

**REPUBLIC OF NAMIBIA
OFFICE OF THE AUDITOR GENERAL**

PERFORMANCE AUDIT REPORT

ON THE

**MINISTRY OF BASIC EDUCATION, SPORT AND
CULTURE**



DELAY IN THE REMUNERATION OF TEACHERS

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
CHAPTER 1	3
1. INTRODUCTION	3
1.1. Other reports on the Ministry of Basic Education, Sport and Culture	3
1.2. Background.....	3
1.3. Project motivation.....	3
1.4. Statutory mandate	3
1.5. The Ministry’s mission statement	3
1.6. Organizational structure.....	3
1.7. Main operations	4
1.8. Financing and budget allocation	4
1.9. Staffing.....	4
1.10. Audit design.....	5
CHAPTER 2	6
2. PROCESS DESCRIPTION	6
2.1 The teachers’ salary payment system.....	6
2.2. Appointment process	6
2.3 The channel for sending and receiving documentation	7
2.4. Processing of advices.....	7
2.5 Submission and processing of computer advices at the Ministry of Finance	10
2.6 Distribution of salaries.....	10
CHAPTER 3	13
FINDINGS OF THE AUDIT	13
3.1. General findings.....	13
3.2 Channel for sending and receiving of documentation	13
3.3 Processing of advices.....	13
3.4 Distribution of salaries.....	188
3.5 Comparison between Ministry of Home Affairs (Department of Police) and Ministry of Basic Education, Sport and Culture	20
CHAPTER 4	22
CONCLUSIONS	22
CHAPTER 5	23
RECOMMENDATIONS	23
ANNEXURES	

EXECUTIVE SUMMARY

The Office of the Auditor-General is authorized to carry out performance audits in terms of Section 26 (1) (b) (iv) of the State Finance Act, (Act 31 of 1991) which reads as follows: (The Auditor-General) “may investigate whether any moneys in question have been expended in an efficient, effective and economic manner.”

This report focuses on the *Delay in the salary of teachers* in the Ministry of Basic Education, Sport and Culture. This Ministry aims to provide all Namibian residents with equitable access to quality education. Teachers, who must provide quality education, will be demoralized and unable to provide quality education should they not receive their salary on time. The audit revealed that there are delays in the processing of salary related documents which further leads to the delay in the payment of teachers’ salaries.

FINDINGS

- Documents are only submitted on the earliest a month after assumption of duty or effective date to Personnel offices in the regions due to the following factors:
 - Stakeholders do not follow the prescribed channels, as they feel their problems will be solved easier and faster when they take documents directly to the Personnel office and also by instructing unauthorized people to forward documents.
 - Principals take a long time to compile and submit the assumption of duty reports for their new teachers.
 - Lack of transport at schools, circuit offices and the distance between schools and the Regional offices.
 - The Personnel offices do not inform schools in time if some documents are outstanding.
- Personnel advices are currently being processed approximately a month after submission of documents due to the following:
 - Reviewing of advices in the Personnel office has no time limits.
 - Personnel offices do not get feedback from the Salary offices whether an advice has been accepted or not.
- Personnel offices use confirmation letters at the end of each year to issue appointment advices instead of waiting for the assumption of duty report after a new teacher has started, but Salary offices still receive appointment advices one month late the following year after confirmation of the appointment.
- Computer advices are completed late in the Salary offices due to the following factors:
 - Currently the implementation of decentralization has no positive impact on the activities of the Salary offices. The effect is that there is an obvious imbalance in the staff ratio per salary files in the decentralized Salary offices.
 - Salary offices receive the personnel advices from the Personnel office up to two months after a new teacher had started.
- The time-table for the submission of salary advices issued by the Ministry of Finance is not adhered to by line Ministries especially the Ministry of Basic Education, Sport and Culture while the Ministry of Finance does not issue a rule to enforce the adherence to its dates of operations set in the time-table.

Conclusions:

- Failure to use the prescribed channel delays the communication/transportation of documents between schools and the Personnel offices. Whenever documents are forwarded from schools and gets lost, it extends the whole process, as re-submissions are required to complete the process.
- The absence of a time frame for the undertaking of activities in the Personnel offices, and late submission of documents from schools cause the processing of advices to take one month or more.

- The use of confirmation letters is not ensuring that new teachers receive their first cheque after their first month of service, as the personnel offices do not make sure that the schedule as set up in the MBESC vacancy list circular is followed.
- Decentralization of the Salary office lengthened the processing channel of salaries, as computer advices are still sent via the Head Office to the Ministry of Finance. Decentralization does not have any positive impact on the delays in the processing of teachers' salaries, due to a lack of proper planning. It also results in improper balances in the staff ratio in Salary offices per salary file.
- Due to the non-adherence of the Ministry of Basic Education, Sport and Culture to the timetable set by the Ministry of Finance, the error list is not functioning/helping to speed up the processing of salaries at the Ministry of Finance. Leading to late submission of advices is occurring leading to overtime work which results in uneconomical usage of money.

Recommendations:

- Personnel offices at regional level should not accept documents from any of the stakeholders who did not follow the right channel.
- The schedule for positions advertised in the MBESC vacancy list circular, should be strictly followed and managed by the Personnel offices who are the organising body in the appointment process.
- Personnel offices should be given a prescribed timeframe to spend on the processing of personnel documents like, appointment advices and advices for salary adjustments, in order to speed up the processing of personnel documents of teachers in their office.
- The Ministry should now revise the re-allocation of accountants at Salary offices from the overstaffed to understaffed Educational regions in order to do away with the imbalance in the staff ratio.
- Accountants in the Salary office at Head Office and Regional offices should adhere to the timetable issued by the Ministry of Finance to ensure efficiency and effectiveness in the salary operations of the Ministry of Basic Education.
- The Ministry of Finance should adhere to their time-table and thereby not accept submissions made by the Ministry of Basic Education, Sport and Culture after the set dates as per the time-table.
- The Ministry of Basic Education, Sport and Culture should encourage teachers to open personal bank accounts.

CHAPTER 1

1. INTRODUCTION

This report focuses on the payment of salaries for teachers within the Ministry of Basic Education, Sport and Culture. The audit mainly focussed on the divisions Personnel Administration and Financial Management which currently falls under the Directorate of General Services at Head Office. At the Regional offices the audit concentrated on the current sections, Personnel Administration and Financial Management, which fall under the subdivision General Services.

1.1. OTHER REPORTS ON THE MINISTRY OF BASIC EDUCATION, SPORT AND CULTURE

Previously there was a Performance Audit Report on the Ministry of Basic Education Sport and Culture, which focussed on Hostel Accommodation for learners.

1.2. BACKGROUND

This Ministry's aim is to oversee that all education, culture and sport operations are properly implemented. Currently there are seven Educational Regions in the Ministry. Six of these Regions' financial activities were decentralized at the time of the audit, while one region was still centralized in Windhoek.

All staff, both teaching and non-teaching staff's salaries are processed by the Directorate General Services and salary cheques are requested from the Ministry of Finance.

1.3. PROJECT MOTIVATION

The payment of salaries, in general, are processed late for newly appointed teachers. Salary adjustments are also delayed. The audit was motivated by the importance of the fact that salaries should be paid on time, as the delays have an impact on the social life of teachers and lead to low work moral. Furthermore, there is a risk that the objective of the Ministry in providing equitable access to quality education to all Namibians might be negatively affected if the teaching staff lack commitment towards their work due to the delay in the payment of their salaries.

The Office of the Auditor-General therefore decided that a performance audit be carried out on the Ministry of Basic Education, Sport and Culture, focusing on the payment of teachers' salaries.

1.4. STATUTORY MANDATE

The Office of the Auditor-General is authorized to carry out performance audits in terms of Section 26 (1) (b) (iv) of the State Finance Act, (Act 31 of 1991) which reads as follows: (The Auditor-General) "may investigate whether any moneys in question have been expended in an efficient, effective and economic manner."

1.5. THE MINISTRY'S MISSION STATEMENT

The Ministry of Basic Education, Sport and Culture is committed to provide all Namibian residents with equitable access to quality education and culture programs to develop the abilities of individuals to acquire the knowledge, and understanding skills, values and attributes required throughout their lifetimes.

