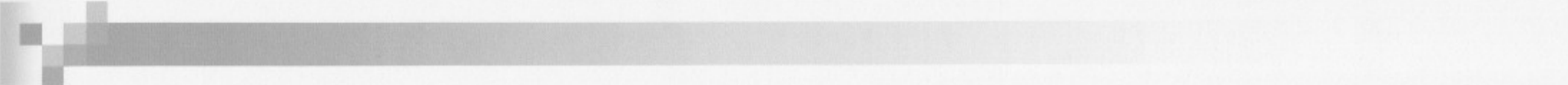




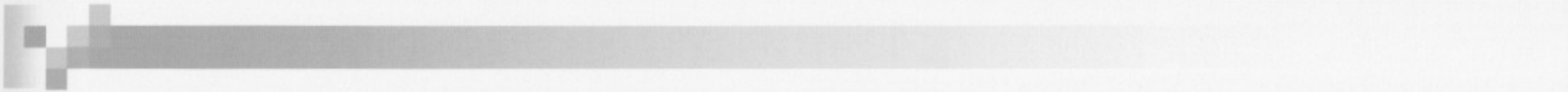
Explanation of Under Expenditure

- Suspension of all activities of the programme due to findings of the forensic audit resulting in non processing of payments in December 2006
- Poor Supplier performance – Suppliers have capacity problems with preparation of invoices and therefore take too long to submit invoices
- Capacity within district offices – Districts are not staffed properly and this impact on monitoring and commitment to the Programme.
- Confirmation of service delivery at school level: Some schools do not always sign goods receive vouches timeously which contributes to the delay in submission of invoices
- Meal servers registers: Schools do not submit the registers to the district offices on time in order for the SNP district coordinators to compile the spreadsheets and pay the meal servers.



Mechanism to deal with the under expenditure:

- District Directors and Cluster Chief Directors have been asked to strengthen the involvement of Education Development Officers in monitoring.
- One on one meeting held with Service Providers to speedup the process of claiming
- Non – performing Suppliers are substituted
- The irregular payment of meal servers- The District Directors have been requested to monitor the payment of meal servers on a monthly basis. The defaulting districts have been identified and the Cluster Chief Director and the DDG for Institutional Operations



Mechanism to deal with the under expenditure (cont)

- Introduction of electronic financial management of tender contracts and payments
- Establishment of new communication networks
- Placements of unemployed graduates to bolster district monitoring capacity

MONITORING OF SPENDING IN THE 2006/07 FINANCIAL YEAR

- Regular visits to schools by the Department through its operational teams by districts and occasionally by head office. Visits to schools have also been conducted by the National Department.
- The monthly and quarterly reports are scrutinized to ascertain whether objectives of the SNP are met and what amendments should be made to improve service delivery thereof.
- Regular meetings were held with service providers and a Task team was established to immediately deal with issues affecting service delivery.



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KEY OBJECTIVES

- Development of human resources
- Development of systems and procedures
- Upgrading of classrooms and workshops
- Buying and building of new classrooms and workshops
- Upgrading of College sites
- Purchasing of equipment to support teaching and learning
- Development of curriculum



Budget Allocations

Year	Allocation/ Transfers	Roll-over	Total
2006/07	61 000 000	-	61000 000

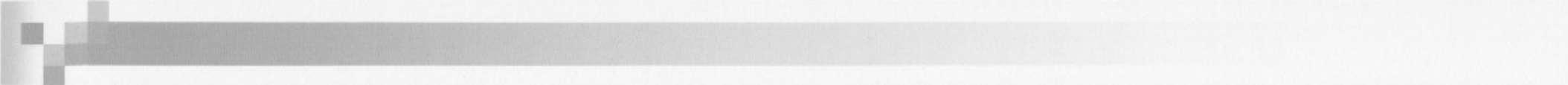
Trends in Expenditure

YEAR	Allocation ®	Actual /Projected expenditure	Over/under expenditure	%
2006/07 April- Sept. 06	61 000 000	51 615 579	9 384 421	85



Explanation of Under Expenditure

- Slow tender processes
- Slow submission of invoices by service providers
- Lack of qualified and shortage of staff



Mechanism to deal with the under Expenditure

- Fast tracking of payments
- Improvement of SCM processes by supporting Colleges in terms of procedures



MONITORING OF SPENDING IN THE 2006/07 FINANCIAL YEAR

- Monitoring of Colleges in terms of their approved plans
- Regular visits to Colleges by the Department. Visits to Colleges have also been conducted by the National Department
- Monthly Reports have been submitted to the National Department and the Provincial Treasury in terms of Division of Revenue Act 2006/7- Section 7 (8) although it remains a challenge to submit these reports on time due late submission of monitoring tools by the Colleges.

THANK YOU