 175	82 435	88 221
Total	268 044	82 767	350 811	414 071

Accruals

Listed by programme level

Programme 1: Administration	67 536	120 673
Programme 2: Public Ordinary Public Schools	274 654	268 013
Programme 3: Independent Schools	37	599
Programme 4: Public Special Schools	13	-
Programme 5: Further Education and Training	5 243	-
Programme 6: Adult Basic Education	58	1 036
Programme 7: Early Childhood Development	20	11 490
Programme 8: Auxiliary and Associated Services	3 250	12 260
Total	350 811	414 071

22 Inter-Government payables

Confirmed balances with departments	<i>Annex 4</i>	241	262
Total		241	262

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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23 Employee benefits

	<i>Note</i>	2011/12	2010/11
		R'000	R'000
Leave entitlement		107 969	97 098
Thirteenth cheque		326 120	300 701
Performance awards		22 570	19 868
Capped leave commitments		1 404 735	1 378 497
Performance awards (Other Qualification Bonus)		30 131	26 524
Long Service Awards (30years-cash awards)		2 914	2 619
Total		1 894 439	1 835 307

24 Lease commitments

24.1 Operating leases expenditure

2011/12	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	14 157		14 157
Later than one year and not later than 5 years	-	56 725	5 190	61 915
Later than 5 years	-	32 787	-	32 787
Total lease commitments	-	103 669	5 190	108 859

2010/11	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	16 215	-	16 215
Later than 1 year and not later than 5 years	-	54 208	-	54 208
Later than five years	-	41 976	-	41 976
Total lease commitments	-	112 399	-	112 399

25 Irregular expenditure

	<i>Note</i>	2011/12	2010/11
		R'000	R'000
25.1 Reconciliation of irregular expenditure			
Opening balance		140 028	185 854
Add: Irregular expenditure – relating to current year		71 988	140 028
Less: Amounts condoned		-	(185 854)
Irregular expenditure awaiting condonement		212 016	140 028
Analysis of awaiting condonement per age classification			
Current year		71 988	140 028
Prior years		140 028	-
Total		212 016	140 028

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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25.2 Details of irregular expenditure not condoned

**2011/12
R'000**

Incident

2010/2011

R 5 220 000 for 2011/12 Over expenditure on compensation of employees
R 330 700 paid to Zamambo Mhlobo Trading
R 322 000 paid to Kate and Daughters
R 413 790 paid to Tsegofatso Trading.
R 445 260 paid to Minosa Trade Projects
R 437 360 paid to Asiyenzeni Trio Projects
R 347 450 paid to Heavy Man Trading
R 440 000 paid to Fall Apart Trading
R 430 460 paid to Njengobathini Trading and Projects
R 4 341 000 paid to Sebenza Motors
R 594 000 paid to Golden Dawn
R 382 800 paid to Econocom 220cc
R 412 000 paid to Barmose Construction cc
R 125 847 000 paid to Aurecon SA
R 41 040 paid to Maluju Construction
R 102 850 paid to Sedgars
R 301 730.50 paid to various officials (doing business with government without Executive Authority approval)
TOTAL

140 028

2011/2012

Irregular expenditure incurred as the result of contracts awarded in contravention of Supply Chain Management processes

57 793

TOTAL

71 988

Total

212 016

26 Fruitless and wasteful expenditure

26.1 Reconciliation of fruitless and wasteful expenditure

**2011/12
R'000**

**2010/11
R'000**

Opening balance
Fruitless and wasteful expenditure – relating to the current year
Fruitless and wasteful expenditure awaiting condonement

175

159

1 258

16

1 433

175

26.2 Analysis of current year's fruitless and wasteful expenditure

Current

1 258

16

Total

1 258

16

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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**Analysis of current year's Fruitless expenditure
2011/12**

Incident	Disciplinary steps taken/criminal proceedings	R'000
Late payment to Government Employee Pension Fund.	The matters were referred to the Internal Audit Unit	894
Interest on bank overdraft	The matters were referred to the Internal Audit Unit	8
VAT paid to Buhle Bethu Saving Multipurpose (Supplier not registered as a VAT vendor)	The matters were referred to the Internal Audit Unit	114
Interest charged on late payments Eskom and Telkom	The matter will be referred to the Internal Audit Unit	242
Total		1 258

3. 27 Related party transactions

Payments made

Goods and services (Department Public Works Roads & Transport) 6 073 46 632

(The Department has the free building from Department of Works, Roads & Transport)
Transfers

Total	6 073	46 632
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28 Key management personnel

Political office bearers	1 1 566	1 492
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Officials:

Level 15 to 16	4 4 651	4 367
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Level 14 (incl. CFO if at a lower level)	4 3 370	3 255
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Family members of key management personnel	8 2 043	1 710
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Total	11 630	10 824
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4. 29 Provisions

	2011/12	2010/11
	R'000	R'000

Potential irrecoverable debts

Staff debtors	3 766	3 766
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Total	3 766	3 766
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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30 Movable Tangible Capital Assets

30.1 Movement

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening balance R'000	Current Year adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	62 816	22 762	27 788	6 934	106 432
Transport assets	16 695	14 027	886	1 443	30 165
Computer equipment	30 187	(1 837)	5 796	4 127	30 019
Furniture and office equipment	12 091	4 837	1 334	936	17 326
Other machinery and equipment	3 843	(251)	788	428	3 952
Mobile classrooms	-	5 986	18 984	-	24 971
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	62 816	22 762	27 788	6 934	106 432

30.2 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Cash R'000	Non-cash R'000	(Capital Work in Progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
MACHINERY AND EQUIPMENT	36 356	-	-	(8 568)	27 788
Transport assets	886	-	-	-	886
Computer equipment	14 800	-	-	(9 004)	5 796
Furniture and office equipment	1 024	-	-	310	1 334
Other machinery and equipment	662	-	-	126	788
Mobile classrooms	18 984	-	-	-	18 984
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	36 356	-	-	(8 568)	27 788

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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30.3 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	1 443	5 491	6 934	486
Transport assets	1 443	-	1 443	486
Computer equipment	-	4 127	4 127	-
Furniture and office equipment	-	936	936	-
Other machinery and equipment	-	428	428	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	1 443	5 491	6 934	486

30.4 Movement for 2010/11

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	55 907	16 000	(9 091)	62 816
Transport assets	17 595	532	(1 432)	16 695
Computer equipment	26 814	10 940	(7 567)	30 187
Furniture and office equipment	10 195	1 988	(92)	12 091
Other machinery and equipment	1 303	2 540	-	3 843
TOTAL MOVABLE TANGIBLE ASSETS	55 907	16 000	(9 091)	62 816

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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30.5 Minor assets

MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2012

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	45	-	36 415	-	36 460
Current Year Adjustments to Prior Year Balances	-	-	13 398	-	13 398
Additions	-	-	10 052	-	10 052
Disposals	-	-	(9 001)	-	(9 001)
TOTAL	45	-	50 864	-	50 909

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of Minor assets	-	-	43 235	-	43 235
TOTAL	-	-	43 235	-	43 235

MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2011

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	45	-	336 465	-	336 510
Current year adjustments	-	-	(301 036)	-	(301 036)
Additions	-	-	9 225	-	9 225
Disposals	-	-	(8 239)	-	(8 239)
TOTAL	45	-	36 415	-	36 460

The total additions for minor assets for the year ended 31 March 2012 is R 10 053 million broken down as follows:

- R 7 148 million for minor assets received and paid for as per note number 5.1 of the notes to Annual Financial Statements.
- R 2 905 million for minor assets received but not yet paid for as on 31 March 2012.