1.6. ORGANIZATIONAL STRUCTURE

The Minister seconded by a Deputy Minister heads the Ministry of Basic Education, Sport and Culture and there is a Permanent Secretary, who is the Accounting Officer as well as one Deputy Permanent Secretary and two Under Secretaries. The Ministry has 10 Directorates headed by different Directors who report to the Permanent Secretary through the Deputy Permanent Secretary. The Circuit Inspectors, Principals and Teachers are part of the Educational Programme and Implementation Division. This Directorate is located within seven Educational Regions, headed by a Regional Director seconded by a Chief Education Officer.

The Directorate for General Services through the divisions Personnel Administration and Financial Management at Head Office as well as the section Financial Management and subdivision Personnel Administration in the 13 regions are the ones responsible for the processing of salaries of teachers. Under the Director for Administration, there are three Deputy Directors heading three divisions, being Personnel Division, Financial Management Division and Technical and Support Services Division. See attached Annexure 1 for the organizational structure of the Ministry.

The following are the sub-divisions of the Financial Management Division: Salaries and allowances, creditors, budgeting and revenue, internal audit, pay-office control, and subsistence & travelling allowances.

See the structure of Directorate General Services as illustrated in Annexure 2.

1.7. MAIN OPERATIONS

General Services:

- The main objective of the Personnel Division is to ensure effective personnel administration and to ensure that Public Service rules are implemented uniformly in the Regional office as well as the Head Office.
- The aim of the Financial Management Division is to render effective and efficient financial services to all the institutions and their personnel under the control of the Permanent Secretary, at Head Office. The main responsibilities of the division are policy making, organizing, and financing, personnel, procedures and control. The Finance section falls under this Directorate of General Services.

Program Implementation and Monitoring of Education Standards

Some of the goals of this division are:

- To provide professional leadership and guidance in the management of inspectorate and advisory services to schools.
- To plan education projects and to assess and certify learner's performances.
- To implement and monitor educational programmes and to perform inspector duties.

1.8 FINANCING AND BUDGET ALLOCATION

The total actual expenditure of the Administration, Secondary Education, Primary Education, Program Implementation and Monitoring of Education Standards divisions for the financial years under review were as follows:

Financial year	Total Actual expenditure
	N\$
1999/2000	1 566 174 547
2000/2001	1 754 500 706
2001 /2002	1 835 127 254

1.9 STAFFING

The budget for the Administration, Secondary Education, Primary Education, Program Implementation and Monitoring of Education standards division for the financial years under review made provision for staff as indicated below:

Financial year	Total staff	Total teachers
1999/2000	23 210	18 406
2000/2001	21 130	17 532
2001/2002	21 130	17 532

1.10 AUDIT DESIGN

1.10.1 Audit scope and limitations

i. The audit object

The Directorate General Services within the Ministry of Basic Education, Sport and Culture has been chosen as the audit object. The programme implementation, primary and secondary education is mentioned because of the teachers' involvement in the audit.

ii. Geographical Limitations

The Ministry has seven Regional Education Offices and all regions were visited. See Appendix 3.

iii. Time limitations

Three financial years were covered, 1999-2000, 2000-2001 and 2001-2002.

1.10.2 Methods of data collection

i. Interviews

During the audit a total number of 255 interviews were conducted with staff from the Ministry of Basic Education, Sport and Culture in various Regions including the Head Quarters. Two hundred (200) interviewees are teaching staff of the Regions visited during the fieldtrips, and the rest were staff from salary and personnel offices.

ii. Document analysis

During the audit the documents that were analyzed are:

- Eighty personal and eighty salary files of teachers.
- Advice registers for both personnel and Salary offices.
- Activity plans for the decentralization of the Salary offices.
- Job descriptions for Personnel officers, Inspectors and Salary officers.
- Timetable issued by the Ministry of Finance.
- The 15th school day statistics of the Ministry of Basic Education, Sport and Culture as at 2001.

iii. Physical observations

During the audit observations were made specifically in the Salary offices of the seven Regions, which were visited, as well as the Head Office. During these observations, the number of teachers entering Salary offices were noted, to get an indication on how much time was spent on enquiries.

CHAPTER 2

2. PROCESS DESCRIPTION

2.1 THE TEACHERS' SALARY PAYMENT SYSTEM

Processing of the teachers' salary is done at the seven Educational Regional offices as well as the Ministry of Basic Education, Sport and Culture's Head Office in Windhoek and at the Ministry of Finance for the teachers to receive their salaries on the twentieth of the month. In this process a number of issues which influence the audit area needs to be considered. These issues are the appointment process of teachers, documents needed for the completion of personnel/appointment advices, processing of the advices in the personnel and Salary offices, as well as the capturing of data and programming at the Ministry of Finance and distribution of salaries.

The description in this chapter will consider each matter and its impact on the payment system.

2.2. APPOINTMENT PROCESS

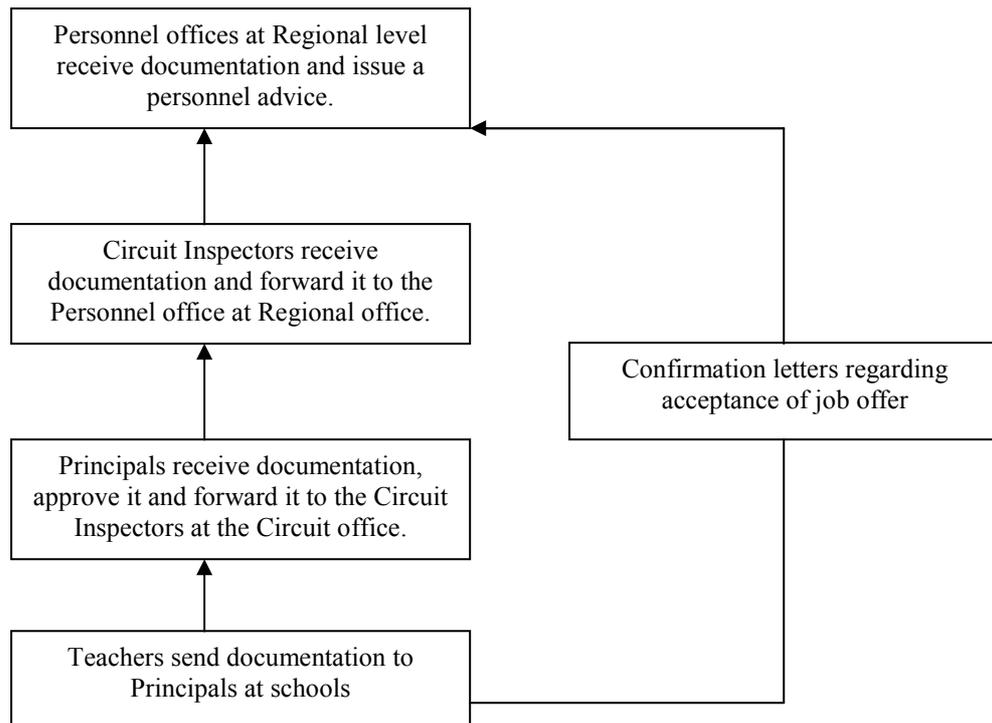
The appointments of teachers must be done in accordance with the Government policies as stated in the Employment Act of 1998 (Act 29 of 1998) and the Public Service Act of 1995 (Act 13 of 1995) as well as the Education Act, 2001 (Act 16 of 2001).

The stakeholders responsible for the appointments of new teachers are the school Principals, school board, Circuit Inspectors, Regional Directors, Personnel officers and Personnel Advisory Committees.

Procedures to be followed for filling posts, whether temporary, permanent, at entry level or at management level are as follows:

1. All posts advertised in the MBESC vacancy list circular are forwarded to the respective regional personnel offices.
2. After the personnel offices have scheduled the applications these applications are forwarded to the schools via the Circuit Inspectors for nominations by the school board.
3. After the school board has made their nominations, the request is forwarded to the Personnel Advisory Committee which will make their recommendation and forward it to the Regional Director for teachers post and management posts to Head Office for approval.
4. Application for posts that could not be advertised in the MBESC vacancy list circular, are sent to the respective schools, for the school board to make their nominations and forward it to the Regional Director and Head Office via the Circuit Inspector and the Personnel office for approval.

2.3 THE CHANNEL FOR SENDING AND RECEIVING DOCUMENTATION



The flow chart above illustrates the channel through which documentation must be passed from schools to Personnel offices where a personnel advice can be issued. This channel must be used at all times to ensure that documentation reaches the Personnel offices on time to enable the Personnel office to issue personnel advices as soon as possible to the Salary office. All documentation related to salaries of teachers which include certified copies of qualifications, request for deductions like medical aid, housing repayments as well as applications for salaries to be deposited into teachers' bank accounts, should be sent through the above channel to the Regional offices.

