

GAUTENG DEPARTMENT OF EDUCATION



IMPALA CRESCENT
PRIMARY SCHOOL



GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

**IMPALA CRESCENT PRIMARY
SCHOOL**

COMPREHENSIVE FINANCIAL POLICY

2026

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IMPALA CRESCENT PRIMARY SCHOOL

COMPREHENSIVE FINANCIAL POLICY (2026)

Effective Date: January 2026

Review Date: Annually (First review January 2027)

Legislative Basis: South African Schools Act 84 of 1996 (as amended by BELA Act 32 of 2024), PFMA, PPPFA (until repealed), Employment of Educators Act, Public Service Act, POPIA, Children's Act, GDE Circulars.

1. PREAMBLE & LEGISLATIVE FRAMEWORK

This policy governs all financial matters, asset management, and procurement at Impala Crescent Primary School (a Section 21 self-managed public school). It is developed in accordance with:

Legislation	Relevance
SASA 84 of 1996 (as amended by BELA Act 32 of 2024)	Sections 16A (reporting maladministration), 36 (loans/overdrafts), 37 (assets & prescribed controls), 38 (budget approval), 42(a) (written assertions), 43 (audit & investigations), 58A(4) (asset attachment protection)
BELA Act 2024	Strengthens SGB fiduciary duties; Grade R infrastructure implications; compulsory minimum financial controls
PFMA & Treasury Regulations	Supply chain management, value-for-money, segregation of duties
PPPFA 2000 (Regulations 2022)	80/20 or 90/10 preferential point system (until repealed by Public Procurement Act 2024)
Employment of Educators Act 1998	Misconduct proceedings for financial mismanagement by educators
Public Service Act 1994	Misconduct for non-educator staff

Legislation	Relevance
POPIA 2013	Data protection when disposing of IT assets
Children's Act 2005	Care arrangements for vulnerable learners
Admission of Learners to Public Schools Regulations 2025	Fees not a barrier to admission; no discrimination for non-payment
GDE Circulars 02/2021, 03/2021, 05/2021, 01/2015	EFT controls, leasing, loan/overdraft prohibitions, contract duration

VISION

Impala Crescent Primary School aims to be a leading institution in the delivery of quality education, where every learner feels valued and inspired.

MISSION

To deliver a curriculum that is based on humanistic values, is future orientated, of a high standard and comprehensive to:

- *Support the schooling process by improving our management, administration, teaching, learning, assessments and overall standards.*
- *Establish both the culture and capacity for lifelong learning amongst our learners and staff. Encompassing values of integrity, passion for accountability and truth.*

2. CORE LEGAL PRINCIPLES GOVERNING SCHOOL ASSETS

2.1 Ownership (Section 37(5))

All assets acquired by the school are **the property of the school** – not the SGB, principal, or individual educators.

2.2 Permissible Use (Section 37(6))

Assets may only be used for: educational purposes at or connected with the school; another public school by agreement with HOD consent; SGB functions; or other educational purposes agreed with HOD.

2.3 Prohibition on Trusts (Section 37(7))

No school funds may be paid into a trust.

2.4 Asset Protection (Section 58A(4)) - Constitutional Court

Assets may not be attached for any legal action against the school (*Moodley v Kenmont School 2020*).

However, valid judgments must be paid from operating budgets within a reasonable time; SGB members may face contempt proceedings for failure to ensure payment.

3. ROLES & RESPONSIBILITIES

3.1 School Governing Body (SGB)

- Fiduciary responsibility for all assets (Section 37)
- Approves all acquisitions, disposals, and the annual budget
- Signs annual declarations of interests (Section 26) – conflict of interest a disciplinary offence
- May have membership suspended/terminated by HOD for breach of code (Section 18A)

3.2 Principal

- Accounting officer for the school
- Must report any financial maladministration or mismanagement to HOD within a reasonable time (Section 16A, BELA)
- Ensures monthly spot checks by Assets Manager
- Reports theft/damage to Department and SAPS within 24 hours

3.3 Assets Manager (appointed by SGB)

- Maintains live, barcoded asset register
- Conducts **100% physical verification bi-annually** (Term 2 and Term 4)
- Submits variance reports to SGB

3.4 Finance Committee (FinCom)

- Drafts budget, monitors monthly vs actual
- Facilitates procurement for R30,001 – R200,000
- Oversees segregation of duties (EFT loader/authoriser)

3.5 Staff and Learners

- Use assets responsibly; report damage/loss immediately
 - Negligence may result in disciplinary action; theft is a criminal offence reported to SAPS
-

4. BANKING, CASH MANAGEMENT & EFT CONTROLS

4.1 Bank Accounts

- One primary banking account only.
- Second account for surplus funds requires **prior written MEC approval** (Section 37(3), BELA).
- All receipts banked **within 48 hours** (daily preferred). No cash holdings.