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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31 Intangible Capital Assets

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED
31 MARCH 2012**

	Opening balance	Current year adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	7 279	-	-	-	7 279
TOTAL INTANGIBLE CAPITAL ASSETS	7 279	-	-	-	7 279

31.1 Movement for 2010/11

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED
31 MARCH 2011**

	Opening balance	Current year adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	7 279	-	-	-	7 279
OTHER INTANGIBLES	23	-	-	-	23
TOTAL INTANGIBLE CAPITAL ASSETS	7 302	-	-	-	7 302

32 Immovable Tangible Capital Assets

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2012**

	Opening balance	Cur Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	5 212	(5 212)	34 150	34 150	-
Dwellings	5 212	(5 212)	-	-	-
Non-residential buildings	-	-	34 150	34 150	-
Other fixed structures	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	5 212	(5 212)	53 134	34 150	-

**MPUMALANGA DEPARTMENT OF EDUCATION
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

32.1 Additions

**ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2012**

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	601 086	-	(566 936)	-	34 150
Non-residential buildings	601 086	-	(566 936)	-	34 150
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	601 086	-	(566 936)	-	34 150

Disposals

**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2012**

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	34 150	34 150	-
Non-residential buildings	-	34 150	34 150	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	-	34 150	34 150	-

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

32.2 Movement for 2010/11

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2011**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	5 212	-	5 212
Dwellings	-	5 212	-	5 212
TOTAL IMMOVABLE TANGIBLE ASSETS	-	5 212	-	5 212

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS RECEIVED

DEPARTMENT OF EDUCATION	GRANT ALLOCATION					SPENT			2010/11	
	Division of Revenue Act/ Provincia I Grants	Roll Over	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
HIV/AIDS	16 388	123	-	-	16 511	16 511	15 881	96%	17 183	17 060
NSNP	440 923	7 050	-	-	447 973	447 973	415 913	93%	375 563	368 513
INFRASTRUCTURE	472 881	113 703	-	-	586 584	586 584	586 584	100%	371 284	180 042
FET RECAPITALIZATION	320 378	-	1 462	-	321 840	321 840	321 840	100%	286 097	288 935
TECHNICAL SEC SCH										
RECAP GRANT	18 078	3 702	-	-	21 780	21 780	21 780	100%	5 869	2 054
DINALEDI SCHOOLS										
GRANT	6 440	-	-	-	6 440	6 440	5 696	88%	-	-
FLOOD DAMAGES GRANT	-	-	3 600	-	3 600	3 600	3 600	100%	-	-
EPWP INCENTIVE										
INFRASTRUCTURE										
GRANT	-	-	536	-	536	536	536	100%	-	-
EPWP SOCIAL SECTOR										
INCENTIVE GRANT	-	-	9 901	-	9 901	9 901	5 756	58%	-	-
TOTAL	1 275 088	124 578	15 499	-	1 415 165	1 415 165	1 377 586		1 055 996	856 288

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

ANNEXURE 1B

STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

MUNICIPALITY	GRANT ALLOCATION				TRANSFERS	
	Amount	Roll Over	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred
	R'000	R'000	R'000	R'000	R'000	%
Unallocated	60	-	-	60	60	100%
Total	60	-	-	60	60	100%

ANNEXURE 1C

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2010/11
	Adjusted Appropriation Act	Roll Over	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
ETDP SETA	4 751	-	-	4 751	4 751	100%	4,558
Total	4 751	-	-	4 751	4 751	100%	4 558

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

ANNEXURE 1D

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2010/11
	Adjusted Appropriation Act	Roll over	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Mpumalanga Regional Training Trust	61 370	-	-	61 370	56 084	91%	29 594
	61 370	-	-	61 370	56 084		29 594
Subsidies							
Section 21 Schools	365 326	-	4 000	369 326	376 496	102%	355 315
Independent Schools	11 887	-	-	11 887	11 474	97%	11 800
Special Schools	37 724	-	-	37 724	37 797	100%	30 221
Further Education And Training	326 840	-	-	326 840	327 340	100%	286 097
Adult Basic Education and Training	2 885	-	(1 000)	1 885	1 129	60%	2 646
Early Childhood Development	7 200	-	12 301	19 501	13 165	68%	10 992
	751 862	-	15 301	767 163	767 401		697 071
Total	813 232	-	15 301	828 533	823 485		726 665

**MPUMALANGA DEPARTMENT OF EDUCATION
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

ANNEXURE 1E

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2010/11
	Adjusted Appropriation Act	Roll Over	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
HOUSEHOLDS							
Transfers							
House Hold Social Benefit	24 811	-	14 000	38 811	40 683	105%	29 244
Total	24 811	-	14 000	38 811	40 683		29 244

**MPUMALANGA DEPARTMENT OF EDUCATION
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2012 – LOCAL

Guarantor institution	Guarantee in respect of Housing	Original guaranteed capital amount	Opening balance 1 April 2011	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 MARCH 2012	Guaranteed interest for year ended 31 MARCH 2012	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank of SA Ltd	Housing	-	1 768	59	725	-	1 102	-	-
Nedbank Ltd	Housing	-	800	-	261	-	539	-	-
First National Bank	Housing	-	963	22	739	-	246	-	-
Nedbank / BOE	Housing	-	(1)	-	-	-	(1)	-	-
ABSA	Housing	-	1 192	79	825	-	446	-	-
Company Unique Finance	Housing	-	1 357	51	1 015	-	393	-	-
Old Mutual Finance Limited	Housing	-	89	-	-	-	89	-	-
Peoples Bank Limited	Housing	-	494	-	410	-	84	-	-
Nedbank	Housing	-	277	-	277	-	-	-	-
First Rand Bank	Housing	-	1 474	14	587	-	901	-	-
Old Mutual Bank (Nedbank)	Housing	-	523	-	501	-	22	-	-
Hlano Financial Services	Housing	-	18	-	18	-	-	-	-
Ithala Limited	Housing	-	21	-	21	-	-	-	-
VBS Mutual Bank	Housing	-	33	-	33	-	-	-	-
Mpumalanga Housing Fin.	Housing	-	106	45	92	-	59	-	-
Northern Province Development	Housing	-	825	13	254	-	584	-	-
NHFC Masikheni	Housing	-	59	-	-	-	59	-	-
Total		-	9 998	283	5 758	-	4 523	-	-

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

**ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2012**

Nature of Liability	Opening Balance 01/04/2011	Liabilities incurred during the year	Liabilities paid/cancelled /reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31/03/2012
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
H KLEYNHANS	231	55	-	-	286
NEW HEIGHTS 1448 CC t/a VUKA SE	939	-	-	-	939
ZACHARIA MALOMA	2 000	-	-	-	2 000
MEDIA WORKS	28	-	-	-	28
MJ NKOSI	2 843	-	-	-	2 843
O SKOSANA O.B.O SOLOMAON SKOSANA	500	-	-	-	500
TECHNOLGIES ACCEPTENCE (PTY) LTD	91	-	-	-	91
NKADIMENG KA	569	-	-	-	569
BJJ FOURIE	26	-	-	-	26
HCE PIETERSE	237	-	-	-	237
RC VAN ZYL	560	-	(560)	-	-
SMANGALISO NKOSI	3 000	-	-	-	3 000
DS VILAKAZI	63	-	-	-	63
THOKOZANE HLATSHWAYO	1 000	-	-	-	1 000
DHUKHI RT	3 300	-	-	-	3 300
UMHLOZI TRADING	60	-	-	-	60
MOCHONA LUCAS MADIKE	1 122	-	(1 122)	-	-
MAPUTLE AND 3 OTHERS	10 000	-	-	-	10 000
VN SWAM	1 406	-	-	-	1 406
JR MONDLANE	187	-	-	-	187
JM BROODRYK	2 105	-	-	-	2 105
BITA BYTE PUBLISHING	183	-	-	-	183
LE PARADISE	8	-	-	-	8
MALAZA CONSTRUCTION	63	-	-	-	63
NEKLAS SHAKWANE CONSTRUCTION	44	-	-	-	44

