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Ref: J/42/20

Ministry of Education Sport
and Culture
P.O Box CY 121
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Zimbabwe

10 October 2000

FINANCE CIRCULAR MINUTE NO. 19 OF YEAR 2000

DISTRIBUTION

Regional Directors
Heads of Government Primary Schools
Heads of Government Secondary Schools
District Education Offices
Senior Secretary for Finance and Economic Development
Comptroller and Auditor – General

OPERATION OF THE SCHOOL SERVICES FUND

1. EXPENDITURE

- 1.1 There appears to be general confusion in schools over what is or is not proper/legitimate expenditure against the School Services Fund (SSF).
- 1.2 Experiences drawn from visits made by Head Office Staff to schools around the country in the past few months seem to point at a lack of uniformity in expenditure patterns in some cases and insufficient knowledge of the proper use of the School Services Fund in others. Some schools are known to have bought such expensive items as furniture, computers, etc apart from funding maintenance works and repair costs, to name a few, without prior authority.
- 1.3 It is important to note that retention of school fees and the establishment of School Services Funds with effect from 1.1.99 did not imply the creation of surplus funds to schools but a mere transfer of the same funds from the Exchequer Account(Revenue) to the School Services Fund Account.
- 1.4 Appropriate expenditure from the School Services Fund should cover mainly those items which prior to 31.12.98, were obtainable from various allocations under voted funds which Government ceased to provide for from 1.1.99. Schools should therefore pay more attention to the procurement of learning and teaching materials before directing their financial resources elsewhere.

1.5 Examples of proper expenditure items under School Services Fund are as listed below :

- printing and stationery
- posts and telecommunications bills
- water and electricity bills
- textbooks
- library books
- bank charges
- practical subjects materials –where parents' contributions are exhausted.

2. INCOME

2.1 The income of the Fund should, until further notice, consist of the following:

- tuition fees
- boarding fees(where applicable)
- donations(where applicable)
- interest received(where applicable)
- equalisation grant(where applicable)

3. OTHER PURCHASES/EXPENDITURE

3.1 In exceptional cases the Secretary for Education, Sport and Culture may, on request , approve expenditure for items other than those listed in paragraph 1.5 above.

3.2 An application for authority to purchase an item should be made through the Regional Director and should be accompanied by the following details:

- proof of availability of funds.
- confirmation that expenditure was included in the school's budget for the year.
- confirmation that normal services due to pupils will not be denied or delayed as a result of the purchase.
- reasons for the purchase.
- any other documents or information that may be considered necessary to justify the expenditure.

4. INVESTMENT OF FUNDS

4.1 Income accruing under the School Services Fund (SSF) should be used to cover, adequately, the purposes for which the fund was established. Where surplus funds accrue which the school has no immediate use for, authority may be sought and granted to invest such funds.

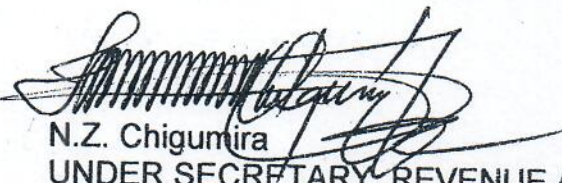
4.2 An application for authority to invest surplus funds should be made through the Regional Director and should be accompanied by the following details:

- confirmation that the proposed investment would not result in a delay or denial of service to school children.

- proposed duration of the investment.
- benefits that would accrue to the school and students/parents.
- confirmation that the school will not at the same time make requests for increase in fees.

5. **IMPORTANT NOTES**

1. No expenditure may be incurred unless it has been budgeted for and adequate funds are available.
2. No expenditure may be incurred against a deposit which has not yet been receipted and the receipt properly recorded and allocated in the Cash Book.
3. Tuition fees for Non-Formal students (Part-time Continuing Education) should be collected and used in the same way as fees for Formal Education. Arrangements are being made to come up with a fee structure which is sensitive to cost recovery. Details will be communicated as soon as approval is received from Treasury.



N.Z. Chigumira

UNDER SECRETARY, REVENUE AND SUPPLIES

For: SECRETARY FOR EDUCATION, SPORT AND CULTURE

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