The assumption of duty report is sent directly from schools to the Regional offices and the confirmation letters are sent directly from the teacher to the Personnel office at the Regional office. The assumption of duty report is sent by the Principal via the Circuit office to the Personnel office. Confirmation letters are sent directly by teachers to the Personnel office before assuming duty. Sources used for sending and receiving documentation and information between schools and Personnel office are faxes, telephones, mailboxes as well as physical distribution.

2.4. PROCESSING OF ADVICES

2.4.1 Documentation needed for issuing of Personnel Advices

Before the Personnel office can issue any advice, they need the following crucial documentation from Circuit Offices, teachers and principals.

- **Assumption of duty reports**

The assumption of duty report is a report written by school principals to the Personnel office at the Regional office confirming that the appointed teachers have started duty at a given school. The exact date that a teacher has started is of utmost importance and needs to be included in this report, as the Personnel office should know from which date they should instruct the Salary office per appointment advice, to start paying a new teacher. The Personnel office normally attaches a blank copy of this report to the appointment letter to be completed by Principals or the Principal may just write a letter indicating when a teacher has started at a school. Principals should complete this report as soon as a new teacher has started at a given school.

- **Confirmation letters**

A confirmation letter is a letter of acknowledgement and acceptance of a teaching post offer from the regional director's office to successful candidates who have applied for the teaching post. Those teachers who were successful in their application for posts, as advertised in the MBESC vacancy list circular, complete and send confirmation letters to the Personnel offices. A blank copy of the confirmation letter is attached to the appointment letter or teachers may just write a letter to the Personnel office confirming their acceptance.

The Personnel offices use the completed confirmation letters together with the time-schedule (according to which specific activities need to be done as stated in the MBESC vacancy list circular) to start issuing personnel advices for end of the year appointments (appointments made at the end of the year, to commence duty at the beginning of the following year). The aim of this practice is to speed up the issuing of personnel advices and ultimately first payments.

Assumption of duty reports are not available at this stage as teachers did not assume duty at a given school. Whenever the assumption of duty reports reach the Personnel offices they just compare it with the date on the confirmation letters and if there are differences, adjustments will be made to the salary.

- **Certified copies of qualifications or proof/certificate of years in service and experience**

The Ministry of Basic Education, Sport and Culture is currently using a category placement system for teachers' salaries. The above documentation is needed to appoint a teacher in the correct category or to adjust a salary after a new qualification was acquired. Some of these documents might not be available at Personnel offices when issuing an appointment advice and Personnel offices will request such documentation in order to make adjustments to a teacher's salary thereafter.

2.4.2 Processing of personnel advices in the Personnel offices

When all necessary documentation have been received in the Personnel offices, personnel advices are processed as follows:

Personnel offices issue instructions in the form of personnel advices and forward them to the Salary offices.

Normally an Assistant Personnel officer completes the personnel advices and submits such advices to their more senior officials, normally a Personnel officer or Senior Personnel officer for approval. After approval, all advices must be recorded in an advice register before they are submitted to the Salary offices. The following personnel advices are issued in the Personnel offices:

- **Appointment advice**

An appointment advice is issued by the Personnel offices, instructing Salary offices to put a newly appointed teacher on the payroll of the Ministry of Basic Education, Sport and Culture. Personnel officers should issue an appointment advice as soon as they have received the assumption of duty reports for middle of the year appointments. As for end of the year appointments, an appointment advice can be issued as soon as Personnel offices have received the confirmation letter from the new teacher.

- **Adjustments to salaries Advice**

This is an advice issued by the Personnel offices to the Salary offices whenever there is a movement in a teacher's salary. An advice for change in salary could be issued to place a teacher in the correct category according to the qualification and years of service after appointment.

Graduates, normally receive their proof of qualifications during the graduation ceremony of the University of Namibia (UNAM) and other institutions, which takes place in April every year. Newly appointed graduates will be paid according to Grade 12 and will be reimbursed with the differences after submitting their qualification. Personnel offices can only issue the advice for changing salaries after proof of qualification is received.

Furthermore, teachers who have been in service for years, might decide to improve their qualifications through distance learning in order for them to be considered for higher level posts in education. Their salaries will need to be adjusted to a higher category upon obtaining such qualification and if they apply for a higher post and are successful.

- **Termination of service advice**

These advices are completed when a teacher resigns, retires, is dismissed or transferred to a new region or passed away. As soon as a teacher's services have been terminated either by themselves or by the Ministry, Personnel offices need to document such termination on a stop salary advice and submit it to Salary offices where the salary will be stopped.

2.4.3 Processing of advices in the Salary offices

2.4.3.1 Processing of advices

Salary offices issue a corresponding salary advice, also called computer advice for each personnel advice received from Personnel offices intended for data input by Data Typists into the computer programme at the Ministry of Finance. These computer advices can be issued for all types of advices as per the instructions from Personnel offices. Salary offices are supplied by the Ministry of Finance with blank copies of the computer advices, called the 1-6 advice. When completing computer advices, Salary officers use codes to enable the Data Typist to capture the data from such advices onto the computer programme at the Ministry of Finance.

The time spent on the completion of advices in the Salary offices are guided by the timetable issued by the Ministry of Finance.

According to this timetable, Salary offices in the seven Educational Regions are bound to submit bundles of computer advices to the Ministry of Finance for teachers, every second Friday of each month. See timetable under 2.5 for details.

The productivity of Salary offices can be measured by the activity schedule that the Chief Accountant implemented. Assistant Accountants and Accountants complete this schedule on a daily basis to keep record of their production. Furthermore, this schedule makes provision for all personnel advices to be attended to on time.

2.4.3.2 Decentralisation of the Salary offices

Since the Ministry of Basic Education, Sport and Culture had decentralised most of its Salary offices to the Regions, the following procedures should be followed in order to guide the processing of advices in the Salary offices.

Firstly, in case of a centralized Salary office, Personnel offices in the regions issue personnel advices, forward them to the Salary office at Head Office where computer advices are compiled and thereafter submit them to the Ministry of Finance for implementation of salaries and printing of cheques.

Secondly, in case of a decentralized Salary office, computer advices are compiled by the Salary office in the regions and forwarded to the Salary office at Head Office to be checked for correctness before submission to the Ministry of Finance for implementation and cheques to be printed.

2.5 SUBMISSION AND PROCESSING OF COMPUTER ADVICES AT THE MINISTRY OF FINANCE

2.5.1 Data Capturing and Programming for computer advices

Computer advices are submitted and processed according to the payroll time-table for teachers issued by the Ministry of Finance (MOF) in order to ensure on-time payment of teachers' salaries. According to this timetable, teachers' salaries are processed on different dates than those of other Government officials.

The simplified payroll time-table for teachers is illustrated in the table below:

Advice in	Error-list out	Error-list in	Run-date for supplementary cheques
Every second Friday of each month: 08h00-10h00	Second Wednesday of each month: 11h00-12h00	Second Wednesday of each month: 15h00-16h00	Every second Friday of each month: (1 week after submission)

All Salary offices outside Windhoek must submit advices every second Wednesday to Head Office in Windhoek where bundles are checked, before submitting them to Sub-Division budget control and payment control services and specifically to the Financial Systems section of which the Data Typists form part of, at the Ministry of Finance. This does not apply to the Salary office for the Windhoek Educational Region, which submits bundles every second Friday, directly to the Ministry of Finance.

There are six Data Typists in the sub-division Budget control and payment control section, which capture data from the bundles of computer advices, which they receive from different line Ministries. Data Typists capture data from computer advices and send their computer files to the programmers at Ministry of Finance. (It is the intention of the Ministry of Finance that this function should be done by the line Ministries in the near future.)

Programmers at the Ministry of Finance run programs which validate information generated from data captured by Data Typists from computer advices, to make changes to teachers' salaries. Programmers of the Ministry of Finance also run programs for the printing of an error-list (list indicating errors from computer advices which might be wrong codes or absent codes) and thereafter cheques are printed.

Furthermore, Programmers at the Ministry of Finance also make changes with valid code files to be used by line Ministries in order to make certain deductions and thereafter produce the error list from the Data Input done by the Data Typists. Private programmers employed by a private service provider do the maintenance of the computer programme used at the Ministry of Finance.

