



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Management Report of the Auditor-General

on a performance audit
of the Kha Ri Gude Mass
Literacy Campaign at the
Department of Basic
Education

August 2014



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EXECUTIVE SUMMARY

KEY FINDINGS AND RECOMMENDATIONS

The Kha Ri Gude Mass Literacy Campaign (Kha Ri Gude) run by the Department of Basic Education (the department) aims to provide basic literacy and numeracy to 4,7 million unschooled adults by 2015. This is intended to reduce the national rate of illiteracy by 50% by 2015 in line with the government's EFA commitment made in Dakar in 2000. This performance audit offers an analysis of whether Kha Ri Gude was implemented economically, efficiently and effectively by responding to the audit questions compiled.

Between 2008 and 2012, the department invested R2,5 billion in Kha Ri Gude to give opportunities to those who were denied an education for economic and social reasons in the past. This led to 2,2 million (47%) targeted unschooled adults being reached after 63% of the campaign period had been completed by 2012, with three years of the campaign remaining. However, there is concern that the target of 4,7 million unschooled adults will not be reached by 2015, but only in 2018. While the statistics are impressive in terms of what was achieved, evidence shows that the statistics are inflated, misinformation occurred and activities were not monitored. This affects the quality of the campaign's outputs and the effective, economic and efficient use of Kha Ri Gude resources.

The following deficiencies contributed to the department not fully achieving its Kha Ri Gude goals.

KEY FINDINGS

1. Policies, strategies and guidelines

Audit question 1

Do the policies, strategy and guidelines clearly explain the objectives, outputs and activities to ensure that illiteracy is reduced?

The department's policies, strategies and guidelines clearly explained the objectives and outputs to ensure that illiteracy is reduced. However some policies and guidelines governing activities required to reduce illiteracy, were lacking.

- 1.1 The department deviated from the *Scope of work of the volunteer in the literacy campaign* document as it was not considered to be departmental policy. As a result, some volunteers did not comply with the job requirements, did not submit the required documentation and were younger than 18 years. Of the total number of volunteer educators in 2013, 4% attended the six month Kha Ri Gude campaign where after they were used to teach Kha Ri Gude classes.
- 1.2 The Kha Ri Gude monitors on the ground and the Kha Ri Gude unit at the department did not have a clear documented relationship. Monitors were required to report to the Kha Ri Gude unit on program activities but the formal monitoring roles and responsibilities of the Kha Ri Gude unit was not established. The monitors were regarded as being ultimately responsible for monitoring campaign activities. Consequently, the department did not provide formal feedback and follow up actions on issues raised, such as classes not being held, evidence of class work not being submitted and attendance registers not being available.

2. Volunteers and learners of the campaign

Audit question 2

Did the department mobilise potential learners, volunteer educators and other support personnel to ensure timely and quality implementation of the campaign?

The department did not always mobilise potential learners, volunteer educators and other support personnel to ensure timely and quality implementation of the campaign.

- 2.1 The practice of appointing volunteer educators without a grade 12 qualification meant that some Kha Ri Gude learners became volunteer educators. A Kha Ri Gude qualification is equivalent to grade 3. However in 2013, 834 volunteer educators taught Kha Ri Gude classes without having completed and passed Kha Ri Gude themselves.
- 2.2 The learner attendance registers were not reconciled with the learner database. The auditors also counted 85 learners during their site visits while the attendance registers for that day reflected that 174 learners were present. In addition, only 28% of these 85 learners were verified and authorised learners that appeared on both the attendance register and production database. This resulted in volunteer educators receiving the full stipend despite having less than 14 valid and authorised learners.

3. Learner and teacher support material

Audit question 3

Was quality learner teacher support material available in the correct quantity and languages to ensure effective teaching?

Quality learner teacher support material was available in the correct quantity and language to ensure effective teaching, with only a few shortcomings noted.

3.1 The department purchased additional English books during 2012 despite there being sufficient English books available at the warehouse to satisfy the average demand over the two remaining years of the campaign. This resulted in the department having excessive English portfolio books that will take up to 6,9 years to distribute after the 2013 KRG term. The printing value was R294 067,20. It costs the department R105 per day to store these books.