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

**ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2012**

Nature of Liability	Opening Balance 01/04/2011	Liabilities incurred during the year	Liabilities paid/cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31/03/2012
	R'000	R'000	R'000	R'000	R'000
B NKOSI	10	-	-	-	10
ZACHARIA MALOMA	74	-	-	-	74
MPUMALANGA COPIERS	66	-	-	-	66
LOUIS P ERASMUS	100	-	-	-	100
SABENZA MOTORS CC	328	-	-	-	328
T&C CIVILS	332	-	-	-	332
MVUDI PARK TRADING	853	-	-	-	853
MJ NKOSI VS. MEC FOR EDUCATION	1 917	-	(1 917)	-	-
MRS FOUCHE O.B.O JL FOUCHE	610	-	-	-	610
TC MAHLANGU	-	100	-	-	100
KARINA BOERDERY CC	-	342	-	-	342
AFRICAN GAZA CHURCH	-	78	-	-	78
FP MBUYANE	-	29	-	-	29
ROSE N SKOSANA	-	6 000	-	-	6 000
UKHOZI INFORMATION TECHNOLOGIES	-	6 423	-	-	6 423
UNITED STATIONS PTY LTD	-	32	-	-	32
REGENT INSURANCE COMPANY	-	24	-	-	24
Total	34 855	13 028	3 599	-	44 339

**MPUMALANGA DEPARTMENT OF EDUCATION
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

ANNEXURE 3

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
National Department of Education	-	-	-	448	-	448
Mpumalanga Department of Safety, Security & Liason	11	-	-	-	11	-
Mpumalanga Department of Finance	-	-	-	852	-	852
Limpopo Department of Education	-	-	70	90	70	90
Limpopo Roads and Transport	-	-	-	17	-	17
Department of Corporate Governance (National)	-	-	-	32	-	32
Kwazulu Natal Department of Education	-	-	-	428	-	428
Gauteng Department of Education	-	-	80	441	80	441
National Department of Home Affairs	-	-	8	-	8	-
Provincial Treasury	-	-	833	-	833	-
Limpopo Health	-	-	30	19	30	19
Western Cape Education	-	-	-	21	-	21
Department of Defence (National)	-	-	11	-	11	-
North West Education Department	-	-	-	81	-	81
Northern Cape Education	-	-	-	44	-	44
Mpumalanga Department of Health	123	-	-	45	123	45
Mpumalanga Department of Social Development	20	-	-	53	20	53
Department of Agriculture, Forestry & Fisheries	-	-	10	-	10	-
Mpumalanga DARDLA	68	-	-	-	68	-
Mpumalanga Human Settlement	-	-	102	-	102	-
Mpumalanga COGTA	-	-	7	-	7	-
Total	222	-	1 151	2 571	1 373	2 571

**MPUMALANGA DEPARTMENT OF EDUCATION
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

ANNEXURE 4

INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
CURRENT						
Kwazulu Natal Department of Education	65	-	-	-	65	-
Mpumalanga Social Development	-	15	-	-	-	15
Eastern Cape Department of Education	-	182	-	-	-	182
Gauteng Department of Finance	-	65	-	-	-	65
South African police Services (SAPS)	82	-	-	-	82	-
North West Education Department	52	-	-	-	52	-
Mpumalanga Department of Health	17	-	-	-	17	-
Mpumalanga DARDLA	25	-	-	-	25	-
Total	241	262	-	-	241	262

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

ANNEXURE 5

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

NATURE OF GIFTS, DONATIONS OR SPONSORSHIP	2011/12	2010/11
	R'000	R'000
Paid in cash		
26 Laptops and 6 printers for recognition awards for top the 20 learners and 10 who achieved well in the various key learning areas.	-	142
Laptops and printers for learners as recognition of their outstanding performance in Nkangala District.	99	-
Subtotal	99	142
Made in cash		
Received from BHP Billiton Development trust for the renovation of the Mobile Career Guidance Truck.	50	-
Subtotal	50	142
Total	149	142

**MPUMALANGA DEPARTMENT OF EDUCATION
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012**

ANNEXURE 6

INVENTORY

Inventory	Note	2011/12	2011/12	2010/11
		Quantity	R'000	R'000
Opening balance		-	-	-
Add/(Less): Adjustments to prior year balance		-	-	-
Add: Additions/Purchases - Cash		18 320	17 154	-
Add: Additions - Non-cash		10 106	345	-
(Less): Disposals		-	-	-
(Less): Issues		(12 757)	(16 832)	-
Add/(Less): Adjustments		(1 691)	(60)	-
Closing balance		13 978	607	-

The department has established one warehouse in the Gert Sibande District. Warehouses for Head office, Nkangala District, Ehlanzeni District and Bohlabela District will be established in the 2012/13 financial year.

The offices without warehouses were procuring store items on the basis of simultaneous receipt and issue basis (direct issues).

The balances as disclosed in this annexure are for Gert Sibande District only and exclude direct issues such as learning and teaching support material, food supplies and fuel, oil and gas.

Part 4

HUMAN RESOURCE MANAGEMENT



4. HUMAN RESOURCE MANAGEMENT

Service delivery

Table 1.1 – Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Education stimulation to Grade R and Pre-Grade R learners	Grade R learners Pre-Grade R learners	SMT SGB	Prescripts as per CAPS and NELDS	75 726 Grade R learners and 46 664 Pre-Grade R learners in receipt of education stimulation
Training of ECD Practitioners	Practitioners	SMT SGB	SAQA standards in Basic Child Care	400 ECD practitioners trained in ECD NQF Level 4 and 400 ECD practitioners in ECD Level 5 qualifications
Creating work opportunities through EPWP initiatives	Childminders	SMC DSD	Childminders delivering lesson facilitation in a play based manner	344 work opportunities created
Providing resources to ECD centres	Grade R learners Pre-Grade R learners	SMT SGB DSD	Developmentally Appropriate to age cohort based on curriculum needs	1003 schools and 150 Pre- Grade R centres resourced

Table 1.2 – Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
Meetings	Public Works	DSD	Secured incentive grants for 344 childminders
Workshops/Meetings/Focus Group discussions	ECD officials	SMT SGB's	37 ECD officials capacitated on CAPS
Training sessions and Engagements	ECD Practitioners	SGB SMT	1500 Grade R practitioners capacitated on CAPS

Table 1.3 – Service delivery access strategy

Access Strategy	Actual achievements
Advocacy Campaigns	Held Advocacy Campaigns in Mkhondo, Pixley Ka Seme, Belfast, Nkomazi, Albert Luthuli and Moremula (Hlabeluza)
Radio talk-shows	Held radio shows with MPower, Ikwekwezi, Ligwalagwala and Radio Pulpit
Conducting research on school readiness skills	Research conducted on school readiness skills in Ehlanzeni District (pilot project)

Table 1.4 – Service information tool

Types of information tool	Actual achievements
Curriculum monitoring tool	Curriculum tool developed
Infrastructure monitoring tool	Infrastructure tool developed
ECD research tools	ECD research tools developed

Table 1.5 – Complaints mechanism

Complaints Mechanism	Actual achievements
<i>Complaints need to be in writing</i>	Complaints addressed
Convening meetings	Complaints addressed by ECD officials

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department.

TABLE 2.1 – Personnel costs by programme, 2011/12

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)
Administration	565,343	322,785	3,242	0	57.1	7
Public ordinary schools	11,374,306	9,435,194	41,711	0	83.0	203
Independent school subsidies	11,474	0	0	0	0	0
Public special schools	243,928	147,791	826	0	60.6	3
Further Education & Training	393,246	8,731	0	0	2.2	0
Adult Basic Education & Training	111,900	107,358	391	0	95.9	2
Early Childhood Development	177,145	132,651	394	0	74.9	3
Auxiliary & associated services	146,860	80,606	0	0	54.9	2
Total	13,024,202	10,235,116	46,564	0	78.6	220

TABLE 2.2 – Personnel costs by salary bands, 2011/12

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	303,548	3.0	90,638
Skilled (Levels 3-5)	527,954	5.2	100,697
Highly skilled production (Levels 6-8)	5,836,574	57.0	240,297
Highly skilled supervision (Levels 9-12)	3,398,746	33.2	348,697
Senior management (Levels 13-16)	25,173	0.2	786,656
Contract (Levels 1-2)	46	0	0
Contract (Levels 3-5)	752	0	83,556
Contract (Levels 6-8)	460	0	230,000
Contract (Levels 9-12)	363	0	363,000
Contract (Levels 13-16)	685	0	685,000
Periodical Remuneration	16,000	0.2	10,547
Abnormal Appointment	124,815	1.2	54,624
Total	10,235,116	100	220,228

