

File no.: 18/5/5 (2022/23)
Reference: 20221007-7466

Circular: 0041/2022
Expiry date: 31 March 2024

To: Deputy Directors-General, Chief Directors, Directors, Circuit Managers, Heads: Management and Governance, Deputy Chief Education Specialists, Deputy Directors at district offices, Heads of pre-primary schools and independent ECD schools, and Principals of ordinary public schools with Grade R classes

Short summary: *Information for all role players about relevant Grade R subsidy application procedures and other matters.*

Subject: Grade R subsidies and other related matters as of 01 April 2023

1. **Grade R allocation**

This circular refers to Grade R learners as defined in the South African Schools Act, 1996 (Act 84 of 1996), as amended, and therefore excludes the age 0–4 cohort of learners.

1.1 Access to the relevant information

The norms and standards (N&S) allocations for Grade R for the financial year: 01 April 2023 to 31 March 2024 are available on CEMIS and can be accessed in the following way:

- Log on to CEMIS.
- Select type of school.
- Select school.
- Click "Proceed", then select the "Administration" option on the menu bar, click on "Norms and Standards Allocation" and select "N&S 2023/24".
- Print the page.

1.2 Allocations are calculated as per the *Amended National Norms and Standards for School Funding*, as published in *Government Gazette* No. 29179 of 31 August 2006. The allocation letter (as referred to in point 6) includes a detailed breakdown of the specific allocation for the 2023/24 financial year, as well as provisional allocations for the next two financial years, i.e. 2024/25 and 2025/26. All allocations were calculated based on CEMIS learner enrolment numbers.

1.3 Calculation of Grade R allocation

1.3.1 Approval has been granted to pay a subsidy to learners in the following age groups (in 2023), in approved classes at ordinary public schools, public Early Childhood Development (ECD) (pre-primary) schools, registered ECD centres and independent sites with effect from 01 April 2023:

- (a) learners who are turning 5 before 30 June;
- (b) learners who are 5 turning 6; and
- (c) learners who are 6 turning 7, and who are exempted from compulsory schooling.

1.3.2 As per Circular 35 of 2022, dated 26 September 2022, the Western Cape Education Department (WCED) will apply a progressive universalisation process regarding the Grade R practitioners as follows:

- (a) Suitably, professionally qualified (REQV 13 and 14) educators will be appointed in vacant/funded post level 1 educator posts;
- (b) Underqualified Grade R practitioners will be appointed as Grade R practitioners and remunerated via the PERSAL system, inclusive of Unemployment Insurance Fund (UIF); and
- (c) Unqualified Grade R practitioners will remain employed by the governing body and receive a stipend subsidy from the WCED.

1.3.3 Schools will receive allocations within the following categories:

- (a) Public schools:

Subsidy payable to public schools with qualified and underqualified Grade R practitioners

Type of institution (25 Grade R learners or more)	National quintile (NQ)	Fee status of the institution	N&S subsidy payable per learner per year *
Public schools (all government-controlled schools, offering Grade R), including public ECDs	NQ1–NQ5	No-fee	R1 320
	NQ4	Fee-charging	R880
	NQ5	Fee-charging	R420

* N&S subsidy amount per Grade R learner per year is for non-personnel operational cost, including Learning and Teaching Support Material (LTSM). Please refer to point 4.2 for the utilisation of the subsidy.

Subsidy payable to public schools with unqualified Grade R practitioners

Type of institution (25 Grade R learners or more)	NQ	Fee status of the institution	N&S subsidy payable per Grade R learner per year *	Minimum Grade R practitioner stipend subsidy per year **
Public schools (all government-controlled schools, offering Grade R), including public ECDs	NQ1–NQ5	No-fee	R1 320	R132 588
	NQ4	Fee-charging	R880	R132 588
	NQ5	Fee-charging	R420	R132 588

* N&S subsidy amount per learner per year is for non-personnel operational cost, including LTSM.

**The minimum stipend subsidy to a governing body employed Grade R practitioner.

Minimum N&S subsidy applicable to all public schools

Type of institution	NQ	Fee status of the institution	Minimum allocation per year (fewer than 25 Grade R learners)		Minimum allocation per year (fewer than 10 Grade R learners)	
			Stipend subsidy per year	N&S subsidy per year	Stipend subsidy per year	N&S subsidy per year
Public schools (all government-controlled schools, offering Grade R), including public ECDs	NQ1–NQ5	No-fee	R132 588	R31 680	R132 588	R15 840
	NQ4	Fee-charging	R132 588	R21 120	R132 588	R10 560
	NQ5	Fee-charging	R132 588	R10 080	R132 588	R5 040

Public schools with a governing body employed Grade R practitioner will receive the minimum stipend subsidy per year plus the N&S subsidy per year. Where the Grade R practitioner is employed by the WCED, the school will only receive the minimum N&S subsidy per year. Please refer to points 4.1 and 4.2 for the utilisation of the subsidy.

(b) Independent schools

Type of institution	Fee status of the institution	Grade R subsidy per learner per year *
Independent sites (all privately governed schools, offering Grade R)	No-fee	R6 600
	Fee-charging	R3 780

* Rand per learner includes the N&S subsidy per learner as well the stipend subsidy for a Grade R practitioner. Please refer to points 4.1 and 4.2 for the utilisation of the subsidy.

2. Grade R subsidy claims and payment

2.1 Grade R subsidy claims will be based on the **2023 Annual School Survey (ASS)**.

2.2 **Please ensure that all the data on the 2023 ASS is correct and signed off as per indicated timeline. No amendments on CEMIS will be allowed after the ASS has been signed off.**

2.3 It is important to note that:

- (a) all Grade R learners must be captured/registered on CEMIS;
- (b) every Grade R learner must be linked to a class; and
- (c) a correctly identified Grade R practitioner must be linked to every class. The identification is important in the calculation of the institution's Grade R subsidy.

