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KWAZULU-NATAL SCHOOL EDUCATION ACT. 1996 (ACT NO. 3 OF 1996)

**REGULATIONS RELATING TO THE ESTABLISHMENT AND CONTROL OF  
SCHOOL FUNDS AT PUBLIC SCHOOLS**

THE Minister of Education and Culture for KwaZulu-Natal has under section 72(1)(b) of the KwaZulu-Natal School Education Act, 1996 (Act No. 3 of 1996) made the regulations in the Schedule.

SCHEDULE

Definitions

1. In these regulations any word or expression to which a meaning has been assigned in the Act, has the meaning so assigned to it unless the context otherwise indicates:

"**Act**" means the KwaZulu-Natal School Education Act, 1996 (Act No. 3 of 1996);

"**governing body**" means any management council, managing body or a governing body referred to in the Act

A school fund means all monies received by a public school including school fees and voluntary contributions.

**Establishment of school funds**

2. (1) A governing body of a school must establish and administer a school fund in accordance with directions issued by the Secretary.

(2) Any school fund established and maintained by a school committee, school-fund committee, trust committee, governing body or management council before the date of coming into operation of these regulations must be deemed to be a school fund established in terms of these regulations.

(3) A finance committee must be established by the governing body and at least the principal, chairperson and the treasurer of the governing body must be members of such committee.

(4) The principal, in consultation with the governing body, must appoint a member of the administrative staff to keep the school-fund books. If there is no administrative staff employed at a school, the principal, in consultation with the governing body, may appoint a member of the teaching staff to keep the school-fund books.

(5) The governing body, assisted by the principal and staff members designated by him or her must-

- (a) keep records of funds received and spent and of its assets, liabilities and financial transactions; and
- (b) ensure that the school fund is administered in accordance with these regulations and any other directions as may be issued by the Secretary.

### **Contributions to the school fund**

3. (1) A school fund consists of monies collected or received by the governing body by means of-

- (a) school fees;
- (b) voluntary contributions;
- (c) all fund-raising activities of the school and governing body;
- (d) income derived from all assets of the school;
- (e) contributions by reamers for special purposes, but always in compliance with the provisions of the Fund-raising Act, 1978 (Act No. 107 of 1978); and
- (f) donations and bequests; provided that they are applied in accordance with the conditions of such donations or bequests.

### **School fees**

4. (1) The chairperson of the governing body must, subject to sub- regulation (3), call a meeting of parents during the fourth quarter of each school year.

(2) At least thirty days' written notice of the meeting must be given in a manner deemed appropriate by the governing body.

(3) The following items must be placed before the meeting for approval:

- (a) the proposed budget of the school for the ensuing year;

(b) the amount in school fees to be paid by parents of learners:  
and

(c) equitable criteria and procedures in compliance with regulations made in terms of section 39(4) of the South African Schools Act, 1996 (Act No. 84 of 1996) for the total, partial or conditional exemption of parents who are unable to pay school fees.

(4) Decisions by the governing body on the approval of the budget, school fees to be charged and exemptions from payment of school fees must be made in accordance with decisions taken by the majority of parents present and voting at the meeting called in terms of sub-regulation (1).

(5) The proceedings at the meeting must be recorded in minutes and the number of votes of those in favour, those against and those abstaining on each motion must be recorded.

(6) A parent is liable to pay the school fees determined by the governing body in accordance with sub-regulation (4), unless he or she has been exempted from payment in full or in part of such fees.

(7) A parent may appeal to the Secretary against a decision of the governing body regarding the non-exemption of such parent from payment of school fees.

(8) An appeal in terms of sub-regulation (7) must be in writing and must be made within 30 days of the parent concerned being informed of the amount in school fees payable by him or her.

(9) The governing body may by process of law enforce the payment of fees by parents who are liable to pay.

### **Responsibility of the governing body**

5. The governing body must take all reasonable measures within its means to supplement the resources supplied by the State to improve the quality of education.

### **Financial administration**

6. (1) The financial year of the school shall be from 1 January to 31 December of every particular year.

(2) The governing body of a public school must prepare a budget each year according to guidelines determined by the Minister, which shows the estimated income and expenditure of the school for the following financial year.

(3) Before a budget referred to in sub-regulation (2) is approved by the governing body, it must be presented to a general meeting of parents convened on at least 30 days' notice, for consideration and approval by a majority of parents present and voting.

(4) The governing body must submit the following to the Secretary:

(a) by 31 January of each year, a copy of the approved estimate of expenditure of the school;

(b) the name of the auditor or accounting officer or person approved by the Minister in terms of section 43(2)(b) of the South African Schools Act, 1996 (Act No. 84 of 1996), appointed to examine and report on the records and financial statements of the school.