The following tables provide a summary per programme (Table 2.3) and salary bands (Table 2.4), of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

TABLE 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2011/12

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as % of personnel	Amount (R'000)	Overtime as % of personnel	Amount (R'000)	HOA as a % of personnel	Amount (R'000)	Medical Assistance as % of personnel
Administration	226,025	65.7	2,210	0.6	13,377	3.9	21,612	6.3
Public ordinary school s	7,079,989	73.9	7,866	0.1	320,906	3.4	481,970	5.0
Public special schools	104,345	69.9	884	0.6	6,334	4.2	9,367	6.3
FET	6,626	67.8	0	0	188	1.9	396	4.1
ABET	68,878	63.2	0	0	12,225	11.2	171	0.2
ECD	11,174	8.4	0	0	368	0.3	660	0.5
Auxiliary and ass. services	236	4.3	0	0	0	0	0	0
Total	7,497,273	72.6	10,960	0.1	353,398	3.4	514,176	5.0

TABLE 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2011/12

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Lower skilled (Levels 1-2)	197,112	64.7	798	0.3	30,632	10.1	24,174	7.9
Skilled (Levels 3-5)	351,476	66.2	1,962	0.4	44,259	8.3	41,202	7.8
Highly skilled production (Levels 6-8)	4,359,039	74.5	4,392	0.1	198,974	3.4	306,564	5.2
Highly skilled supervision (Levels 9-12)	2,566,996	74.1	3,808	0.1	78,701	2.3	141,844	4.1
Senior management (Levels 13-16)	20,318	70.4	0	0	832	2.9	392	1.4
Contract (Levels 1-2)	45	97.8	0	0	0	0	0	0
Contract (Levels 3-5)	746	98.9	0	0	0	0	0	0
Contract (Levels 6-8)	460	100	0	0	0	0	0	0
Contract (Levels 9-12)	354	92.7	0	0	0	0	0	0
Contract (Levels 13-16)	586	73.8	0	0	0	0	0	0
Periodical Remuneration	0	0	0	0	0	0	0	0
Abnormal Appointment	141	0.1	0	0	0	0	0	0
Total	7,497,273	72.6	10,960	0.1	353,398	3.4	514,176	5.0

Employment and vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables: - programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). Departments have identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department.

The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1 – Employment and vacancies by programme, 31 March 2012

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Program 1: Administration	2125	1380	35.1	6
Program 2: Public ordinary schools	41078	38765	5.6	9
Program 4: Public special schools	1039	770	25.9	0
Program 5: Further education and training (FET)	25	25	0	0
Program 6: Adult basic education (ABET)	1908	1685	11.7	0
Program 7: Early childhood development (ECD)	2019	2013	0.3	0
Program 8: Auxiliary & associated Services	0	3	0	3
Total	48194	44641	7.4	18

Scope

- Please note that apart from Grade R Practitioners, persons remunerated on abnormal appointments (fixed stipend or on claims basis) are not included in the HR Oversight tables 3-13.
- These remunerations on abnormal basis include Exam Revisers, Interns, school hostel house parents and Learning Support Assistants.

Notes on Post establishment changes as compared to March 2011:

- Posts for Pr1: Administration changed from 3856 to 2125 due to the re-allocation of 1744 posts to Professional Support in other Programs, as well as the subsequent creation of 13 additional posts (12 posts for Transversal HRD and 1 post for MST)
- Posts for Pr5: FET Colleges was reduced from 27 to 25 due to the phasing out of vacated posts linked to the former Ndebele College of Education..
- Posts for Pr7: ECD shows an increase to 2019 due to fact that Grade R Practitioners who are paid on PERSAL are also now included in the Annual Report HR Overview Tables

Notes on Staff in addition:

- Pr1: 6 fulltime staff employed on contract for special projects.
- Pr2: 7 fulltime educators employed in terms of the QIDS UP Project.
- Pr2: 2 fulltime contract staff employed and remunerated from the Nutrition Conditional Grant.
- Pr8: 3 fulltime contract staff employed and remunerated from the HIV/Aids Conditional Grant.

TABLE 3.2 – Employment and vacancies by salary bands, 31 March 2012

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	3669	3515	4.2	0
Skilled (Levels 3-5)	6228	5192	16.6	0
Highly skilled production (Levels 6-8)	25918	24175	6.7	0
Highly skilled supervision (Levels 9-12)	10343	9746	5.8	0
Senior management (Levels 13-16)	50	32	36	0
Contract (Levels 3-5)	9	9	0	8
Contract (Levels 6-8)	2	2	0	8
Contract (Levels 9-12)	1	1	0	1
Contract (Levels 13-16)	0	1	0	1
Abnormal Other (Grade R Pract)	1974	1968	0.3	0
TOTAL	48194	44641	7.4	18

TABLE 3.3 – Employment and vacancies by critical occupation, 31 March 2012

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administrative related	11	7	36.4	0
Auxiliary and related workers	35	29	17.1	0
Building and other property caretakers	100	81	19	0
Bus and heavy vehicle drivers	15	10	33.3	0
Cleaners in offices workshops hospitals etc.	4252	3518	17.3	0
Client inform clerks (switch board receipt inform clerks)	10	6	40	0
Communication and information related	9	4	55.6	0
Computer Programmer	1	0	100	0
Computer system designers and analysts	13	4	69.2	0
Dieticians and nutritionists	5	2	60	0
Farm hands and labourers	1	1	0	0
Finance and economics related	37	25	32.4	0
Financial and related professionals	99	66	33.3	0
Financial clerks and credit controllers	195	109	44.1	0
Food services aids and waiters	53	45	15.1	0
General legal administration & related professionals	4	1	75	0
Head of department/chief executive officer	1	1	0	0
Household and laundry workers	179	148	17.3	0
Household food and laundry services related	4	2	50	0
Human resources & organisational development & relate professions	159	94	40.9	0
Human resources clerks	305	195	36.1	0
Human resources related	56	29	48.2	0
Information technology related	2	0	100	0
Inspectors of apprentices works and vehicles	15	5	66.7	0
Language practitioners interpreters & other community, Permanent	6	3	50	0
Librarians and related professionals	3	1	66.7	0
Library mail and related clerks	104	68	34.6	0
Light vehicle drivers	88	64	27.3	0
Logistical support personnel	192	142	26	2
Material-recording and transport clerks	312	195	37.5	0
Messengers porters and deliverers	150	139	7.3	0
Natural sciences related	1	1	0	0
Occupational therapy	1	1	0	0
Other administrative & related clerks	2933	2414	17.7	5

and organisers				
Other administrative policy and related officers	14	8	42.9	0
Other information technology personnel	31	15	51.6	0
Photographic lithographic and related workers	17	9	47.1	0
Physiotherapy	4	0	100	0
Professional nurse	13	5	61.5	0
Quantity surveyors & related prof not class elsewhere	4	0	100	0
Risk management and security services	3	2	33.3	0
Secretaries & other keyboard operating clerks	325	178	45.2	3
Senior managers	49	32	34.7	1
Social work and related professionals	4	4	0	0
Speech therapy and audiology	7	7	0	0
Statisticians and related professionals	1	0	100	0
Work planners	3	1	66.7	0
Youth workers (Permanent)	152	76	50	0
Youth workers (Abnormal Grade R)	1974	1968	0.3	0
Other occupations	36242	34926	3.6	7
TOTAL	48194	44641	7.4	18

The information in each case reflects the situation as at 31 March 2012. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report.

