


Wes-Kaap Onderwysdepartem
Western Cape Education Departm
iSebe leMfundo leNtshona Ko

Navrae Enquiries iMibuzo	C.B. PRINS	Verwysing Reference Ubhokiso	13/2/8/18/2	Telefoon Telephone iMfonomfono	460-6911
--------------------------------	-------------------	------------------------------------	--------------------	--------------------------------------	-----------------

TO: CHIEF DIRECTORS, DIRECTORS, AREA AND CIRCUIT MANAGERS AND HEADS OF ALL EDUCATION INSTITUTIONS WITH HOSTELS (EXCLUDING COLLEGES OF EDUCATION)	Kantoor van die Office of the i-Offisi ye	Head: Education	
	Privaatsak Private Bag	9114	
	Dorp/Stad Town/City iDolophi/iSireko	CAPE TOWN	
	Poskode/Postal Code iKhodi lePosi	8000	Faxes Fax 419-596
	Datum/Date Umhla	12 October 1998	

CIRCULAR 0120/98

THE IMPLEMENTATION OF AN ECONOMIC MANAGEMENT SYSTEM AT HOSTELS AND THE PHASING-OUT OF CONTRACTUAL CATERING SERVICES

1. A committee appointed by the Cabinet of the Western Cape investigated several matters, including the financial management of hostels of educational institutions of the Western Cape Education Department. Certain recommendations were accepted by the Cabinet, after consultation with the Western Cape Education Department. Boards of hostels affected by this have been fully informed in this regard by officials of the Department.
2. This means that present contracts for catering at hostels will be phased out and that governing bodies of the relevant institutions will assume full responsibility for the provision and preparation of food, as well as for the management of the hostel in general. The final objective is for all hostels to be self-supporting and independent in their own management.
3. The phasing-in process started on 1 July 1998 in respect of those contracts which expired on 30 June 1998.
4. Institutions whose catering services contracts expire after December 1998 will change to the Economic Management System, which implies that catering services must be managed and financed by the hostel itself. In addition, hostels will bear all expenses, with the exception of those regarding personnel.
5. As a result of decisions taken by the Cabinet and the WCED, governing bodies are now required to do the following:
 - 5.1 Gradually phase in a process whereby boarders are to supply their own linen and bedding, with due regard for their parents' financial capabilities.

- 5.2 Make every effort to let unutilized hostel accommodation, so as to increase revenue. Income generated from this source will be for the hostel's account.
- 5.3 Institute measures for the recovery of monies owing as a result of breakages caused by vandalism.
- 5.4 Refrain from using cleaning personnel to clean official quarters and to wash the clothes or linen of staff.
- 5.5 Commercialise laundry services. This implies that the WCED does not supply any equipment, but that the hostel can decide if existing equipment is to be used. The hostel management will determine the degree of commercialisation dependent on the particular circumstances of the hostel.
- 5.6 Make every effort to generate their own funds to defray costs of improvements or repairs to hostels.
- 5.7 Accept responsibility for the procurement of stores.
- 5.8 Ensure that parents of boarders from neighbouring countries and other provinces who attend school here and who reside in hostels, bear the full financial cost. Records of such boarders must be kept.
- 5.9 Open an expense account (current or savings account) and maintain a complete accounting system.
- 5.10 Determine the boarding fees payable. Boarders who cannot afford boarding fees may apply for a boarding bursary. The WCED will determine the maximum bursary amount annually. Bursaries payable will be determined by applying a means test. The bursaries payable for the 1999 school year will be communicated to hostels soon.
6. Personnel of hostels received training at the end of the second school term of 1998 in respect of hostel management and preparation of food. Training in budgeting and management has been given to principals, superintendents and to a member of the governing body of each of the schools involved.
7. Existing equipment appearing on the inventory list of the hostel may be retained by the hostel. The cost of maintaining this equipment and purchasing additional equipment will have to be borne by the hostel.
8. The WCED is currently compiling a manual for hostels. This will be made available shortly.
9. Your co-operation in ensuring the effective implementation of this process will be much appreciated.
10. The contents of this circular must be brought to the attention of all those concerned.



HEAD: EDUCATION