The Ministry commended as follows:

“The Ministry takes serious note of your findings, however, the underlining problem being the old outdated and crippling computer system run by MOF has not been addressed/mentioned in the report.”

2.5.2 Usage of the Error-List

After printing of the error-list, programmers submit the error-list to the Distribution office at the Ministry of Finance. Accountants from the line Ministries collect the error-list to correct errors and to check whether the information fed into the computer system by the Data typists is correct. After correcting computer advices as per error-list, corrected advices are sent back to the Data typists at the Ministry of Finance. See annexure 5 for an example of an error-list.

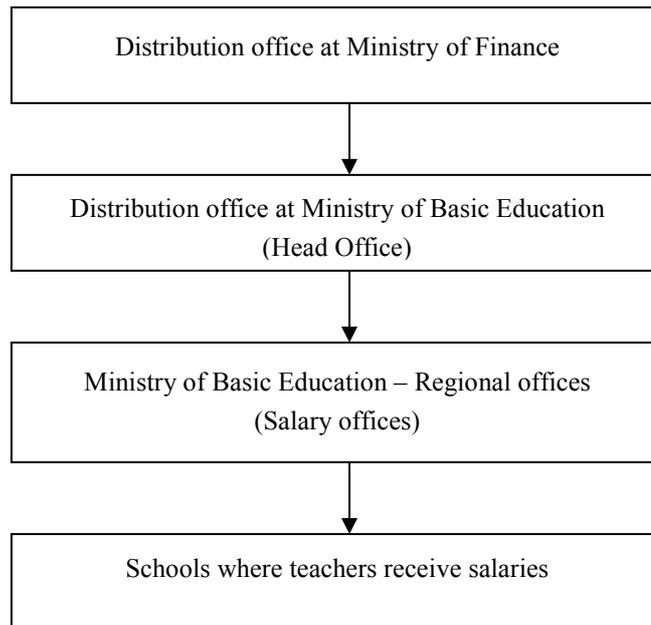
The timetable from the Ministry of Finance indicates the dates and times for the collection of the error-lists as well as the submission after the corrections have been made by the Ministry of Basic Education, Sport and Culture. See timetable at paragraph 2.5.1 for details.

Programmers then run a program again to effect changes on the payroll made by the Data Typists after receiving the error-list back from the Ministry before they print cheques.

2.6. DISTRIBUTION OF SALARIES

2.6.6 Distribution table

The distribution of salaries for teachers follows the channel as in the table below:



2.6.2. Distribution of salaries from the Ministry of Finance to the Ministry of Basic Education, Sport and Culture

Cheques for teachers, whether they are supplementary cheques (printed twice a month) or month-end cheques, (once a month) are received in the Distribution office at the Ministry of Finance after programmers completed the printing and forwarded the cheques to the Distribution offices. In the Distribution office at Ministry of Finance, there are two Accountants and three Assistant Accountants who are responsible for the sorting and distribution of cheques. After receiving the cheques from the programmers' section, accountants at the Ministry of Finance record the cheques after sorting them according to the different educational regions for collection.

2.6.3 Distribution of Salaries at the Ministry of Basic Education, Sport and Culture to the Education Regional offices

Accountants from the Distribution office at the Ministry of Basic Education, Sport and Culture (MBESC) collect cheques from the Ministry of Finance, both supplementary and month-end cheques, on behalf of the regions outside Windhoek. Windhoek Educational Region collects cheques directly from the Ministry of Finance. Accountants at the Ministry of Basic Education, Sport and Culture sort cheques further per educational region and schools and send cheques to the respective Regional offices via courier, or they are physically collected by officials from various regions.

2.6.4 Distribution of Salaries from the Education Regional offices to Schools

Salary officers at the Salary offices in the regions receive cheques, paysheets and payslips and divide them according to different schools. There are two options that can be used, depending on the situation of the Region, for the distribution in the regions which are as follows: Circuit Inspectors can collect cheques and statements at the Salary offices. Principals can also collect their schools' cheques from the Circuit Office. Another option is that accountants acting as Paymasters can distribute cheques to schools in their region.

In the Ondangwa East and West Regions, Circuit Inspectors collect cheques, payslips and paysheets from the Regional office and distribute them to the various Principals who distribute the salaries to the Teachers. In the Caprivi, Keetmanshoop, Khorixas and Rundu Regions, where some teachers still receive their salaries in cash, the paymasters, who are Assistant Accountants from the Salaries and Allowances sub-division, distribute the salaries.

In the case of salaries in cash, cheques are made out to the Regions in the names of Financial Advisers who must cash them and balance the cash with the payroll on the 20th of the month. The paymasters (Salary officers) receive cash after the cheque was cashed, for distribution to teachers. **According to a response received from the Ministry cash payments are no longer made since 1 April 2004.**

CHAPTER 3

3. FINDINGS OF THE AUDIT

3.1 GENERAL FINDINGS

The audit on teachers' salaries revealed that teachers who were supposed to receive their salaries on the 20th of the month are not receiving those salaries on time. Furthermore, there is a significant delay of up to three months in the payment of teachers' salaries. It was found that salary payments made for appointments during the year are on average three months late. Even in the Windhoek Educational Region, the waiting period can be more than the three months on average. However salaries for the end of the year appointments of teachers are on average two months late. Teachers are only paid according to the qualifications submitted on the date of application. See Appendix 4A and B for statistics on the waiting period of teachers' first salary cheques.

Contributing factors on the delay have been identified as follows:

- Lengthy channel (red tape) for sending and receiving documentation,
- Delays in the documentation from the schools needed for the completion of personnel advices,
- Delayed processing of advices in the Personnel and Salary offices,
- Late submission and processing of computer advices at Ministry of Finance and
- Lengthy and delayed distribution process of salaries.

The audit furthermore revealed that there are two types of appointments in place during the recruitment process of teachers, which are:

- Permanent appointment, and
- Temporary appointment

It was also revealed that there are two categories for the above types of appointment namely:

- End of the year appointment for next calendar year - using confirmation letters and the activity plan from the MBESC vacancy list circular and,
- Appointments made during the year.

3.2. CHANNEL FOR SENDING AND RECEIVING DOCUMENTATION

The audit revealed that principals and teachers are not fully adhering to the established channel of sending and receiving documentation regarding appointments and changes to teachers' salaries. According to interviews conducted at schools, teachers are bypassing this channel, because of its lengthy process. Furthermore, teachers have the understanding that their problems will be solved quicker, if they approach Head Office directly. They do not consider, that giving important documentation, to anyone from a school, might end-up that the documentation gets lost or does not reach the earmarked office on time for further action.

The non-adherence to the prescribed and approved channel for sending and receiving documentation might put the teacher in an position of waiting for his/her salary or changed salary for a longer time because the Salary office will have to wait for the personnel advice to be forwarded before they can start the already long process.

3.3 PROCESSING OF ADVICES

3.3.1 Processing of personnel advices in the Personnel office

Documentation analysed, indicated that processing of advices at the Personnel offices are done up to two months after a teacher has assumed duty or after alternative documentation to salaries was requested from the school.

Factors causing the delays in issuing of personnel advices:

- **Time limit for reviewing of personnel advices**

The audit revealed that there is no time limit as to how long an advice has to be kept in one official's office in the Personnel office. Therefore, delays occur in the Personnel offices due to the time-lapse between the action taken by the Assistant and Senior Personnel officers.

- **Receiving of documentation from schools**

Principals and Teachers take two weeks to a month to compile and submit documentation needed by Personnel offices to activate the salaries of teachers, after the teacher assumed duty at a given school. The late delivery of documents such as assumption of duty reports and certified copies of qualifications delay the completion of the appointment advices to be issued to the Salary office. This was found to be the condition for most appointments made during the year for both permanent and temporary appointments.

- **Transport facilities**

The lack of transport experienced by most schools in the seven educational regions, have been identified as the main contributing factor for late submission of documents from schools to the Circuit and Regional offices and the late payment of salaries to those schools which are far from the Regional offices. Several schools are forced to make use of private transport of Principals or teachers for collecting and submitting urgent documents to the Circuit and Regional offices.