Job evaluation

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

TABLE 4.1 – Job Evaluation, 1 April 2011 to 31 March 2012

Salary band	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	3669	0	0	0	0	0	0
Skilled (Levels 3-5)	6228	20	0.3	20	100	0	0
Highly skilled production (Levels 6-8)	25918	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	10343	1	0.010	0	0	0	0
Contract (Levels 3-5)	9	0	0	0	0	0	0
Contract (Levels 6-8)	2	0	0	0	0	0	0
Contract (Levels 9-12)	1	0	0	0	0	0	0
Contract (Levels 13-16)	0	0	0	0	0	0	0
Senior Management Service Band A	35	0	0	0	0	0	0
Senior Management Service Band B	11	0	0	0	0	0	0
Senior Management Service Band C	3	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Contract (Band A)	0	0	0	0	0	0	0
Abnormal Other (Grade R Pract)	1974	0	0	0	0	0	0
Total	48,194	21	0.044	20	95.2	0	0

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

TABLE 4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2011 to 31 March 2012

Beneficiaries	African	Asian	Coloured	White	Total
Female	4	0	0	0	4
Male	9	0	0	0	9
Total	13	0	0	0	13
Employees with a disability					0

The following table summarises the number of cases where remuneration levels exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

TABLE 4.3 – Employees whose salary level exceed the grade determined by job evaluation, 1 April 2011 to 31 March 2012 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None - Not applicable	0	0	0	0
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2011/12				0
Percentage of total employment				0

TABLE 4.4 – Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2011 to 31 March 2012 (in terms of PSR 1.V.C.3)

Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2011/12	None
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Employment changes

This section provides information on changes in employment over the financial year.

Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band (Table 5.1) and by critical occupations (Table 5.2). (These "critical occupations" should be the same as those listed in Table 3.3).

TABLE 5.1 – Annual turnover rates by salary band for the period 1 April 2011 to 31 March 2012

Salary Band	Number of employees per band as on 1 April 2011	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	3521	45	64	1.8
Skilled (Levels 3-5)	4964	558	259	5.2
Highly skilled production (Levels 6-8)	24255	1009	1239	5.1
Highly skilled supervision (Levels 9-12)	9484	13	453	4.8
Executive & Senior management (Levels 13-16)	34	0	2	5.9
Contract (Levels 1-2)	0	2	0	0
Contract (Levels 3-5)	4	5	5	125
Contract (Levels 6-8)	1	1	3	300
Contract (Levels 9-12)	1	0	1	100
Contract (Levels 13-16)	2	0	0	0
Total	42266	1633	2026	4.8

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2011 to 31 March 2012

Occupation	Number of employees per occupation as on 1 April 2011	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Administrative related	8	0	1	12.5
Auxiliary and related workers	29	0	0	0
Building and other property caretakers	81	2	1	1.2
Bus and heavy vehicle drivers	11	0	0	0
Cleaners in offices workshops hospitals etc	3648	2	105	2.9
Client inform clerks (switchboard reception inform clerks)	6	0	0	0
Communication and information related	5	0	1	20
Computer system designers and analysts	3	0	0	0
Dieticians and nutritionists	2	0	0	0
Farm hands and labourers	1	0	0	0
Finance and economics related,	27	1	1	3.7
Financial and related professionals	70	0	1	1.4
Financial clerks and credit controllers	115	0	3	2.6
Food services aids and waiters	19	27	1	5.3
General legal administration & rel. professionals	1	0	0	0
Head of department/chief executive officer	1	0	0	0
Household and laundry workers	128	22	5	3.9
Household food and laundry services related	0	1	0	0
Human resources & organisational development & related prof	94	0	2	2.1
Human resources clerks	210	0	4	1.9
Human resources related	29	0	0	0
Inspectors of apprentices works and vehicles	4	0	0	0
Language practitioners interpreters & other commun	3	0	0	0
Librarians and related professionals	1	0	0	0
Library mail and related clerks	74	0	3	4.1
Light vehicle drivers	64	0	0	0
Logistical support personnel	145	1	9	6.2
Material-recording and transport clerks	204	2	9	4.4
Messengers porters and deliverers	146	2	4	2.7
Natural sciences related	1	0	0	0
Occupational therapy	1	0	0	0
Other administrative & related clerks and organisers	2460	9	48	2
Other administrative policy and related officers	8	1	0	0
Other information technology personnel	14	0	0	0

Photographic lithographic and related workers	10	0	1	10
Professional nurse	6	1	0	0
Risk management and security services	2	0	0	0
Secretaries & other keyboard operating clerks	180	5	7	3.9
Senior managers	34	0	3	8.8
Social work and related professionals	4	0	0	0
Speech therapy and audiology	7	0	0	0
Work planners	1	0	0	0
Youth workers	80	0	3	3.8
Other occupations (including Executive Authority)	34329	1557	1815	5.3
TOTAL	42266	1633	2027	4.8

Table 5.3 identifies the major reasons why staff left the department.

Table 5.3 – Reasons why staff are leaving the department

Termination Type	Number	% of total
Death	272	13.4
Resignation	471	23.2
Expiry of contract	817	40.3
Dismissal – operational changes	0	0
Dismissal – misconduct	21	1
Dismissal – inefficiency	0	0
Discharged due to ill-health	33	1.6
Retirement	407	20.1
Transfers to other Public Service Departments	5	0.2
Other	1	0
Total	2027	100
Total number of employees who left as a % of the total employment		4.8%

Table 5.4 – Promotions by critical occupation

Occupation	Employees as at 1 April 2011	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Administrative related	8	0	0	3	37.5
Auxiliary and related workers	29	0	0	26	89.7
Building and other property caretakers	81	0	0	44	54.3
Bus and heavy vehicle drivers	11	0	0	9	81.8
Cleaners in offices workshops hospitals etc.	3648	0	0	2017	55.3
Client inform clerks (switchboard, reception, information clerks)	6	0	0	6	100
Communication and information related	5	0	0	2	40
Computer system designers and analysts.	3	0	0	1	33.3
Dieticians and nutritionists	2	0	0	1	50
Farm hands and labourers	1	0	0	1	100
Finance and economics related	27	1	3.7	15	55.6
Financial and related professionals	70	0	0	61	87.1
Financial clerks and credit controllers	115	1	0.9	86	74.8
Food services aids and waiters	19	0	0	16	84.2
General legal administration & rel. professionals	1	0	0	0	0
Head of department/chief executive officer	1	0	0	0	0
Household and laundry workers	128	2	1.6	90	70.3
Human resources & organisat developm & relate prof	94	0	0	64	68.1
Human resources clerks	210	0	0	148	70.5
Human resources related	29	0	0	15	51.7
Inspectors of apprentices works and vehicles	4	0	0	0	0
Language practitioners	3	0	0	3	100

interpreters & other					
Librarians and related professionals	1	0	0	1	100
Library mail and related clerks	74	0	0	54	73
Light vehicle drivers	64	0	0	47	73.4
Logistical support personnel	145	0	0	98	67.6
Material-recording and transport clerks	204	1	0.5	150	73.5
Messengers porters and deliverers	146	0	0	113	77.4
Natural sciences related	1	0	0	0	0
Occupational therapy	1	0	0	0	0
Other administrat & related clerks and organisers	2460	1	0	1513	61.5
Other administrative policy and related officers	8	0	0	2	25
Other information technology personnel.	14	0	0	10	71.4
Photographic lithographic and related workers	10	0	0	5	50
Professional nurse	6	0	0	1	16.7
Risk management and security services	2	0	0	1	50
Secretaries & other keyboard operating clerks	180	0	0	116	64.4
Senior managers	34	0	0	0	0
Social work and related professionals	4	0	0	0	0
Speech therapy and audiology	7	0	0	0	0
Work planners	1	0	0	1	100
Youth workers	80	0	0	18	22.5
Other occupations	34329	947	2.8	31796	92.6
Total	42266	953	2.3	36534	86.4

Table 5.5 – Promotions by salary band

Salary Band	Employees 1 April 2011	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	3521	0	0	1661	47.2
Skilled (Levels 3-5)	4964	4	0.1	3994	80.5
Highly skilled production (Levels 6-8)	24255	524	2.2	20365	84
Highly skilled supervision (Levels 9-12)	9484	425	4.5	10514	110.9