3.2 In 2012, there was a three-month delay in appointing the service provider responsible for warehousing, picking, packing, distribution and collection of materials due to prolonged procurement processes. This resulted in a three-month extension of the previous contract. However, this extension was not properly planned and only provided for storage, but the department still required the service provider to continue with delivery of other services. The terms of reference for both 2012 and 2013 were also not properly scoped, nor were they aligned to the contract period.

The late appointment of the warehousing and distribution service provider in 2012 continued in 2013 as well as 2014. The delay in the appointment defers the start of the KRG academic year and the late start of classes put a strain on VEs as they are required to compress six month (240 hours) of teaching into a much shorter period. For example in 2012 the six month term was reduced to five months, in 2013 four months and for 2014 it is envisaged that only 3 months will be available for teaching.

4. Project implementation and management

Audit question 4

- (a) Was project implementation in terms of financial, administrative and management support by the private company effective to ensure a timely, cost-effective and quality campaign?*
- (b) Did the department effectively monitor the progress?*

The project management company implemented the campaign on behalf of the department, but not without notable shortcomings. The department placed complete reliance on the project management company and did not effectively monitor the progress of the campaign.

- 4.1 Information captured on the Kha Ri Gude database was inaccurate, incomplete and unreliable. The department did not establish validation tests or performed efficient reviews. As a result, new learner databases were submitted for audit five months after the first incorrect databases were submitted. The success of the campaign was also overstated, resulting in incorrect information being used for planning, budgeting and performance reporting.
- 4.2 Monitors, coordinators and supervisors provided limited support to the field activities of the campaign, despite this being part of their roles and responsibilities. The formalised monitoring process did not always prompt appropriate action. There was no evidence of a formal system of feedback to the department or follow up actions on reported problems. This resulted in a lack of managing and monitoring of the delivery and field administration of the campaign, misinformation occurring and statistics that are inflated.

KEY RECOMMENDATIONS

Policies, strategies and guidelines

- 1. Craft and implement a policy containing clear qualification and recruitment criteria to govern, regulate and monitor the recruitment of volunteers.
- 2. Establish formally documented monitoring roles and responsibilities for the department's Kha Ri Gude unit to assist it in defining and executing its monitoring responsibilities.

Volunteers and learners of the campaign

3. Investigate instances where previous Kha Ri Gude learners became volunteer educators. In addition, determine the impact of using these volunteer educators on achieving the campaign's objectives.
4. Assess all volunteer educators prior to their appointment to ensure that they possess the required skills and knowledge to teach Kha Ri Gude learners. Volunteer educators that lack certain skills should be developed to ensure that they provide quality teaching.
5. Enforce the verification, supervision and monitoring responsibilities required from supervisors, coordinators and monitors during site visits and when submitting documents for payment. Supervisors and monitors should also independently count the learners and sign off on attendance on the day of the site visit as part of their verification processes.
6. Reconcile the attendance registers to the database. Monitors and coordinators should follow up on discrepancies and report back.

Learner and teacher support material

7. Create a plan to use the remaining English books after the end of the campaign. In addition, perform accurate needs assessments before any additional books are printed because the campaign is expected to end within the next two years.
8. Review the terms of reference in detail to ensure accuracy before tender processes begin. Consider the additional requirements that gave rise to extra costs to limit deviations after contracting.

Project implementation and management

9. Establish and implement validation tests and sufficient reviews to ensure accuracy when capturing information on the database.
10. Conduct regular data integrity tests on learners' identity numbers to identify irregularities and exceptions. Follow up on irregular identity numbers and other exceptions and update the database accordingly to ensure the validity, accuracy and

completeness of information on the Kha Ri Gude database. Verify identity numbers with the home affairs database (as per the project management company's contract) to eliminate possible irregularities.

11. Reconcile and review monthly reports, registers for meetings and site visits to ensure that management information is complete and accurate. Establish formalised monitoring processes to prompt appropriate action from the responsible people and ensure that corrective action is taken for identified problems.
12. Take ultimate responsibility for the delivery of the Kha Ri Gude campaign by monitoring its delivery. In addition, consider whether paying the monitors' monthly stipend should be dependent on them submitting monthly reports and required information to the department.