4.2 Signatories & EFT Segregation (GDE Circular 02/2021)

- Signatories: Chairperson, Treasurer, Principal.
- Mandate: **Any two of three.**
- **Loader (e.g., Finance Officer) and Authoriser (Principal/Treasurer)** must be different people.
- Beneficiaries loaded and approved by Treasurer before any payment.

4.3 Debit Card & Petty Cash

- Debit card limited to R3,000/month for petty cash replenishment.
- Petty cash float max R3,000. No IOUs.

5. BUDGETING & PARENT APPROVAL (SECTION 38, BELA)

- Budget aligned with School Development Plan (SDP).
- FinCom drafts budget; SGB adopts; **parent body (AGM) must approve by majority vote BEFORE start of financial year.**
- AGM quorum: 15% of parents on voters' roll.
- Budget vs actual monitored monthly; variances reported to SGB.

6. REVENUE MANAGEMENT & SCHOOL FEES (ADMISSION REGULATIONS 2025)

6.1 School Fees - Determined and approved at AGM.

6.2 Prohibition on Discrimination (Regulation 10)

A learner may **not** be refused admission, suspended from classes, denied access to activities, denied exam entry, or denied a school report because a parent:

- Is unable to pay fees,
- Has not paid fees, or
- Has been exempted from paying fees.

6.3 Fee Exemptions - SGB considers applications, responds within 15 days in writing with reasons.

6.4 Receipting - Official pre-numbered receipts for all cash.

7. PROCUREMENT SYSTEM & DELEGATIONS

7.1 Code of Conduct

Fair, equitable, transparent, competitive, cost-effective. No SGB member/staff may have a financial interest in any supplier. Malicious procurement (kickbacks, splitting orders, falsifying quotes) strictly prohibited.

7.2 Delegations of Authority

Value	Process
R0 - R10,000	Principal/Finance Officer may procure without quotations (subject to petty cash rules)
R10,001 - R30,000	3 written quotations (official school email)
R30,001 - R200,000	SGB Finance Committee facilitates; at least 3 formal quotations
R200,001+	Competitive bidding (tender) managed by Bid Committee

7.3 Preferential Procurement (PPPFA Regulations 2022 - until repealed)

- **90/10 principle** for bids up to R2 million (90 price, 10 specific goals)
- **80/20 principle** for bids above R2 million (80 price, 20 specific goals)
- Specific goals: BBBEE status level, local content/SMME support, EMEs/QSEs

7.4 Emergency Procurement

Principal may procure without quotes to prevent loss of life/property. Written report to SGB **within 7 days**; retrospective ratification at next meeting.

7.5 Procurement of LTSM - Must align with National Catalogue.

7.6 NSNP - Prefer local SMMEs, cooperatives, smallholder farmers.

8. ASSET REGISTER & PHYSICAL VERIFICATION

8.1 Register Contents (per asset)

Description, make/model, serial number & barcode, purchase date/donor, cost price, location code, responsible user, condition, maintenance history.

8.2 Verification

- **Monthly spot checks (10% of register)** – Assets Manager + teacher rep
- **Bi-annual full verification (June & November)** – 100% physical count vs register
- Report “ghost assets” and “unregistered assets” to SGB with variance explanations

9. DISPOSAL OF ASSETS & POPIA COMPLIANCE

Procedure:

1. Assets Manager identifies “beyond economic repair” (BER)
2. Disposal Committee (SGB member + Principal + HOD) convenes
3. Disposal Certificate signed

Asset Type	Method	Compliance
IT Equipment	Certified E-waste recycler	Certificate of Destruction (POPIA – prevent data breach)
Furniture/Equipment	Auction / Sale	Proceeds to school bank account
Donations to other schools	Transfer note	Signed by receiving principal

10. INSURANCE & RISK MANAGEMENT

- Assets adequately insured against damage, loss, theft, fire.
- Insurance schedule reviewed annually by SGB.
- Theft reported to SAPS and insurer within 48 hours.