Senior management (Levels 13-16)	34	0	0	0	0
Contract (Levels 3-5)	4	0	0	0	0
Contract (Levels 6-8)	1	0	0	0	0
Contract (Levels 9-12)	1	0	0	0	0
Contract (Levels 13-16)	2	0	0	0	0
TOTAL	42266	953	2.3	36534	86.4

Employment equity

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

6.1 – Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2012

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	45	0	0	0	55	0	0	0	100
Professionals	356	0	0	0	732	0	0	0	1088
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	0	0	0	0	0	0	0	0	0
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	401	0	0	0	787	0	0	0	1188
Employees with disabilities	32	1	0	5	35	0	0	2	75

6.2 – Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2012

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	4	0	0	0	5
Senior Management	19	0	1	2	5	0	0	0	27
Professionally qualified and experienced specialists and mid-management	3659	24	40	412	4710	17	40	844	9746
Skilled technical and academically qualified workers, junior management, supervisors, foremen	7254	12	55	248	15202	52	71	1281	24175
Semi-skilled and discretionary decision making	1323	2	0	8	3710	12	4	133	5192
Unskilled and defined decision making	1799	3	2	7	1683	3	0	18	3515
Contract (Senior Management)	1	0	0	0	0	0	0	0	1
Contract (Professionally qualified)	0	0	0	1	0	0	0	0	1
Contract (Skilled technical)	0	0	0	0	1	0	0	1	2
Contract (Semi-skilled)	3	0	0	0	6	0	0	0	9
Abnormal Other (Gr. R Practitioners)	14	0	0	0	1844	7	4	99	1968
Total	14073	41	98	678	27165	91	119	2376	44641

6.3 – Recruitment for the period 1 April 2011 to 31 March 2012

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management	2	0	0	2	6	0	0	3	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen	298	0	2	42	488	0	3	176	1009
Semi-skilled and discretionary decision making	103	0	0	1	454	0	0	0	558
Unskilled and defined decision making	4	0	0	0	41	0	0	0	45
Contract (Skilled technical)	0	0	0	0	1	0	0	0	1
Contract (Semi-skilled)	2	0	0	0	3	0	0	0	5
Contract (Unskilled)	0	0	0	0	2	0	0	0	2
Total	409	0	2	45	995	0	3	179	1633

6.4 – Promotions for the period 1 April 2011 to 31 March 2012

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	4011	24	36	456	5363	25	45	979	10939
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6226	12	33	167	13467	43	49	892	20889
Semi-skilled and discretionary decision making	1014	2	0	6	2866	11	4	95	3998
Unskilled and defined decision making	861	2	0	2	788	1	0	7	1661
Total	719	3	25	63	983	7	23	204	2027
Employees with disabilities	25	1	0	5	30	0	0	2	63

6.5 – Terminations for the period 1 April 2011 to 31 March 2012

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	1	0	0	0	1
Senior Management	1	0	0	0	1	0	0	0	2
Professionally qualified and experienced specialists and mid-management	159	2	4	32	197	1	2	56	453
Skilled technical and academically qualified workers, junior management, supervisors, foremen	442	0	21	30	585	4	21	136	1239
Semi-skilled and discretionary decision making	70	1	0	0	178	1	0	9	259
Unskilled and defined decision making	45	0	0	0	18	1	0	0	64
Contract (Professionally qualified)	0	0	0	1	0	0	0	0	1
Contract (Skilled technical)	0	0	0	0	0	0	0	3	3
Contract (Semi-skilled)	2	0	0	0	3	0	0	0	5
Total	719	3	25	63	983	7	23	204	2027
Employees with disabilities	3	0	0	0	2	0	0	1	6

6.6 – Disciplinary action for the period 1 April 2011 to 31 March 2012

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	238	2	0	4	154	1	1	7	407

6.7 – Skills development for the period 1 April 2011 to 31 March 2012

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	45	0	0	0	55	0	0	0	100
Professionals	356	0	0	0	732	0	0	0	1088
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	0	0	0	0	0	0	0	0	0
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	401	0	0	0	787	0	0	0	1188
Employees with disabilities									

Performance rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 6.1), salary bands (table 6.2) and critical occupations (Table 6.3).

TABLE 7.1 – Performance Rewards by race, gender, and disability, 1 April 2011 to 31 March 2012

Gender & Race	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African, Female	2,029	25,286	8	11,649	5,741
African, Male	1,483	14,027	10.6	8,489	5,724
Asian, Female	4	115	3.5	50	12,523
Asian, Male	1	98	1	65	65,257
Coloured, Female	6	84	7.1	35	5,762
Coloured, Male	2	40	5	13	6,696
Total Blacks, Female	2,039	25,485	8	11,734	5,755
Total Blacks, Male	1,486	14,165	10.5	8,567	5,765
White, Female	127	2,275	5.6	1,302	10,253
White, Male	8	673	1.2	169	21,174
Employees with a disability	10	75	13.3	78	7,769
Total	3,670	42,673	8.6	21,850	5,954

TABLE 7.2 – Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2011 to 31 March 2012

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	1726	3515	49.1	7,684	4,452	0.075%
Skilled (Levels 3-5)	1591	5192	30.6	9,198	5,781	0.090%
Highly skilled production (Levels 6-8)	304	24175	1.3	3,707	12,194	0.036%
Highly skilled supervision (Levels 9-12)	47	9746	0.5	1,150	24,468	0.011%
Contract (Levels 3-5)	0	9	0	0	0	0.000%
Contract (Levels 6-8)	0	2	0	0	0	0.000%
Contract (Levels 9-12)	0	1	0	0	0	0.000%
Total	3668	42640	8.6	21739	5927	0.212%

TABLE 7.3 – Performance Rewards by critical occupations, 1 April 2011 to 31 March 2012

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	4	7	57.1	137	34,250
Auxiliary and related workers	6	29	20.7	43	7,167
Building and other property caretakers	28	81	34.6	146	5,214
Bus and heavy vehicle drivers	7	10	70	63	9,000
Cleaners in offices workshops hospitals etc.	1842	3518	52.4	8,593	4,665
Client inform clerks(switchb receipt inform clerks)	2	6	33.3	14	7,000
Communication and information related	2	4	50	43	21,500
Computer system designers and analysts.	1	4	25	21	21,000
Dieticians and nutritionists	1	2	50	21	21,000
Farm hands and labourers	1	1	100	6	6,000
Finance and economics related	7	25	28	167	23,857
Financial and related professionals	21	66	31.8	325	15,476
Financial clerks and credit controllers	54	109	49.5	449	8,315
Food services aids and waiters	12	44	27.3	55	4,583

General legal administration & rel. professionals	0	1	0	0	0
Household and laundry workers	64	148	43.2	359	5,609
Household food and laundry services related	0	1	0	0	0
Human resources & organisational development & related prof	35	94	37.2	602	17,200
Human resources clerks	74	195	37.9	599	8,095
Human resources related	7	29	24.1	357	51,000
Inspectors of apprentices works and vehicles	2	5	40	14	7,000
Language practitioners interpreters & other commun	2	3	66.7	34	17,000
Librarians and related professionals	1	1	100	5	5,000
Library mail and related clerks	30	68	44.1	207	6,900
Light vehicle drivers	29	64	45.3	132	4,552
Logistical support personnel	34	142	23.9	432	12,706
Material-recording and transport clerks	52	195	26.7	353	6,788
Messengers porters and deliverers	51	139	36.7	181	3,549
Natural sciences related	0	1	0	0	0
Occupational therapy	0	1	0	0	0
Other administrative & related clerks and organisers	1183	2414	49	7,625	6,445
Other administrative policy and related officers	1	8	12.5	13	13,000
Other information technology personnel.	0	15	0	0	0
Photographic lithographic and related workers	2	9	22.2	11	5,500
Physicists	0	1	0	0	0
Professional nurse	3	5	60	43	14,333
Rank: Unknown	0	167	0	0	0
Risk management and security services	0	2	0	0	0
Secretaries & other keyboard operating clerks	67	178	37.6	355	5,299
Senior managers	2	31	6.5	112	56,000
Social work and related professionals	0	4	0	0	0
Speech therapy and audiology	0	7	0	0	0
Work planners	0	1	0	0	0
Youth workers (Permanent)	24	76	31.6	203	8458

