



15 June 2006

***A brief status of the Recapitalisation Implementation -
Progress report***

I. Introduction

The Recapitalisation processes in our province involve 8 Colleges for FET and the FET/ABET Directorate (IDS) representing the department. Basically this is a three year programme (2006 -2008) whereupon the plans of 8 FET institutions and the province have to be approved by the National Department of Education (DoE) for implementation. This year (2005) is dedicated to planning for the Recapitalisation.

The recapitalisation process took the following development path

- Gathered information required from Colleges
- Audit of infrastructure
- Audit of programmes
- Curriculum development
- Recapitalisation plans
- Database of FET Colleges Programmes

In relation to the information required from province

- Guide and support colleges in the development of plans (Strategic and Operational)
- Process the College Recapitalisation claims
- Put together the provincial recapitalisation plan
- Represent the Colleges in the Recapitalisation national meetings.

Progress to date

- 8 FET Colleges revised their strategic plans and developed Recapitalisation plans
- FET/ABET Directorate received financial request from 8 Colleges for plans development and were sent to DoE.
- All 8 Colleges' financial requests approved by DoE.
- 8 FET Colleges submitted their strategic plans and Recapitalisation plans
- FET Directorate -analyzed plans and comments were sent to Colleges
- Colleges have submitted their revised plans
- Colleges submitted their claims
- FET/ABET Directorate - scrutinized claims and comments were sent to Colleges
- Colleges resubmitted their claims and were sent to national DoE for payment

2. Colleges submitted claims :

15-Nov		GAUTENG FET Colleges' Recapitalisation Planning Claims			
No.	College	Amount approved by DoE	Amount spent by College	Amount not spent by College	Amount approved for payment
1	Central Johannesburg	R 177,000.00	R 101,700.00	R 75,300.00	R 101,700.00
2	Ekurhuleni East	R 198,000.00	R 44,960.00	R 153,040.00	R 44,960.00
3	Ekurhuleni West	R 129,184.00	R 107,520.37	R 21,663.63	R 107,520.37
4	Sedibeng	R 200,000.00	R 96,713.37	R 103,286.63	R 96,713.37
5	South West	R 45,000.00	R 41,783.91	R 3,216.09	R 41,783.91
6	Tshwane North	R 152,000.00	R 28,855.00	R 123,145.00	R 28,855.00
7	Tshwane South	R 160,000.00	R 136,357.00	R 23,643.00	R 136,357.00
8	Western	R 125,000.00	R 60,044.86	R 64,955.14	R 60,044.86
9	FET/ABET Directorate : PDE	R 39,000.00	R 65,000.00		R 65,000.00
		R 1,225,184.00	R 682,934.51	R 568,249.49	R 682,934.51

3. Plans approval

The province sent the nine plans (8 Colleges and 1 PDE) to DoE as per management plan on the 5 October 2005. A presentation of plans was made at the Recapitalisation meeting of all the 9 PDE and the officials from DoE.

Subsequent to the presentation the province revised and update the provincial Recapitalisation document in line with the comments gathered at the presentation meeting.

On the 25 October 2005 a national DoE meeting with principals of Colleges was held to give an indication of the process followed to approve plans and allocate funding.

The province's Recapitalisation request submission:

STRATEGIC AREA	CJC	EEC	EWC	SC	SWGC	TNC	TSC	WC	TOTAL
Governance and Management	2,800	1,800	30	1,000	500	600		550	7,280
Learning programs	8,650	9,000	29,765	1,000	12,700	6,700	8,000	44,500	120,315
Student Affairs	14,421	11,100	8,409	4,500	19,700	10,400	11,200	1,400	81,130
Infrastructure	31,770	33,140	14,325	98,000	47,800	30,840	63,600		319,475
Administrative Systems	4,574	10,250	1,730	11,850	10,230	1,700	4,600	1,540	46,474
Communication and Marketing	4,647	11,900	500	5,700	7,510	6,900	6,700	620	44,477
Human Resources Management	5,035	8,800	300	30,000	8,790	4,600	6,250	3,950	67,725
Financial Management	2,900	7,400		4,200	4,830	5,650	6,380		31,360
TOTAL®	74,797	93,390	55,059	156,250	112,060	67,390	106,730	52,560	718,236

NOTE: Most of the figures above were put as estimates for the various strategic areas. Colleges had very little time to do a reality test of their estimates.

The national DoE emphasised that the approval will take into consideration the following:

- Infrastructure audit – used the *condition rating system* as per Infrastructure audit report.
- Elements of assessment -
 - Programmes
 - Infrastructure
 - Equipment
 - Student support services and
 - Staff development
- Schedule to review and finalise the plans : 31/10/2005 was Gauteng date for final assessment and funds allocation

3. The actual allocation by DoE:

The 8 Gauteng Province FET Colleges were allocated the sum of R382 080 00.00

No.	College	Funds allocated for 2006/7 to 2008/9	Funds allocated for 2006/7	Funds transferred on 13 April 2006	Funds allocated for 2006 October
1	Central Johannesburg	R 49,460,000	R 15,000,000	R 7,500,000	R 7,500,000
2	Ekurhuleni East	R 51,700,000	R 13,000,000	R 6,500,000	R 6,500,000
3	Ekurhuleni West	R 60,590,000	R 18,000,000	R 9,000,000	R 9,000,000
4	Sedibeng	R 40,900,000	R 11,000,000	R 5,500,000	R 5,500,000
5	South West	R 42,530,000	R 12,000,000	R 6,000,000	R 6,000,000
6	Tshwane North	R 53,650,000	R 14,000,000	R 7,000,000	R 7,000,000
7	Tshwane South	R 70,120,000	R 20,000,000	R 10,000,000	R 10,000,000
8	Western	R 13,130,000	R 3,000,000	R 1,500,000	R 1,500,000
	Total	R 382,080,000	R 106,000,000	R 53,000,000	R 53,000,000