- **Usage of confirmation letters**

The use of confirmation letters is not effective because these letters do not reduce the delays in the Personnel offices. The following are contributing factors:

- ❖ Firstly, Personnel offices do not follow and manage the confirmation letters for end of the year appointments together with the time-schedule as set out in the MBESC vacancy list circular. This results in a situation whereby Personnel offices can not issue personnel advices for newly appointed teachers before December, to allow Salary offices to process those advices and make payments at the end of January. (See Annexure 4b for the waiting period of teachers' first salary cheques.
- ❖ Secondly, teachers do not always start at the schools as mentioned in their confirmation letters. Salary office therefore have to cancel the cheque which was printed for the teacher at the paypoint stated in the confirmation letter and re-process a payment for the correct paypoint after Personnel offices have received the assumption of duty reports from the teachers' new paypoint and completed the appointment advice. This leads to more administrative tasks for the accountants in the Salary offices.

- **Communication between Personnel offices and schools**

Personnel offices do not inform the schools well in advance when there are certain outstanding documents that are delaying the issuing of advices. This is caused by the difficulties in communication between the schools and the Circuit and Regional offices.

- **Co-ordination between Personnel offices and Salary offices**

The Personnel offices do not get feedback from the Salary offices whether advices have been processed or not. Personnel offices will only know that the advices were not processed by Salary offices when teachers enquire at a Salary office which then refers the enquiries to a specific Personnel office. This re-submission of personnel advices is causing delays in the Personnel offices in the instance where the original advices got lost after being forwarded to the Salary offices.

3.3.2. Processing of advices in the Salary offices

Documentation analysed indicated that Salary offices started to process corresponding computer advices/salary advices, two months after the teacher has assumed duty at a given school.

Furthermore, Salary offices spend between one week and a month on the processing of computer advices before submitting bundles of computer advices to the Ministry of Finance for the payment of teachers' salaries.

Factors affecting the delays in the Salary offices:

- **Receiving of documents**

Salary offices receive the personnel advices on average two months after a new teacher has started. This is due to the fact that schools take approximately a month to complete documentation and Personnel offices take another month to process personnel advices from documents received from circuit offices and schools.

- **Compliance to prescribed guidelines**

Weekly reports which should be compiled by the Chief accountants to indicate how many advices were implemented are not complied with in all Salary offices. This contributes to delays in the payment of teachers' salaries as senior staff can not monitor production in the Salary offices carefully to encourage speeding up the processing of advices.

- **Adherence to the time-table**

The audit revealed that Salary officers do not adhere to the stipulations of the time-table set up by the Ministry of Finance. Salary officers continuously submit their urgent computer advices with the error-list to the Ministry of Finance in an attempt to cut on the delays in payment of salaries. This is evident in the fact that the date of some teachers' cheques are the same as that of the date on the salary advice. However, these computer advices are found to be rejected since they were not properly checked by Salary officers for possible errors.

These rejections result in delays in the Salary offices at the Ministry of Basic Education, Sport and Culture due to continuous re-submission of rejected computer advices. Furthermore, this leads to a situation whereby resources, especially man hours of Salary officers are wasted.

- **Decentralisation policy for the Salary offices**

The Ministry of Basic Education, Sport and Culture does not have a formal decentralization policy in place which indicates the impact of decentralization on the activities of Salary offices in all educational regions.

Processing of computer advices is done in the different decentralized Salary offices of the Ministry of Basic Education, Sport and Culture, but they are still sent for checking through the Head Office of the Ministry to the Ministry of Finance. Due to this lengthy process (red tape) payment of salaries is delayed by the time-consuming channels used for sending and receiving salary-related documents. Salaries paid in cash and cheques as well as direct deposits are also delayed.

The audit revealed that there were no additional posts provided for, on the staff establishment of the Salary offices before or after the decentralization. Therefore, there is not sufficient staff to cover the additional salary related duties in the Regions. The Salary office in the Rundu Region was the only Office where an additional Assistant Account was provided.

Prior to the implementation of the decentralization, accountants from the Internal Audit and other financial divisions at Head Office were used to handle the salary activities of the regions at Head Office, but were sent back to their respective divisions after decentralization.

The Ministry replied as follows:

“Please be informed that the office has already been transferred to the Ondangwa Regional Office.”

The decentralization process did not address and/or reduce the problem in delays of the payment of teachers' salaries but rather contributed to the increase in the workload of Accountants in the decentralized Salary offices due to unequal allocation of staff in the regional Salary offices, as illustrated in the following table:

For the period under review the staff ratio per salary file in Salary offices at Regional Level were as follows:

Regions	Provision in staff establishment	Actual number of Accountants	Number of teachers per Region	Number of files per Accountant
Katima Mulilo	3	3	1078	269
Rundu	3	4	2194	550
Ondangwa West	5	5	4393	1098
Ondangwa East (at HQ)	4	4	3621	724
Khorixas	3	3	1373	458
Keetmanshoop	3	3	1363	454
Windhoek	5	5	3610	722
Total	26	27	17 632	4 275

The total number of teachers per region is indicated according to the 15th day schools' statistics of 2001. It was revealed that the Ondangwa East Region's Salary office was not yet decentralized. Senior Accountants were excluded from the number of accountants as shown in the above table, since they handle all financial activities which include, budgeting, revenue and internal audit functions.

The ratio between the number of Accountants and the number of teachers is 653, which is derived by the total number of teachers divided by the total number of accountants ($17\ 632/27 = 653$). The unequal distribution of staff compared to the workload has a negative impact on the handling and processing of advices in the Regions i.e. the ratio between the Katima Mulilo and Ondangwa West Regions' Accountants and the number of files per Accountant.

3.3.3 Submission and processing of computer advices at the Ministry of Finance

The audit revealed that submission and capturing of data from bundles of computer advices are being delayed because the timetable is not adhered to. This is due to the following factors:

- Data Typists are accepting bundles of computer advices from Accountants of the Ministry of Basic Education, Sport and Culture after the set date of submission. Documents analyzed, such as the submission register, indicated late submissions. (See Annexure 6 for a document analysis summary of late submissions.)
- Information analyzed indicated that error-lists are collected late by the Ministry of Basic Education, Sport and Culture from the Distribution office at the Ministry of Finance and the corrected computer advices are brought back late to the Data Typists at the Ministry of Finance. Information obtained from interviews, indicated that submissions of error-lists arrive late from the regions (except Windhoek that submit theirs directly to the Ministry of Finance) at Head Office where they must be checked before they are forwarded to the Ministry of Finance. Windhoek Regional office submits the lists directly to the Ministry of Finance. Furthermore, Head Office collects and submits the error-lists for the regions late since they do not adhere to the time-table and must correct the error-list for all regions.

Data Typists therefore need to work overtime to deal with the additional workload caused by the late submission of bundles and corrected advices as well as additional advices accompanying the error-lists. Overtime expenditure is illustrated as follows per the following financial years.

Financial year	Estimated expenditure	Actual expenditure
	N\$	N\$
2000-2001	300 000.00	72 413.59
2001-2002	80 112.00	88 952.58
2002-2003	118 329.15	151 296.05

The reason for the high estimated overtime expenditure as indicated above for the 2000-2001 financial year was due to the fact that this figure included the amount paid for the entire main Division Treasury of which the Data Typists formed part of. More over, the actual overtime expenditure for the Data Typists amounted to N\$ 72 413.59 for the 2000/01 financial year.

The increase in overtime expenditure from the 2000/01 to 2002/03 financial years was mainly caused by a number of factors which resulted in a need for Data Typists to work overtime and ultimately an increase in overtime expenditure for Data Typists was realized. These factors are as follows:

- The Ministry of Finance indicated that the payroll system was not functioning properly during the 2000/01 financial year, which created many errors on the payroll system. These errors then had to be corrected by way of adjustment advise causing an increase in the capturing of advices by Data Typists during the 2001/02 financial year. However, the audit found that the total number of advices sent for capturing to the Data Typist from the Department of Police and Ministry of Defence increased by 8442 and 10 101 respectively during the 2001/02 financial year.
- According to the Ministry of Finance, the Ministry of Defence appointed more than 1 000 ex-combatants during the 2001/02 financial year. New appointment advices had to be captured by Data Typists to load these new appointees on the payroll system, thus increasing the workload for Data Typists. However, the Ministry of Defence indicated that the appointment of the aforementioned ex-combatants were only done from June 2002 – July 2002 during the 2002/03 financial year. The audit found that, the workload of the Data Typist during the 2001/02 financial year were not affected by the appointments from Ministry of Defence, but rather by the appointment of 1 245 new recruits from Department of Police.
- The Ministry of Finance, stated that the adjustments of the allowances of government officials on management cadre level were adjusted on the Payroll system during the 2001/02 financial year.