Other occupations	19	34762	0.1	133	7000
TOTAL	3670	42673	8.6	21853	5954

TABLE 7.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within band	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Band A	2	26	7.7	112	56,000	0.001%
Band B	0	3	0	0	0	0.000%
Band C	0	3	0	0	0	0.000%
Band D	0	1	0	0	0	0.000%
Total	2	33	6.1	112	56,000	0.001%

The tables below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

TABLE 8.1 – Foreign Workers, 1 April 2011 to 31 March 2012, by salary band

Salary Band	1 April 2011		31 March 2012		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0	6	0.9	6	3
Skilled (Levels 3-5)	59	13.4	18	2.8	-41	-20.7
Highly skilled production (Levels 6-8)	381	86.4	588	92	207	104.5
Highly skilled supervision (Levels 9-12)	0	0	25	3.9	25	12.6
Senior management (Levels 13-16)	0	0	0	0	0	0
Periodical Remuneration	0	0	1	0.2	1	0.5
Abnormal Appointment	1	0.2	1	0.2	0	0
Total	441	100	639	100	198	100

TABLE 8.2 – Foreign Worker, 1 April 2011 to 31 March 2012, by major occupation

Major Occupation	1 April 2011		31 March 2012		Change	
	Number	% of total	Number	% of total	Number	% change
Administrative office workers	0	0	1	0.2	1	0.5
Elementary occupations	0	0	6	0.9	6	3
Other occupations	441	100	631	98.7	190	96
Professionals and managers	0	0	1	0.2	1	0.5
Total	441	100	639	100	198	100

Leave utilisation for the period 1 January 2011 to 31 December 2011

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 9.1) and disability leave (Table 9.2). In both cases, the estimated cost of the leave is also provided.

TABLE 9.1 – Sick leave, 1 January 2011 to 31 December 2011

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	7663	83.1	1278	7.1	6	1,655
Skilled (Levels 3-5)	9983	80.8	1771	9.9	6	2,853
Highly skilled production (Levels 6-8)	58800	75.5	10732	59.9	5	36,716
Highly skilled supervision (Levels 9-12)	22711	77.5	4127	23	6	21,712
Senior management (Levels 13-16)	65	96.9	13	0.1	5	188
Contract (Levels 6-8)	8	75	1	0	8	4
Total	99230	77.1	17922	100	6	63128

TABLE 9.2 – Disability leave (temporary and permanent), 1 January 2011 to 31 December 2011

Salary Band	Total days taken	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	708	99.7	21	5.5	34	154
Skilled (Levels 3-5)	1029	99.7	29	7.6	35	276
Highly skilled production (Levels 6-8)	10604	98.8	236	61.9	45	6,754
Highly skilled supervision (Levels 9-12)	4453	99.8	95	24.9	47	4,136
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	16794	99.2	381	100	44	11320

Table 9.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

TABLE 9.3 – Annual Leave, 1 January 2011 to 31 December 2011

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	20207.39	11
Skilled Levels 3-5)	24560.13	11
Highly skilled production (Levels 6-8)	14968.92	10
Highly skilled supervision (Levels 9-12)	15203	10
Senior management (Levels 13-16)	440	15
Contract (Levels 3-5)	11	6
Contract (Levels 6-8)	3	3
Contract (Levels 9-12)	13	13
Contract (Levels 13-16)	20	20
Total	75426.44	11

TABLE 9.4 – Capped leave, 1 January 2011 to 31 December 2011

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2011
Lower skilled (Levels 1-2)	14	7	57
Skilled Levels 3-5)	52	3	81
Highly skilled production (Levels 6-8)	2033	3	65
Highly skilled supervision (Levels 9-12)	1957	3	83
Senior management (Levels 13-16)	6	6	122
Total	4062	3	73

TABLE 9.5 – Leave payouts for the period 1 April 2011 to 31 March 2012

The following table summarises payments made to employees as a result of leave that was not taken.

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2011/12 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2011/12	15,835	1,769	8951
Current leave payout on termination of service for 2011/12	260	20	13000
Total	16095	1789	8997

TABLE 10.1 – Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The standard risk is there but is mitigated by HCT programmes, HIV/AIDS awareness campaigns and workshops conducted in the department. However, the onus still rests on individual choices made by all employees.	HCT Programmes, awareness campaigns and workshops are currently run in the department.

TABLE 10.2 – Details of Health Promotion and HIV and AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Human Resources Senior Manager
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		There are presently twenty-one (21) EHWP officials within the Department who were appointed both at Head Office and the four districts, in order to deal with health and wellness issues of employees in the department. The previous annual budget for head office was R 2 709 985.00 inclusive of all EHWP programmes.
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		There is an EAP function within the EHWP Unit which promotes the organisational and individual wellness of all employees, by promoting healthy lifestyles, providing care and support to all employees with psycho-social challenges, as well as promoting a healthy and safe work environment. The unit arrange regular onsite health assessment with GEMS were employees are tested on High blood pressure, cholesterol, Body Mass Index and employees who are at high risk are referred for professional assistance.
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		The EHWP Advisory Committee. The Committee has 12 members.
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	No		The Policy will be reviewed during this current financial year.
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		The Departmental HIV/AIDS Policy promotes protection of human rights for people infected and affected by HIV/AIDS. It also encourages access to justice should those human rights be violated.

7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.			HCT awareness programs are conducted timeously with all employees in the Department. Onsite health screening including HCT is conducted. Pre and post test counselling HIV services are conducted. After care counselling services are offered. There has been improvement with regard to HCT attitudes.
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		The monitoring and evaluation tool will be developed during this current financial year. Assessment report received from GEMS helps with regard to assessing the level of health risks of employees, which inform the nature of awareness sessions to be conducted for employees.

The following collective agreements were entered into with trade unions within the department.

TABLE 11.1 – Collective agreements, 1 April 2011 to 31 March 2012

Total collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

TABLE 11.2 – Misconduct and disciplinary hearings finalised, 1 April 2011 to 31 March 2012

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	08	2.3
Verbal warning	02	0.58
Written warning	01	0.29
Final written warning	109	31.68
Suspended without pay	90	26.16
Fine	24	6.98
Demotion	10	2.91
Dismissal	24	6.98
Not guilty	22	6.39
Case withdrawn	49	14.2
Pending outcome	5	1.45
Total	344	100

TABLE 11.3 – Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Theft	15	3.39
Fraud	28	6.33
Failure to carry a lawful order	8	2.37
Absenteeism	33	7.47
Sexual harassment	5	1.13
Sexual relationship with learners	14	3.17
Victimization and intimidation	2	0.45
Corporal punishment	16	3.62
Exam irregularities	12	2.71
Damage to state property	4	0.90
Improper and unacceptable conduct	48	10.86
Defiance/insubordination	33	7.47
Under the influence of alcohol	6	1.36
Sexual assault	4	0.90
Abscondment	14	3.18
GG misuse	5	1.13
Corruption in regard examination	2	0.45
Performed remunerative work without authorisation	137	30.99
Prejudiced the administration	7	1.58
Fraudulent (child support grant)	17	3.87
Bribery	1	0.23
Rape	3	0.69
Falsification of records	6	1.36
Dishonesty	3	0.68
Poor Performance	8	1.81
Assault	5	1.13
Negligence	3	0.68
Incapacity	3	0.68
Total	442	100

TABLE 11.4 – Grievances lodged for the period 1 April 2011 to 31 March 2012

	Number	% of Total
Number of grievances resolved	139	16.01
Number of grievances not resolved	729	83.99
Total number of grievances lodged	868	100

TABLE 11.5 – Disputes lodged with Councils for the period 1 April 2011 to 31 March 2012

	Number	% of Total
Number of disputes upheld	3	5
Number of disputes dismissed	22	36.67
Number of disputes settled	5	8.33
Number of disputes withdrawn	16	26.67
Outstanding disputes	14	23.33
Total number of disputes lodged	60	100

TABLE 11.6 – Strike actions for the period 1 April 2011 to 31 March 2012

Total number of person working days lost	
Total cost (R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0
No strike was declared by trade unions operating in education. There was a period wherein the South African Democratic Teachers Union declared their intention not to participate or engage in any formal dialogue with the Department. One of their demands was the removal of the Head of Department. Several marches to the districts and head office took place. This impasse was later resolved through negotiations and the intervention of the MEC. This disengagement did not affect teaching and learning in the schools but was aimed at formal meetings with the department at circuit, district and head office level.	