4. Process plan and what has been achieved

MONTH/PERIOD	OUTPUTS	RESPONSIBILITY	STATUS
6 May to 6 July 2005	Colleges revise strategic plans and develop recapitalisation plans	Colleges	8 FET Colleges revised their strategic plans and developed recapitalisation plans
6 June 2005	PDEs submit requests for assistance to DoE/GDE: FET/ABET directorate		FET/ABET Directorate received request from 8 Colleges for plans development and were sent to DoE. All 8 Colleges' requests approved by DoE.
8 July 2005	Submission of Recapitalisation plans to GDE.	Colleges	8 FET Colleges submitted their strategic plans and recapitalisation plans
30 July 2005	Analysis of plans and comments to colleges	FET Directorate	FET Directorate -analyzed plans and comments were sent to colleges
30 August 2005	Colleges submit revised plans to FET directorate	Colleges	A memo was sent to Colleges which informed them that a workshop (on revised plans) will be held in the 2nd week of Sept 2005:Already four Colleges have submitted their revised plans TNC,TSC,EWC,EEC
Mid September 2005	Colleges submit revised plans to FET directorate	Colleges	A memo was sent to Colleges which informed them that a workshop (on revised plans) will be held in the 2nd week of Sept 2005:The remaining four Colleges have submitted their revised plans CJC,WESTCOL,SWC,SED
30 September 2005	FET directorate finalise Provincial plan (consolidate into Provincial Plan)	FET Directorate	Consolidated Provincial plan
5 October 2005	Submit consolidate Provincial Plan to DoE.	GDE	All Plans submitted

February 2006	FET Sector Plan	FET Directorate	The national DoE will be developing on behalf of all provinces
March 2006	Brief presentation of Recapitalisation process to Gauteng ELRC	FET Directorate	Made brief presentation of Recapitalisation process to Gauteng ELRC
	Submission of College Recap Planning claims	Colleges / FET/ABET Directorate	Claims payment (R682 935.51) transferred to Colleges in March 2006
	Approval of 2006/07 College Recapitalisation operational plans.	National DoE	Operational submitted in January 2006 and approved March 2006
April 2006	Transfer of Recapitalisation funds	National DoE /National Treasury FET Directorate	The first tranch of 2006/07 Recapitalisation fund (R53 million) transferred to GDE on the 13th April 2006.
	Filling of National Treasury Grant template	FET/ABET Directorate	Template filled and submitted to national Treasury (January – April 2006
May 2006	Recapitalisation (R53 million) fund to be transferred to GDE	GDE – Finance and FET/ABET Directorates	The first tranch of 2006/07 Recapitalisation (R53 million) fund to be transferred to GDE on the May 2006. Currently the process of transferring into College accounts is in GSSC.

31 May 2006	Recapitalisation fund transferred to all 8 FET Colleges	GDE – Finance and FET/ABET Directorates (through GSSC)	The first tranche of 2006/07 Recapitalisation fund transferred to all 8 FET Colleges
	Reports	FET Colleges	All 8 FET Colleges have sent their first 2006/07 Recapitalisation report to the FET/ABET Directorate
June 15 2006	National Treasury Transfer Certificate	FET/ABET Directorate	Facilitated the signing of the National Treasury Transfer Certificate by the GDE CFO and HOD (see attached)

CERTIFICATE OF TRANSFERS					
PROVINCE: GAUTENG		Month: APRIL			
		2006			
A. Transfers Received					
From		Transfer Amount according to Payment Schedule	Amount Received	Date Received	
Provincial Treasury - Gauteng		Yes	R 53,000,000	13-Apr-06	
B. Transfers Paid					
To (Name of FET College)	Payment date	Transfer Amount according to Payment Schedule	Amount Transferred to FET College	Amount Received by FET College	Date Received
1. Central Johannesburg	29/05/2006	Yes	R 7,500,000	R 7,500,000	29/05/2006
2. Ekurhuleni East	29/05/2006	Yes	R 6,500,000	R 6,500,000	29/05/2006
3. Ekurhuleni West	29/05/2006	Yes	R 9,000,000	R 9,000,000	29/05/2006
4. Sedibeng	29/05/2006	Yes	R 5,500,000	R 5,500,000	29/05/2006
5. South West	29/05/2006	Yes	R 6,000,000	R 6,000,000	29/05/2006
6. Tshwane North	29/05/2006	Yes	R 7,000,000	R 7,000,000	29/05/2006
7. Tshwane South	30/05/2006	Yes	R 10,000,000	R 10,000,000	30/05/2006
8. Western	30/05/2006	Yes	R 1,500,000	R 1,500,000	30/05/2006
			R 53,000,000	R 53,000,000	
Head of Department			Chief Financial Officer		
Date: 13 June 2006			Date: 09 June 2006		

6. Implications

The provincial Recapitalisation team comprising of College and FET/Directorate representatives work on their roles and responsibilities in the implementation of the plans.

The GDE senior management from time to time receive reports on the state of implementation.

The FET Colleges would receive two tranches of allocation of the approved funds expenditure which has to adhere to their submitted business plans.

Monthly reports from Colleges to be submitted with aligned expenditure and activities.

The efficient spending of the Colleges on Recapitalisation will determine the support of this process for the future funding of our Colleges by the Treasury.