(5) The governing body must open and maintain a current banking account in the name of the school at a registered commercial bank into which all school-fund monies must be deposited: Provided that the governing body may deposit funds which are not immediately required in the name of the school in a savings or fixed-deposit account with a registered financial institution or a post-office savings bank.

(6) Provision must be made for cheques to be signed by two persons.

(7) All banking accounts opened by the governing body must be subject to auditing.

(8) The principal shall ensure the deposit of all funds received for the school-fund account on the same day: Provided that the Secretary may authorise the late deposit of school funds in accordance with departmental instructions.

(9) A school banking account must not be overdrawn.

(10) The signatories of any banking account opened in terms of these regulations are determined by the governing body in accordance with departmental instructions.

(11) No signatory to the school-fund banking account may sign blank cheque forms for the purpose of drawing funds from a school-fund banking account.

(12) The governing body may authorise the principal to keep petty cash in an amount determined by the governing body and in accordance with these regulations and departmental instructions,

(13) Expenditure may only in exceptional circumstances be made from the school fund without prior estimates approved in terms of sub-regulations (2) and (3). Expenditure which is not in accordance with the said prior estimates must be approved by the governing body and brought to the attention of parents for their approval at a general meeting.

(14) The governing body is obliged to- (a) check at each meeting all expenditure incurred since its previous meeting; (b) inspect supporting vouchers to ensure that they are in order and comply with these regulations and departmental instructions; and (c) satisfy itself that expenditure is in accordance with the approved budget.

(15) No cheques payable to cash must be issued.

(16) The governing body and the principal must ensure that proper financial records are kept in accordance with these regulations and departmental instructions.

(17) Where educators are required to collect school fees from learners, the educator concerned must for that purpose keep a school-fund register as part of the class register and the principal must ensure that each class educator is issued with a receipt book for the collection of money, if necessary. The principal must provide educators with a written delegation to handle monies contemplated in this regulation.

(18) The class educator must issue receipts for all monies received and when such monies are paid over to the staff member of the school who is responsible for collecting monies and issuing receipts, such staff member must in turn issue a receipt for such monies. The principal must take appropriate measures to ensure that this is done in accordance with these regulations and departmental instructions.

(19) The officer responsible for the financial records of the school must-

- (a) immediately issue a receipt for all monies received;
- (b) use only one receipt book at a time;
- (c) make out receipts in their serial number order, without alterations to the name or amount in words or figures;
- (d) use carbon paper to impress a copy of all receipts issued;
- (e) return carbon copies in the receipt book of issued receipts;
- (f) cancel any receipt form on which a mistake is made, keep same in the receipt book and issue a new receipt;
- (g) enter particulars of receipts issued in the cash book daily;
- (h) record the serial number of all receipt books in a distribution register;
- (i) obtain a signature in a distribution register from every person to whom a receipt book is issued;

(j) make payments only on submission of proper documentation as set out in these regulations and departmental instructions reflecting-

- (i) the name of the person to whom payment is to be made;
- (ii) the amount to be paid; and
- (iii) the nature of the goods supplied or the services rendered;

(k) ensure the safekeeping of vouchers for audit purposes;

(l) ensure that all payments and supporting vouchers are presented and ratified at the next governing-body meeting.

(20) The governing body and the principal must ensure that-

- (a) receipts are issued for all monies received by the school;
- (b) all income and expenditure are recorded and accounted for;
- (c) all records pertaining to the financial matters of the school and the decisions of the governing body pertaining thereto are kept in safe custody;
- (d) these regulations and departmental instructions pertaining to the finances of the school are being adhered to;
- (e) a copy of the audited statement of income and expenditure is handed to the Secretary, on or before 30 June of each year;
- (f) departmental employees appointed to assist the governing body in the fulfillment of its duties observe these regulations and departmental instructions.

(21) The financial records and other related documents may at any time be inspected by an officer, a governing-body member or any other officer authorised thereto by the Minister.

(22) The Secretary may give written authority for deviations from these regulations so as to accommodate schools implementing a computerised accounting system.

### **Auditing of school financial records**

7. (1) The books of account must be closed at the end of each year.

(2) The governing body of a public school must appoint a person registered as an

accountant and auditor in terms of the Public Accountants and Auditors Act, 1991 (Act No. 80 of 1991), to audit the records and financial statements.

(3) If the audit referred to in subsection (2) is not reasonably practicable, the governing body of a public school must appoint a person to examine and report on the records and the financial statements, who-

- (i) is qualified to perform the duties of an accounting officer in terms of section 60 of the Close Corporations Act, 1984 (Act No. 69 of 1984);
- (ii) is approved by the Minister for this purpose.