TABLE 11.7 – Precautionary suspensions for the period 1 April 2011 to 31 March 2012

Number of people suspended	14
Number of people whose suspension exceeded 30 days	10
Average number of days suspended	690
Cost (R'000) of suspensions	R144418,69

This section highlights the efforts of the department with regard to skills development.

12.1 – Training needs identified 1 April 2011 to 31 March 2012

Occupational Categories	Gender	Number of employees as at 1 April 2011	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	834	0	0	0	0
	Male	1405	0	0	0	0
Professionals	Female	20574	192	405	0	597
	Male	9992	128	641	0	769

Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	3061	0	166	0	166
	Male	1481	0	75	0	75
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	11	0	0	0	0
Elementary occupations	Female	1595	0	76	0	76
	Male	1828	0	64	0	64
Sub Total	Female	29533	192	647	0	839
	Male	14924	128	780	0	908
Total		44457	320	1427	0	1747

12.2 – Training provided 1 April 2011 to 31 March 2012

Occupational Categories	Gender	Number of employees as at 1 April 2011	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	834	0	55	0	55
	Male	1405	0	45	0	45
Professionals	Female	20574	0	732	0	732
	Male	9992	0	356	0	356
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	3061	0	0	0	0
	Male	1481	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0

Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub Total	Female	29533	0	787	0	787
	Male	14924	0	401	0	401
Total		44457	0	1188	0	1188

The following tables provide basic information on injury on duty.

TABLE 13.1 – Injury on duty, 1 April 2011 to 31 March 2012

Nature of injury on duty	Number	% of total
Required basic medical attention only	44	95.7
Temporary Total Disablement	0	0
Permanent Disablement	2	4.3
Fatal	0	0
Total	46	

Table 14.1 – Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Reconciliation of debtors	11	6 months	R4 998 330.00 (including VAT and disbursements)
Supply, delivery, installation and commissioning of an asset register including bar coding, training support and maintenance	26	3 years	R6 811 591.20 (including VAT and disbursements)
Debt collection	Working offsite	3 years	15% Commission of the debt collected (excluding VAT)
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
3	37	3 ,5 years	R11 809 921.20

Table 14.2 – Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Reconciliation of debtors	3,15%	N/A	0
Supply, delivery, installation and commissioning of an asset register including bar coding, training support and maintenance	23%	N/A	0
Debt collection	100%	N/A	Working offsite

Table 14.3 – Report on consultant appointments using Donor funds

Project Title	Total Number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
N/A			
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand

Table 14.4 – Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
N/A			



OTHER INFORMATION



5. OTHER INFORMATION**Acronyms**

AAAT: Applied Agriculture and Agricultural Technology	MEC: Member of Executive Council
ABET: Adult Basic Education and Training	MOU: Memorandum of Understanding
ACE: Advance Certificate in Education	MRTT: Mpumalanga Regional Training Trust
AIDS: Acquired Immune Deficiency Syndrome	MST: Mathematics, Science and Technology
ANA: Annual National Assessment	MTEF: Medium-Term Expenditure Framework
BAS: Basic Accounting System	NC (V): National Curriculum (Vocational)
CAPS: Curriculum and Assessment Policy Statement	NCS: National Curriculum Statement
CEM: Council of Education Ministers	NELDS: National Early Learning Development Standards
CEMIS: Central Education Management Information System	NEPA: National Education Policy Act
CGB: Centre Governing Bodies	NGO: Non-Governmental Organisation
CLC: Community Learning Centre	NMUNSSI: National Minimum Uniform Norms and Standards for School Infrastructure
COE: Compensation of Employees	NNSSF: National Norms and Standards for School Funding
CPTD: Continuing Professional Teacher Development	NPDE: National Professional Diploma in Education
CRDP: Comprehensive Rural Development Programme	NPFTED: National Policy Framework for Teacher Education and Development
CYCC: Child and Youth Care Centre	NPO: Non Profit Organisation
DBE: Department of Basic Education	NQF: National Qualifications Framework
DEMIS: District Education Management Information System	NSC: National Senior Certificate
DHET: Department of Higher Education and Training	NSF: National Skills Fund
DOCS: Department of Community Safety	NSNP: National School Nutrition Programme
DOH: Department of Health	OHSA: Occupational Health and Safety Act
DPSA: Department of Public Service and Administration	OVC: Orphans and Vulnerable Children
DSD: Department of Social Development	PALC: Public Adult Learning Centres
ECD: Early Childhood Development	PFMA: Public Finance Management Act
ECM: Enterprise Content Management	PGDS: Provincial Growth Development Strategy
EE: Employment Equity	PILIR: Policy on Incapacity Leave and Ill-Health Retirement
EFA: Education for All	PIRLS: Progress in International Reading Literacy Studies
EGD: Engineering Graphics and Designs	PPI: Programme Performance Indicator
EIG: Education Infrastructure Grant	PPM: Programme Performance Measure
EMIS: Education Management Information System	PPP: Public-Private Partnership
EPP: Education Provisioning Plan	QIDS-UP: Quality Improvement, Development, Support and Upliftment Programme

EPWP: Expanded Public Works Programme	RCL: Representative Council of Learners
EWP: Employee Wellness Programme	SA: South Africa
EXCO: Executive Council	SACE: South African Council for Educators
FAL: First Additional Language	SACMAQ: Southern African Consortium Monitoring Educational Quality
FET: Further Education and Training	SAPS: South African Police Services
FFL: Foundation For Learning	SAQA: South African Qualifications Authority
GET: General Education and Training	SASA: South African Schools' Act
HCT: HIV Counselling and Testing	SASAMS: School Administration and Management System
HEI: Higher Education Institution	SETA: Sector Education and Training Authority
HIV: Human Immune Virus	SGB: School Governing Body
HRD: Human Resource Development	SITA: State Information Technology Agency
ICT: Information and Communication Technology	SMC: Site Management Committee
IMG: Institutional Management and Governance	SMT: School Management Team
IQMS: Integrated Quality Management System	SNOC: School as Nodes of Care and Support
I-SAMS: Integrated School Administration and Management System	SPMDS: Staff Performance Management and Development System
KM: Knowledge Management	SRH: Sexual Reproductive Health
LOGIS: Logistical Information System	SRSA: Sports and Recreation South Africa
LSEN: Learners with Special Education Needs	SSE: School Self Evaluation
LTSM: Learning and Teaching Support Materials	TIMSS: Trends in Mathematics and Science Studies
LURITS: Learner Units Record Information Tracking System	WSE: Whole-School Evaluation
MDE: Mpumalanga Department of Education	
MDG: Millennium Development Goals	

List of contact details

1. Head of Planning and Reporting
Ms. M.M. Mashiteng
Tel : 013 766 5121
Fax : 086 535 1803
Email : g.mashiteng@education.mpu.gov.za

2. Chief Financial Officer
Mr. C.B. Mnisi
Tel : 013 766 5298
Fax : 013 766 5579
Email : cb.mnisi@education.mpu.gov.za

3. Chief Director: Human Resource Management
Mr. J.M. Tshoba
Tel : 013 766 5297
Fax : 013 766 5596
Email : j.tshoba@education.mpu.gov.za

4. Office of the Head of Department
Mr. C. Maebela
Tel : 013 766 5520
Fax : 013 766 5577
Email : c.maebela@education.mpu.gov.za

5. Director: Communications
Mr. J. Zwane
Tel : 013 766 5316
Fax : 013 766 5580
Email : j.zwane@education.mpu.gov.za