The various line ministries sent advices for implementation of these allowances that had to be captured by the Data Typists at Ministry of Finance. However, according to documentation analyzed from the Ministry of Finance, a lot of these advices were rejected by the Payroll system, due to the fact that the payroll system can only take an amount up to N\$ 9 999.99 (i.e. 6 digits)/ For amounts exceeding six digits i.e. N\$ 10 000.00, an additional advise needs to be compiled by line ministries and send to the Data Typists at Ministry of Finance for capturing, meaning more advices to be captured and the workload of Data Typists increases.

- The Ministry of Finance indicated that the Ministry of Defence had approximately 1 200 recruits, from October 2002 during the 2002/03 financial year and some of these appointments were not accepted on the payroll. Additional appointment advices had to be sent to the Data Typists for capturing to get these people on the payroll, and that increased the workload of Data Typists.

Documents analyzed by the audit team indicated that the total number of advices which includes both appointment and adjustment advices that were sent from the Salary Office at Ministry of Defence to the Data Typist at Ministry of Finance increased by 3081 in November 2002 only. However, the overtime expenditure of the Data Typists increased only by N\$ 939.59 from October 2002 to November 2002, which is not material and have no effect to the increase in the overtime expenditure as such.

3.4 DISTRIBUTION OF SALARIES

3.4.1 Distribution of salaries from the Ministry of Finance to the Ministry of Basic Education, Sport and Culture

The audit revealed that the distribution of salaries is dependent on the programming of the printing of cheques which in turn depends on the capturing of data and the correction of the error-lists by the Data typists at the Ministry of Finance. When the Data Typists are delayed, the programming for cheques and the distribution of cheques will be delayed as well. Factors contributing to the delays in the distribution of salaries are attributed to the late submission of the corrected computer advices as per error-lists by the Ministry of Basic Education, Sport and Culture to Ministry of Finance.

Furthermore the audit revealed that both the Ministry of Finance and the Ministry of Basic Education, Sport and Culture do not adhere to the dates of operations as stipulated in the timetable issued by the Ministry of Finance. Evidence indicated that the Ministry of Finance allows late submissions from the Ministry of Basic Education, Sport and Culture. This is proved by the supplementary cheques reaching the Ministry of Basic Education, Sport and Culture late, for example not every second Friday as stipulated in the time-table, but the following Monday, Tuesday or Wednesday. In order to have cheques on Friday available to the Ministry of Basic Education, Sport and Culture, accountants at the Distribution office at the Ministry of Finance have to work overtime to manage the sorting and distribution of cheques.

Overtime expenditure for the Distribution office at the Ministry of Finance is as follows per financial year:

Financial year	Estimated expenditure	Actual expenditure
	N\$	N\$
2000-2001	186 000	246 359.65
2001-2002	245 000	307 472.89
2002-2003	394 000	430 383.62

The increase in the actual overtime expenditure from 2000/01 to 2002/03 financial years was mainly caused by a number of factors which resulted in a need for Accountants in the Distribution Office at the ministry of finance to work overtime and ultimately an increase in overtime expenditure was realized.

These factors are as follows:

- According to the Ministry of Finance the actual overtime expenditure increased during the 2001/02 financial year due to the continuous drawing of cheques for new appointment advices that were rejected, during the 2001/02 financial year, considering the fact that these manual cheques had to be made out by hand and signed by hand.

However, the audit found that the Ministry of Defence only appointed their 1221 ex-combatants and 1223 recruits during the 2002/03 financial year. Furthermore, the total manual cheques drawn for the Ministry of Defence only increased by 225 cheques during the 2001/02 financial year, which include both cheques for Creditors, S&T advances and rejected salaries for new appointees. The total number of manual cheques drawn for other Ministries and Offices, especially the Department of Police and Ministry of Basic Education, Sport and Culture decreased by 1526 and 1475 respectively.

- The Ministry of Finance also stated that the overtime expenditure in the Distribution Office increased, due to the increases autonomous of the Ministry of Information and Broadcasting and Office of the Attorney General, in the 2002-03 financial year. Manual cheques had to be drawn for creditors who were rendering services to these ministries and for their S&T cheques, since the IT section at Ministry of Finance did not set up a computer system for them to draw their own S&T and creditor's cheques. However the audit found that the Ministry of Information and Broadcasting only became an independent office with effect from April 2003, i.e. during the 2003/04 financial year. Furthermore, the Office of the Attorney General, became an independent office as from April 2002 but the total number of manual cheques drawn for urgent S&T advances, creditors and new appointees were in total only twenty one (21) for the entire 2002/03 financial year.

- Ministry of Finance indicated that the overtime expenditure in the Distribution Office increased although they implemented a computerized manual cheque issuing and mechanical signing of manual cheques system in December 2002 to minimize the procedures of issuing manual cheques. However, the volume of requests for manual cheques was still increasing, thus increasing the workload of Accountants in the Distribution Office and ultimately increasing the need for performing overtime. That resulted in their normal overtime hours and night hours to be increased by 453 hours and 665 hours in 2002/03 financial year, respectively.

However, the audit found that the total number of manual cheques issued for Ministry of Defence, Department of Police and Ministry of Basic Education, Sport and Culture decreased during the 2002/03 financial year by 1431, 1151 and 1968 respectively.

The audit revealed that although the Accountants at the Distribution office work overtime, the teachers still receive their cheques late, since the stipulations of the time-table are not fully adhered to by both the Ministries. Furthermore, cheques are reaching teachers late due to the constraints as mentioned in the section 3.3.3 below. Funds and human resources are misused when overtime expenditure increase while teachers still wait for both supplementary and month-end salary cheques, leaving teachers demoralised and not able to provide quality education.

3.4.2 Distribution of Salaries from the Ministry of Basic Education to the Educational Regions

It was found that the method of couriering used at the Head Office of the Ministry of Basic Education, Sport and Culture to deliver the salaries of the Regional offices is working very well in all the six educational regions outside of Windhoek. The cheques for the Windhoek Region are collected directly from the Ministry of Finance in Windhoek and therefore the method of physically collecting the salaries is working well.

3.4.3 Distribution of Salaries in the Educational Regions to Schools that was in use during the period under review

The audit revealed that salaries to teachers are paid in three ways:

- electronic banking payment system;
- the physical cash; or
- cheque payment methods.

It was found that the salaries of teachers who were appointed during the year, who receive their salaries by way of direct bank deposits are on average, on time after waiting for their first salaries for three months from the date of appointment.

Bank payment method

The audit revealed that it is only when the teacher has started receiving his/her salary consecutively that salaries become timeous, especially when such teachers arrange for their salaries to be deposited directly into their bank accounts. The audit further found that for the electronic banking payment system, the salaries are on time after the three months waiting period for the first salary, due to the fact that there is no other distribution that needs to be done after the money is deposited into the bank accounts.

According to interviews conducted it was found that bank payment applications could take up to six months for such an arrangement to be accepted. The main cause of these delays is firstly, the non-adherence of the timetable in the Salary office, which leads to rejections and ultimately delays. Secondly, the negative effects of decentralization by way of not providing additional staff to decentralized Salary offices, which ultimately leads to delays in the processing of advices at the Salary office.

Physical cash and cheque payment methods

The audit revealed that after the teacher has started receiving his/her salary the physical distribution method becomes difficult due to logistical services in the regions. The physical cash and cheque payment methods to schools are delayed, due to transport problems experienced by paymasters. This problem is dominant in the Caprivi, Keetmanshoop, Khorixas and Rundu regions. The audit further revealed that in the Ondangwa East and Ondangwa West regions, Circuit Inspectors are assisting in the collection of the salaries from the Regional office to their circuit offices. This arrangement is intended to reduce the problem of delayed distribution of salaries, but transport is still a problem for schools (principals) in the above-mentioned Regions when they have to come and collect their salaries and payslips from their circuit offices.

It was also revealed that salary cheques for cash payouts to the regions are dated the 20th of every month, which is the pay day of teachers. This was found to be another contributing factor for late payments of salaries in the Katima Mulilo and Rundu regions where teachers still receive their salaries in cash. This was attributed to paymasters experiencing resistance at the banks in cashing the salary cheques before the 20th of the month. The cashing of the cheques on the 20th then results in late payments (distribution/delivery) of salaries to schools, as all administrative duties such as the cashing and balancing of the cheques with the books and actual distribution of salaries should be done on the same day but the audit found that these activities are not done at the same day, resulting that teachers receive their salaries after the 20th.

The Ministry replied as follows:

“Please be informed that, as from 1 April 2004, this pay mode is no longer being used.”