(4) The person appointed in terms of sub-regulation (2) or (3) must certify-

- (i) the accuracy or otherwise of school financial records;
- (ii) whether or not records were kept in accordance with applicable provincial regulations and departmental instructions;
- (iii) whether or not expenditure was made in accordance with the approved budget, applicable provincial regulations and departmental instructions.

(5) On or before the 30th day of June of each year the principal must forward the following to the Secretary:

- (i) an audited and certified income and expenditure statement;
- (ii) a certificate referred to in sub-regulation (4) above; and
- (iii) a stock inventory referred to in regulation 9.

### **Purposes for which school funds may be used**

8. With due regard to the conditions of any donation, bequest or trust, school funds may be used for-

- (a) educational purposes, at or in connection with such school;
- (b) educational purposes, at or in connection with another public school in agreement with such other public school and with the consent of the Secretary;
- (c) the performance of the functions of the governing body;

- (d) another educational purpose agreed between the governing body and the Secretary;
- (e) improving the school and sports grounds, subject to obtaining prior approval from the Secretary unless the governing body is empowered to maintain the school's property in terms of section 21(1)(a) of the South African Schools Act, 1996 (Act No. 84 of 1996);
- (f) expenditure which precedes fund-raising functions;
- (g) insurance premiums in respect of school assets;
- (h) expenses towards repairs to and maintenance of school property.

### **Stock-item registers**

9. (1) The governing body, with the assistance of the principal and staff members designated by him or her for this purpose, must cause a separate register to be kept of all inventory items-

- (a) purchased from school funds; and
- (b) donated to the school or purchased from funds donated to the school.

(2) The governing body, with the assistance of the principal and staff members designated by him or her must ensure that all stock items purchased from school funds, provided by the department or donated to the school are properly maintained and looked after.

(3) The governing body, with the assistance of the principal and staff members appointed by him or her must ensure that- (a) the stock registers clearly indicate the source from which items are acquired; and (b) stock is taken annually.

### **Investigations by the Secretary**

10. (1) The Secretary may at any time call for a special report or such other particulars as he or she may consider necessary in connection with the administration of school funds.

(2) The Secretary may also appoint an officer to investigate and to report to him or her on the administration of a school fund.

### **Disposal of school funds and equipment on the closure of a school**

11. (1) When a school is closed, the governing body or failing that, the principal of such

school must-

- (a) ensure the preparation of a final audited income and expenditure statement;
- (b) cause the preparation of a final stock register in terms of regulation 9(1).

(2) Upon the closure of the school, the principal must-

- (a) submit the final audited income and expenditure statement referred to in sub-regulation (I)(a) above together with the final asset register referred to in sub-regulation (I)(b) above to the Secretary;
- (b) hand over all assets issued to the school by the department, stock items purchased from school funds or donated to the school, subject to the conditions of any donation, bequest or trust to the Secretary.

(3) A governing body of a school which is to be closed may recommend to the Secretary the transfer of stock items purchased from school funds or acquired by donation to a particular school or schools, subject to the conditions of any donation, bequest or trust.

(4) The Secretary may make school funds and stock items referred to in the preceding sub-regulation after considering recommendations as aforesaid, available to another school or schools or make them available for any other purpose he or she may consider desirable.

### **Obligations of the principal**

12. (1) The principal must maintain a complete record of statutory provisions, regulations and departmental instructions relating to the financial management of the school, and the finances of the governing body.

(2) The principal must ensure that he or she and staff under his or her control, appointed to assist the governing body in the execution of its duties, are acquainted with all statutory provisions, regulations and departmental instructions of which he or she must bear knowledge to enable him or her to assist the governing body in the execution of its functions.

(3) The principal must ensure that all statutory provisions, regulations and departmental instructions are observed by him or her and by employees under his or her control.

### **Irregularities**

13. The governing body or the principal or any other person must report all suspected

irregularities with regard to the management of school funds without delay to the Secretary and the South African Police Service, when appropriate.

### **Delegation of powers**

14. The Secretary has authority to delegate powers bestowed on him or her in terms of these regulations to an officer in the employ of the department.

### **Repeal of regulations**

15. The regulations governing school funds set out in the Schedule hereto are hereby repealed.

### **SCHEDULE**

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Act under which issued	GN number	Date	Extent of repeal
Black Education Act, No. 47 of 1953	R 1755	1968-09-30	Chapters III and IV
Indians Education Act, No. 61 of 1965	R 694	1966-05-06	The whole
KwaZulu Education Act, No.7 of 1978	R 830	1988-12-02	Section 8
Education and Training Act, No. 90 of 1979	R 830	1982-04-30	The whole
Education Affairs Act (House of Assembly). No. 70 of 1988	R 702	1990-03-30	The whole