PURPOSE AND CONTENT OF THE REPORT

This performance audit was conducted at the national Department of Basic Education (the department) in accordance with section 188(4) of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read in conjunction with sections 5(3) and 20(3) of the Public Audit Act, 2004 (Act No. 25 of 2004).

The purpose of this report is to bring the performance audit findings of the Kha Ri Gude Mass Literacy Campaign (Kha Ri Gude) to the department's attention.

The audit provided substantiating evidence for the findings set out in this report. The documented findings include examples of the consequences of deficient management measures and should not be regarded as comprehensive.

This report should give rise to corrective steps and contribute constructively to the establishment and implementation of management measures and controls that will improve value for money.

AUDIT SCOPE

The performance audit focussed on Kha Ri Gude. It covered the six year period from 2008 to 2013, with detailed testing focusing on 2009 to 2013 since 2008 was the inception or start-up year of the campaign. During the audit, 10 Kha Ri Gude learning sites were visited. Interviews were held with coordinators, supervisors, volunteer educators (VEs) and learners.

AUDITING CONCEPTS AND APPROACH

Background

The auditing of government institutions is based on the premise that the accounting officer is responsible for instituting measures to ensure that resources are procured economically and used efficiently and effectively.

The primary objective of performance auditing is to confirm independently that these measures do exist and are effective. A structured reporting process is used to provide management, Parliament and other legislative bodies with information on shortcomings in

management measures where applicable, examples of their effects and suggestions for improvement.

The function of the Auditor-General of South Africa (AGSA) is not to question policy but rather to audit the effect of policy and the management measures that lead to policy decisions.

Audit approach

Performance audits are conducted according to the *Performance Audit Manual, 2008*, which contains the policies, standards and guidelines for the planning, execution, reporting and following up of performance audits in the public sector. In view of the complexity of the environment to be audited, each performance audit focuses on a delimited segment of the activities of a particular institution. Preference is therefore given to the more important aspects.

The management of the department was given detailed information about the objectives of the audit and the researchable questions to be addressed during the audit. Arrangements were made for the establishment of a steering committee consisting of the audit team and senior staff members of the department. The main purpose of the steering committee was to ensure the creation of a structured communication line and the cooperation of all the relevant parties. During the steering committee meetings, agreement was sought on matters such as the audit criteria, findings and conclusions. Issues were deliberated and the representatives of the department were afforded the opportunity to submit timely inputs to the final management report. This approach should lead to the prompt implementation of corrective steps where weaknesses have been noticed.

It is, however, in no way the intention or practice of the steering committee to provide the institution with a veto power in respect of the nature and scope of the performance audit or the resultant report. A steering committee is a consultative consensus-seeking forum, but the relevant statutory powers remain vested in the AGSA.

A steering committee meeting was held with the management of the department on 6 February 2014. Consensus about the factual correctness of the findings could not be reached at that date. The department submitted additional/revised information/documentation subsequent to the meeting held. Consensus about the factual correctness of the findings contained in the report was reached during a meeting held with the management of the department on 4 August 2014.