3.5 COMPARISON BETWEEN THE MINISTRY OF HOME AFFAIRS (DEPARTMENT OF POLICE) AND THE MINISTRY OF BASIC EDUCATION, SPORT AND CULTURE

A comparison was made to determine the efficient and effective payment system between that of the Department of Police and the Directorate of Education as both Directorates pay their staff members on the 20th of the month.

3.5.1 Recruitment

The Ministry of Home Affairs through the Department of Police recruits a large number up to 200-500 of police officers. This is country wide and takes place every 3-5 years. Basic Education recruits teachers using two methods as described above every year. These recruitment systems result in the two Ministries having differences in handling personnel documents.

3.5.2 Processing of documents

Newly recruited police officers complete a form and sign at the personnel office for the acceptance of the job offer, then processing of documents for salary and other matters start while the officers are in training. For teachers it is different, the Personnel office at the Regional office must wait for the assumption of duty report before any processing can be done. This applies to appointments made during the year. For end of year appointments documents are processed even before the teacher starts duty.

3.5.3 Payment of Salary

The Ministry of Home Affairs police officers' salaries are processed while they are in training for six months. During this training period they only receive allowances. It may take up to 3 months of waiting for their first salaries as well, but they will not feel of not being paid because they are provided with the basic daily needs during the training period. Officials who have completed the training it may take between two or up to four months, depending on where they are stationed, to receive their salaries. The mode of payment does also have an impact on the delay, since the situation is the same for both the Department of Police and teachers. Regarding bank payments the salaries for police officer are on time but the cheque payments of the salaries are sometimes delayed. This is due to printing problems at the Ministry of Finance as well as difficulties associated with reaching some of the duty stations, e.g. at the borders police officers and isolated schools for teachers.

Teachers who are appointed at the end of the year for next year's salaries are on average two months late even though they are paid according to the qualification submitted on the day of the application. For the appointments made during the year the salaries are usually three months late.

For the Ministry of Home Affairs every staff member in the police department is paid on the 20th of the month, this includes accountants, Personnel officers and all others in this department. For other departments like Civic Affairs and other non-police-related officials they are paid at the end of the month. While for the Ministry of Basic Education it is only the teachers both of Primary and Secondary schools who are paid on the 20th, whilst accountants, Personnel officers and other administration staff in the Directorate are paid at the end of the month.

According to senior officials in the police department, police officers wait for their salaries for two even up to four months, depending on where such a member is stationed. The delays in receiving salaries exist in both the police department and the Ministry of Basic Education, Sport and Culture and the waiting periods are approximately the same.

CHAPTER 4

CONCLUSIONS

- Failure to use the prescribed channels delays the passing of documentation between schools and the Personnel offices. Whenever documents are sent from schools and gets lost, it extends the whole process, as re-submissions are required to complete the process.
- Due to the absence of a time frame for the undertaking of activities in the Personnel offices, and late submission of documents from schools are causing the processing thereof to take more than one month.
- The use of confirmation letters is not ensuring that new teachers receive their first salary cheque after their first month of service, as the Personnel offices do not ensure that the schedule as set up in the MBESC vacancy list circular is followed.
- The decentralization of the Salary offices contributes to the lengthy process. Computer advices are still sent via the Head Office to the Ministry of Finance. Decentralization does not have any positive impact on the delays in the processing of teachers' salaries, due to a lack of proper planning. It also results in improper balances in the staff ratio in Salary offices per salary file.
- The date on the salary cheques for cash payments which is the 20th of each month, is impractical as cash payments could not be made on the same date.
- The Ministry of Basic Education, Sport and Culture does not adhere to the timetable set by the Ministry of Finance leading thereto that the error lists are not efficient if taking into consideration the purpose for which they were implemented. Late submission of advices occur leading to overtime work which results in uneconomical usage of money.

CHAPTER 5

RECOMMENDATIONS

- Personnel offices at Regional level should not accept documentation from all stakeholders who did not follow the approved channels.
- The schedule for positions advertised in the MBESC vacancy list circular, should be strictly followed and managed by the Personnel office who is the organising body in the appointment process.
- Personnel offices should be given a prescribed timeframe to spend on the processing of personnel documents like, appointment advices and advices for salary adjustments, in order to speed up the processing of personnel documents of teachers in their offices.
- The Ministry of Basic Education, Sport and Culture should revise the allocation of the Accountants at Salary offices from the overstaffed to understaffed Educational Regions in order to do away with the imbalance in the staff ratio.
- Accountants in the Salary offices at Head Office and Regional offices should adhere to the timetable as set out by the Ministry of Finance to ensure efficiency and effectiveness in the salary operations of the Ministry of Basic Education, Sport and Culture.
- The Ministry of Finance should also adhere to their time-table and not accept submissions made by the Ministry of Basic Education, Sport and Culture after the set dates as per the afore-mentioned time-table.
- The Ministry of Basic Education, Sport and Culture should encourage teachers to open personal bank accounts and should also explain the importance of having a bank account for salaries.

ACKNOWLEDGEMENT

The assistance and co-operation given by the management and staff of the Ministry of Basic Education, Sports and Culture is appreciated.

JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

OFFICE OF THE AUDITOR-GENERAL
Metropolitan Building, 5th Floor
Dr Frans Indongo / Werner List Streets
Private Bag 13299
WINDHOEK
NAMIBIA

Statistics for the 7 Educational Regions visited during the main-study:

Educational Regions	Total no. of schools	No of schools visited	Total no. of teachers	Total no. of teaching staff interviewed
Katima Mulilo	94	13	1 078	39
Rundu	314	12	2 194	39
Ondangwa East	359	6	3 621	18
Ondangwa West	385	5	4 393	15
Khorixas Region	107	11	1 373	27
Keetmanshoop	106	11	1 363	31
Windhoek	167	10	3 469	31
Totals	1 532	68	17 491	200

The above table therefor shows the total of the teaching staff interviewed, amounting to 200.

The table below shows the number of administration/support staff interviewed per educational region.

Educational Regions	Number of Accountants	Number of Personnel officers	Total number of Inspectors	Number of Directors
Katima Mulilo	2	2	3	
Rundu	4	2	5	
Ondangwa East		2	2	1
Ondangwa West	1	2	3	1
Khorixas Region	4	3		1
Keetmanshoop	3	2	3	1
Windhoek – Region	2	2	1	
Windhoek – Head Quarters	3	2		
Totals	19	17	17	4

Statistics to illustrate the waiting periods for first salaries and changes to existing salaries:

Fourty-six out of sixty-three Principals interviewed indicated that their newly appointed teachers are waiting 2-3 months for their salaries.

Sixty-eight out of 132 teachers interviewed indicated that they waited for two to three months for their first salary cheque. Twelve waited more than three months and the last fifty-two teachers received their salaries on time.

A total number of eighty teachers' Personal (80) and Salary Files (80) were audited of which 37 teacher were new appointments and the remaining 43 teachers' salaries were adjusted. According to the thirthy seven Salary and Personnel files for newly appointed teachers examined, fifteen indicated that a period 2-3 months was spend on the processing of documentation received from schools in the Personnel office and Salary office. Furthermore, ten took one month, eleven done on time and one waited for more than three months.

According to the supplementary list examined for supplementary payments of 37 new teachers, of which 23 teachers names could be found on the supplementary list, it indicates that seven out of the 24 teachers' cheques were printed on the day that Salary office sent through the advice with the error-list. It again reaveled that three cheques were printed within one week, ten cheques were printed within two weeks, two cheques were printed within one month and that one cheque was printed after one month. The remaining fourteen teachers payments could not be found on those supplementary lists examined.

According to supplementary statements for the three financial years which are 1999, 2000 and 2001 obtained from the regions and examined by the audit team, a choice was made to show the three regions due to comprehensiveness of the statements obtained from these regions. The total number and type of appointments over the selected three financial years, in the three selected educational regions are as follows:

Financial year	Region	Total appointed for the year	Bulletin posts	Permanent posts	Temporary posts	Relief posts
1999	Windhoek	475	143	98	125	109
	Keetmanshoop	163	0	27	103	33
2000	Windhoek	453	129	80	135	109
	Keetmanshoop	201	0	39	86	76
	Ondangwa West	573	202	218	39	114
2001	Windhoek	499	153	84	136	126
	Keetmanshoop	288	0	37	216	35
	Ondangwa West	535	183	149	120	83

Waiting periods for the different type of appointments per region for the 3 different financial years, were as follows:

A sample of 1 046 out of 17 632 (according to the 15th school day statistics as at 2001) was checked on the supplementary lists with the total number of appointments and their waiting periods.