2.4 A claim can only be submitted for payment if the above requirements have been met. Failure to adhere to these requirements may result in an institution forfeiting its subsidy payment or part thereof.

2.5 As a continuous process, Grade R subsidy claims must be submitted by schools via CEMIS in the following way:

- Log on to CEMIS.
- Select type of school.
- Select school.
- Click "Proceed", then select the "Administration" option on the menu bar and click on "Grade R Subsidy".
- Select "Submit Application".
- Indicate "Will you be applying for Grade R subsidy", by selecting YES/NO.

2.6 Please complete the relevant fields as required and print the school's subsidy claim for record purposes after the claim has been submitted. The school's subsidy claim will be submitted electronically to the relevant district office. No further action will be required from the school.

2.7 Please refer to the *Grade R Subsidy Claim Application System User Manual* on CEMIS for detailed step-by-step guidance on how to submit a subsidy claim successfully.

2.8 A total of 50% of the allocation will be paid during the **April/May** tranche and the remaining 50% will be paid during the **October/November** tranche.

2.9 Time frames for the 2023 process:

April/May tranche (Terms 2 and 3 of 2023 school year)

Date	Action
12 April 2023	CEMIS opens for the submission of claims for FOUR days only .
17 April 2023	Final date for schools to submit claims. Please note: Claims cannot be submitted for payment after this date.
25 April 2023	District offices finalise recommendation and approval processes on EduInfoSearch and sign off on each claim.
15 May 2023	Final date for subsidy payments to schools.

October/November tranche (Term 4 of the 2023 school year and Term 1 of the 2024 school year)

Date	Action
10 October 2023	CEMIS opens for the submission of claims for FOUR days only .
13 October 2023	Final date for schools to submit claims. Please note: Claims cannot be submitted for payment after this date.
20 October 2023	District offices finalise recommendation and approval processes on EduInfoSearch and sign off on each claim.
15 November 2023	Final date for subsidy payments to schools.

2.10 Progress of claim

The progress of your school's claim can be tracked on CEMIS in the following way:

- Log on to CEMIS.
- Select type of school.
- Select school.
- Click "Proceed", then select the "Administration" option on the menu bar and click on "Grade R Subsidy".
- Select "Claim status".

3. No-fee schools offering Grade R

3.1 No-fee schools receiving Grade R funding from the government are not allowed to charge school fees for Grade R learners (see *National Financial Management Guidelines in Respect of Schools Offering Grade R Classes*, October 2009, page 4).

3.2 Parents may be requested to make voluntary contributions, but these contributions are not compulsory and may not be used to exclude learners whose parents are not able to make such contributions.

4. **Use of Grade R allocation**

4.1 Stipend subsidy of the Grade R practitioner

4.1.1 (a) Public schools

Grade R practitioners (governing body employed) at all public schools must receive the minimum stipend subsidy allocation of R132 588 per annum (R11 049 per month), that is transferred biannually.

(b) Independent schools

Grade R practitioners at all independent schools must receive the full 80% of the subsidy allocation that is transferred biannually. Governing bodies of independent schools must augment the Grade R practitioner's salary so that the practitioner receives at least the minimum R11 049 per month or more.

4.1.2 Governing bodies must register with SARS as employers. The UIF and Pay as You Earn must be deducted from the Grade R practitioner's salary and paid over to the relevant government departments.

4.2 N&S subsidy

4.2.1 The subsidy is intended to cover any non-personnel cost such as LTSM and operational costs such as municipal services accounts, telephone accounts, copying and printing, cleaning materials, maintenance of the Grade R classroom(s), and any other services required by Grade R practitioners.

4.2.2 It is recommended that the N&S subsidy be divided as follows:

(a) 10% of the subsidy is allocated for LTSM, including both indoor and outdoor LTSM to the benefit of Grade R learners. All LTSM purchased must be recorded on the inventory of the Grade R class.

(b) 10% of the subsidy is allocated for the payment of any operational cost. Operational costs are the ongoing expenses incurred from the normal day-to-day of running a business.

5. **Reporting requirements**

Normal reporting requirements must be adhered to, as communicated by district offices, to effect the next subsidy payment.

6. Grade R letters

6.1 Final allocation letter

6.1.1 Final allocation letters (based on the 2023 ASS) will be published on CEMIS by 31 March 2023.

6.1.2 Schools can view and print the final allocation letter on CEMIS in the following way:

- Log on to CEMIS.
- Click "Proceed", then select the "Administration" option on the menu bar and click on "N&S Allocation".
- Select "N&S 2023/24 Final".

6.2 Subsidy payment letter

6.2.1 Subsidy payment letters, based on the approved learner numbers by the relevant district office in line with the Grade R circular (referred to in point 1.3.2) issued, will be available on CEMIS after each tranche.

6.2.2 Schools can view and print the subsidy payment letters on CEMIS in the following way:

- Log on to CEMIS.
- Click "Proceed", then select the "Administration" option on the menu bar and click on "Grade R Subsidy".
- Select "Subsidy payment letter".
- Select "Print" (for a printed copy).

7. Contact numbers for enquiries

Subject	Name	Contact details
N&S allocation and transfer payments to schools and other Grade R subsidy-related enquiries (N&S allocations)	Contact the relevant Grade R official at district level.	Applicable district office
CEMIS-related enquiries	Contact the relevant CEMIS administrator at district level.	The CEMIS support contact number is available under the "CEMIS Support" menu option.

SIGNED: B WALTERS

HEAD: EDUCATION

DATE: 2022-10-20