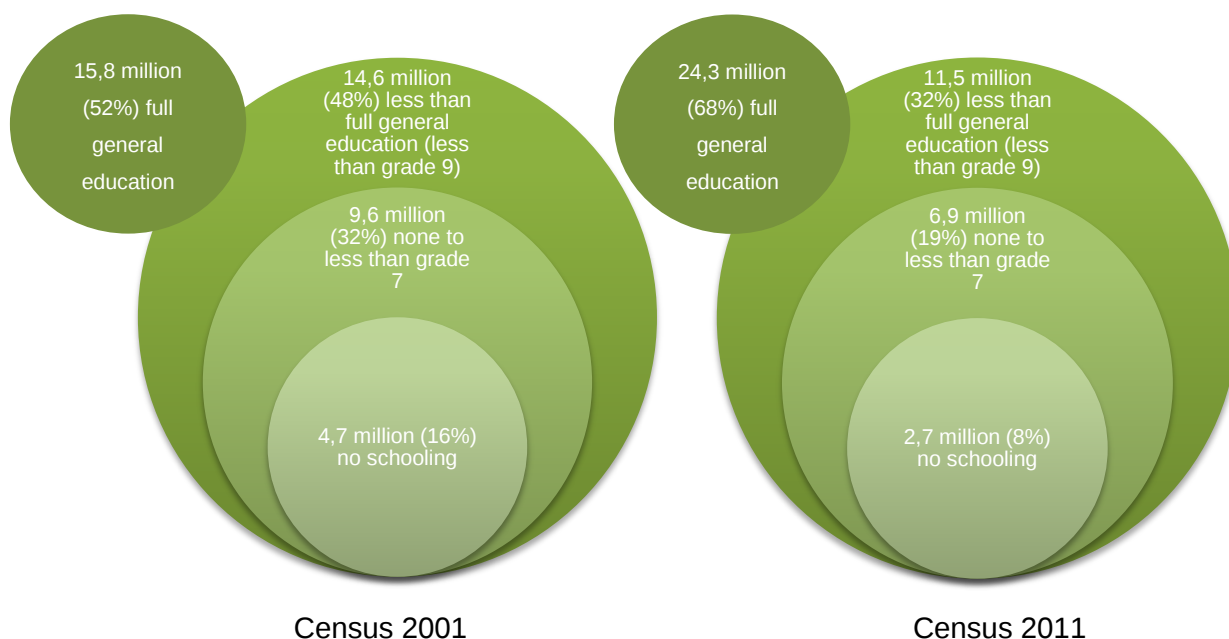
OVERVIEW

Literacy plays a vital role in lifelong-learning, sustainable livelihood, good health, active citizenship and an improved quality of life for individuals, communities and societies. Adult learning is critical to reducing poverty and developing civil society.

Kha Ri Gude (KRG) is a mass literacy campaign run by the department to reduce illiteracy rates amongst adults in South Africa. The campaign was introduced because the Adult Education and Training (AET) (previously Adult Basic Education and Training) programme was not making sufficient progress in reducing illiteracy and the South African National Literacy Initiative failed to reach anywhere near its original targets. A fully literate person is considered to have attained the equivalent schooling of a grade 7 pupil. In Census 2001, Statistics South Africa indicated that there were 9,6 million adults with a schooling level less than that of a grade 7 pupil. Of these, 4,7 million adults had no schooling. In Census 2011, the illiteracy levels have decreased significantly and 68% of the population had full general education compared to the 52% in 2001.



Figure 1: Composition of the literacy and basic education levels of South Africans aged 15 and over according to Census 2001 and 2011



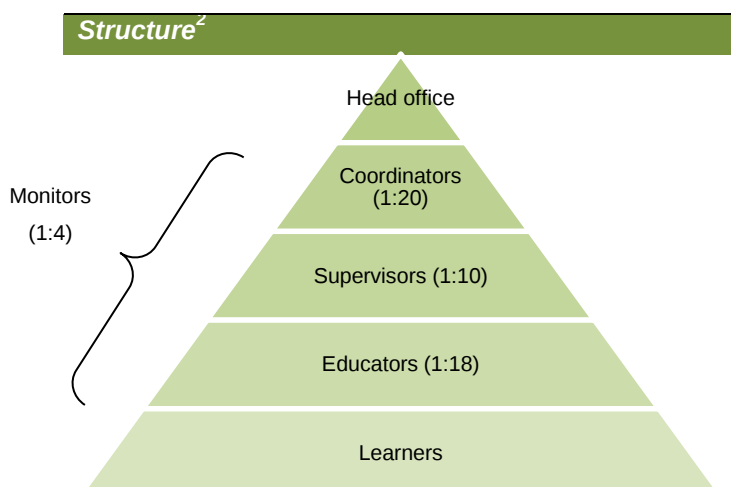
The campaign's objective is to fulfil the Education for All (EFA) commitment¹ of halving the illiteracy rate of South Africa by 2015. The general target for the literacy campaign was 4,7 million unschooled adults.

KRG enables learners to read and write to a level of literacy equivalent to AET level 1 or to grade 3 of the schooling system. The duration of the literacy classes in any year is six months for able learners and eight months for blind and deaf learners.