In the table below, the column referred to as on time indicates the number of teachers that did not wait for their first salary. Not paid per supplementary run just means that the first payment was done per hand-written cheque and than the computer appointment advise was send in together with the month-end run, taking into consideration that Salary office is working one month in advance.

Financial year	Region	Type of appointment	Total checked	Waiting period						
				On time	0-1	2	3	4	5 & more	Not paid per suppl. run
1999	Windhoek	Bulletin posts	47	20	3	2	0	2	0	20
		Permanent	22	2	10	2	0	0	0	8
		Temporary	55	5	12	10	2	0	0	26
		Relief	34	4	12	6	2	0	0	10
		Total	156							
1999	Keetmanshoop	Bulletin posts	0	0	0	0	0	0	0	0
		Permanent	31	0	2	4	4	0	5	16
		Temp	47	0	8	5	7	0	2	25
		Relief	28	0	12	4	3	1	3	5
		Total	106							
2000	Windhoek	Bulletin posts	43	0	4	7	5	3	3	21
		Permanent	24	0	9	9	3	0	2	1
		Temporary	52	0	9	15	3	6	2	17
		Relief	40	0	3	5	2	1	2	27
		Total	159							
2000	Keetmanshoop	Bulletin posts		0	0	0	0	0	0	0
		Permanent	11	0	1	1	1	0	0	8
		Temporary	58	3	8	9	9	0	0	29
		Relief	37	1	8	12	0	0	0	16
		Total	106							

ANNEXURE 4 C

Financial year	Region	Type of appointment	Total checked	Waiting period						
				On time	0-1	2	3	4	5 & more	Not paid per suppl. run
2000	Keetmanshoop	Bulletin posts	0	0	0	0	0	0	0	0
		Permanent	11	0	1	1	1	0	0	8
		Temporary	58	3	8	9	9	0	0	29
		Relief	37	1	8	12	0	0	0	16
		Total	106							
2000	Ondangwa West	Bulletin posts	32	0	13	7	1	0	6	5
		Permanent	27	0	3	7	2	0	4	11
		Temporary	18	0	3	5	5	0	1	4
		Relief	30	0	3	9	4	0	0	14
		Total	107							
2001	Windhoek	Bulletin posts	58	0	1	9	23	2	16	7
		Permanent	22	0	7	2	2	0	7	4
		Temporary	41	0	7	9	8	0	7	10
		Relief	38	0	4	0	6	2	10	16
		Total	159							
2001	Keetmanshoop	Bulletin posts	0	0	0	0	0	0	0	0
		Permanent	22	3	2	4	1	0	0	12
		Temporary	64	7	10	16	2	3	0	26
		Relief	22	0	8	7	1	3	0	3
		Total	108							
				On time	0-1	2	3	4	5 & more	Not paid per suppl. run
2001	Ondangwa West	Bulletin posts	37	0	23	10	4	0	0	0
		Permanent	28	0	17	8	3	0	0	0
		Temporary	25	0	5	10	5	4	0	1
		Relief	16	0	5	7	2	0	0	2
		Total	106							

Summary from the register as compared to the time-table for the period 24/08/2001 to 04/01/2002

Regions	Time-table submission dates(every second Friday)									
	24/08/01	07/09/01	21/09/01	05/10/01	19/10/01	02/11/01	16/11/01	30/11/01	14/12/01	04/01/2002
Windhoek	✓	✓	No submission	No submission	✓	✓	✓	✓	✓	✓
Ondangwa East	✓	10/09/01	✓	No submission	No submission	✓	✓		17/12/01	No submission
Rundu	✓	07/09/01 & 09/09/01	✓	No submission	No submission	✓	✓	✓	14/12/01	✓
Katima	✓	07/09/01	✓	No submission	✓	✓	✓	✓	✓	✓
Erongo	✓	09/09/01	✓	No submission	✓	✓	✓	No submission	✓	✓
Keetmanshoop	Nothing	10/09/01	24/09/01	No submission		✓	No submission	No submission	17/12/01	No submission
Ondangwa West	✓	09/09/01	24/09/01	No submission		✓	✓	✓	17/12/01	✓

Note: ✓ used to indicate submissions made on the date as per timetable, i.e. on time.

According to the above timetable, the submissions from all seven Educational Regions were checked and there were fifty-one submissions made in total for this period. Out of this fifty-one submissions, five submissions were made on Wednesdays instead of every second Fridays, three were made on Tuesdays and 2 on Wednesdays, while 41 submissions were made on Fridays. Although submissions were mostly on time, the aforementioned information indicates that there is a pattern of late submissions.

ANNEXURE 7 A

The table below indicates the financial implication of Data Typists who performed overtime duty in the Data Capturing section at the Ministry of Finance during the 2000/01 to 2002/03 financial year. Overtime were mainly performed in these sections to speed up the payment process for teachers and every other government employee.

The Actual Expenditure paid to Data Typists as shown in the table below were derived at by adding together the total amount of all manual cheques issued for overtime performed and overtime payments made, before tax deduction on the payroll system, in each financial year (according to the salary files for Data Typists).

The three different types of overtime hours performed during the aforementioned financial years were stated to illustrate which type of hours these Data Typist are working more frequently, and how they differ over the various financial years, since their calculation rates are different. The rate used to calculate the night hour rate (from 20h00) is to multiply the overtime rate per hour by two and add an constant 6 % to the hourly rate, while Sunday hourly rate is calculated by multiplying the overtime rate per hour only by two. The total number is arrived at by adding normal hours, night hours (after 20h00) and hours worked on Sunday/Public holidays.

Total Overtime Expenditure and Number of Hours Worked by the the Data Typist's Section at Ministry of Finance:

Financial Year	Total actual expenditure (N\$)	Total number of hours- Overtime-	Normal hours (1.5)	Night hours (Double + 6%)	Sunday/Public holiday (Double)
2000-2001	72 413.59	1373	1086	92	195
2001-2002	88 952.58	2407	2407	Zero	Zero
2002-2003	151 296.05	4454	2921	1523	10

ANNEXURE 7 B

The table below indicates the financial implication of Accountants who performed overtime duty of distributing cheques in the Distribution Office for cheques at the Ministry of Finance during the 2000-2001 to 2002-2003 financial year. Overtime were mainly performed in these sections to speed up the payment process for teachers and every other government employee.

The Actual Expenditure paid to Accountants as shown in the table below were derived at by adding together the total amount of all manual cheques for overtime performed and overtime payments made, before tax deduction on the payroll system, in each financial year (according to the salary files for Accountants).

The three different types of overtime hours performed during the aforementioned financial years were stated to illustrate which type of hours these Accountants are working more frequently, and how they differ over the various financial years, since their calculation rates are different. . The rate used to calculate the night hour rate (from 20h00) is to multiply the overtime rate per hour by two and add an constant 6% to the hourly rate, while Sunday hourly rate is calculated by multiplying the overtime rate per hour only by two. The total number is arrived at by adding normal hours, night hours (after 20h00) and hours worked on Sunday/Public holidays.

Total Overtime Expenditure and Number of Hours Worked in the Distribution Office at Ministry of Finance

Financial Year	Total actual expenditure (N\$)	Total number of hours- Overtime-	Normal hours(1.5)	Night hours (Double + 6%)	Sunday/Public holiday (Double)
2000-2001	246 359.65	5257	3957	568	732
2001-2002	*307 472.89	*4361	3535	643	183
2002-2003	430 383.62	5589	3988	1308	293

***The reason for the decrease in the overtime hours in 2001-2002 financial year, while the actual expenditure increased are as follows:**

- The increase in the annual remuneration of Accountants due to the re-introduction of the service bonuses and the 6.5% increases on salaries for all government officials in the 2001-2002 financial year.
- One additional staff member was added to the Distribution Office, thus decreasing the workload and the need for performing overtime

CALCULATION FORMULA FOR OVERTIME:

Basic Salary per month
+ Housing Allowance/Rental Allowance
= Total Remuneration per month
x 12 (months)
=Total Remuneration per annum
/Devided by 2080(standard rate used to arrive at the hourly rate for an employee)
=Overtime rate
x 1.5(Normal overtime hours) or Double + 6% (Night Hours-from 20h00 or Double rate for Sundays/public holidays)
=Hourly rate