11. LOANS, OVERDRAFTS, LEASES & CONTRACTS

11.1 Loans & Overdrafts (Section 36(2)) - Prohibited without **written MEC approval**. Security may not encumber state-owned assets.

11.2 Leasing of School Property (e.g., telecom masts) - Per GDE Circular 03/2021: minimum benchmark R4,500/month + 10% escalation; MEC approval required.

11.3 Contract Duration (Reg 43(8) & Circular 01/2015) - No contract exceeding SGB term (3 years) unless a **Special General Meeting of parents** passes a resolution binding the incoming SGB.

12. FINANCIAL REPORTING, AUDIT & HANDOVER (SECTION 43, BELA)

12.1 Annual Financial Statements (AFS) - Prepared within 3 months after year-end (31 December).

12.2 Audit - Appoint registered auditor or SAICA/SAIPA accounting officer (per DBE Circulars).

12.3 Submission Deadline - Audited statements to GDE HOD by **30 June** annually (Section 43).

12.4 Handover Report (Reg 56A) - Outgoing SGB prepares report on governance, finances, contracts. **Failure to submit renders members ineligible for re-election for 3 years.**

13. BREACHES, MALICIOUS PROCUREMENT, INVESTIGATIONS & CONSEQUENCES

13.1 Misappropriation (Section 43 Investigations)

HOD may launch forensic investigation. If proven:

- Educators: EEA proceedings
- Non-educators: Public Service Act
- SGB members: Suspension/termination (Section 18A) + criminal charges

13.2 Malicious Procurement - Zero Tolerance

Includes: intentional overpricing, kickbacks, splitting orders, falsifying quotes, awarding to related parties without disclosure.

Consequences: Personal liability (Reg 59), disciplinary action, criminal charges, reporting to HOD/SAPS.

13.3 Theft or Deliberate Damage - Criminal charge + civil claim.

13.4 Negligence (Staff) - Written warning; recovery of replacement cost (SGB discretion).

13.5 Failure to Pay Judgment Debts - Per *Moodley v Kenmont School*: SGB must ensure valid court judgments paid within reasonable time; members may face contempt proceedings; assets remain protected from attachment (Section 58A(4)).

14. COMPLIANCE MONITORING & SECTION 42(a) ASSERTIONS (BELA)

14.1 The SGB must provide written assertions in the annual financial statements that:

- All transactions are valid, accurate, and complete
- Expenditure was authorised and within budget
- Procurement was economical, efficient, effective
- No malicious procurement occurred

14.2 The Principal must monitor adherence to procurement, banking, and reporting requirements and immediately report any maladministration to HOD (Section 16A).


15. SHORT TITLE & COMMENCEMENT

This policy is called the **Impala Crescent Primary School Comprehensive Financial Policy (2026 – Incorporating BELA & All Applicable Legislation)**. It repeals all previous financial, asset, and procurement policies and takes effect on SGB approval.

16. Approval

Role	Name	Signature	Date
Principal (Accounting Officer)			
SGB Chairperson			
Assets Manager			
GDE District Director (Verification)			

Legislative Compliance Summary (for audit purposes)

Requirement	Section	Status
Section 37 - Assets & prescribed controls	2,3,8	

Requirement	Section	Status
Section 36 - Loans/overdrafts	11	✓
Section 58A(4) - Asset attachment protection	2.4, 13.5	✓
Section 38 - Budget approval before year start	5	✓
Section 42(a) - Written assertions	14	✓
Section 43 - Audit by 30 June	12	✓
Section 16A - Report maladministration	3.2, 14.2	✓
Section 18A - SGB member discipline	3.1	✓
Section 26 - Declarations of interest	3.1	✓
PPPFA (preferential procurement)	7.3	✓
Admission Regulations 2025 (no fee barrier)	6.2	✓
POPIA (IT asset disposal)	9	✓
GDE Circulars (EFT, leases, contracts)	4.2, 11.2, 11.3	✓