The campaign consists of three major components namely the KRG unit at the department, the volunteer and coordinator structures on the ground and the outsourced component handled by a service provider.

The campaign employs VEs to conduct the literacy classes. There are also volunteer supervisors and coordinators who supervise and manage the learning sites respectively. The coordinators, supervisors and VEs are paid a monthly stipend.

Figure 2: The organisational structure of the campaign



The *Kha Ri Gude monitoring and evaluation plan* and the *Scope of work of the volunteers in the literacy campaign* defines the responsibility to monitor. The responsibility to monitor the ground operations of the literacy campaign is that of the KRG unit, monitors, coordinators and supervisors. It includes:

¹ EFA movement is a global commitment to provide quality basic education for all children, youth and adults. At the World Education Forum (Dakar, 2000), 164 governments pledged to achieve EFA and identified six goals to be met by 2015. Goal four specifically relates to illiteracy as follows: "We hereby collectively commit ourselves to the attainment of achieving a 50 per cent improvement in levels of adult literacy by 2015, especially for women, and equitable access to basic and continuing education for all adults."

² A filled structure consists of 3 600 learners per coordinator

Monitor	Coordinator	Supervisor
• Monitor the delivery of the literacy programme by visiting six learning sites per month • Attend one supervisor meeting per month • Manage and report on the field activities of the campaign in the monitor monthly report	• Do random spot checks on learning sites • Hold monthly meetings with supervisors • Report on the field activities of the campaign and compile monthly report	• Monitor the literacy classes by visiting all 10 learning sites and volunteer educators at least once a month for six months • Hold monthly meetings with volunteer educators • Compile the supervisor monthly report

The department appointed a project management company to manage the campaign's support functions. As part of this agreement, the project management company also manages three other companies contracted by the department to supply complete warehousing and distribution services, stationery packs, and bags to carry workbooks and stationery items for learners and VEs.

The campaign's annual activities unfold in three phases:

Phase 1 (setting up phase) January to May	Phase 2 (teaching and learning) June to November	Phase 3 (learner assessments) December
• Distribution of administrative documents and monthly reports • Database preparation • Printing , supply and distribution of packed learner teacher support materials and stationery items to 200 coordinators in nine provinces	• Literacy classes are conducted • Collect learner registrations and monthly coordinators reports for six months from 200 coordinators in nine provinces	• Collection of learner assessment portfolios from 200 coordinators in nine provinces

Successes of the campaign are widely recognised. In 2011 the UNESCO³ Institute for Lifelong Learning congratulated the minister of education at the time and stated that they considered the campaign a model literacy programme. A report by UNESCO concluded that they endorsed KRG as best practice and required KRG to:

- share, document and disseminate KRG experiences at regional and international levels so that its practices can be emulated by other countries.

³ United Nations Educational, Scientific and Cultural Organisation

- make its systems and materials (freely) available to all UNESCO member states who may require these resources.
- facilitate study visits and technical missions for other countries needing to address the problem of illiteracy.

By 2009, the programme had already evolved into South Africa's biggest adult literacy campaign and continued to add concrete benefits for both learners and communities. These included:

- Assisting learners to acquire basic literacy skills including basic spoken English, to enable illiterate youth and adults to be more independent in conducting daily business like shopping and travelling.
- Creating employment and alleviating poverty; although KRG is essentially an educational intervention aimed at eliminating adult illiteracy, it still contributes towards poverty alleviation by creating employment opportunities for volunteers or facilitators and people employed in the production and distribution of programme learning materials.
- Empowering people living with disabilities; creating learning and employment opportunities for people with disabilities.
- Instilling a sense of social responsibility; creating a sense for the value of serving.
- Social/community cohesion and organisation; bringing together people with a common goal and vision for themselves and their community.
- Preservation and advancement of language; the promotion of mother-tongue adult literacy created opportunities for research into the advancement and preservation of all South Africa's main languages.
- Promoting progressive democratisation through the dissemination of civic education materials which improve civic awareness.

DETAILED AUDIT FINDINGS AND RECOMMENDATIONS

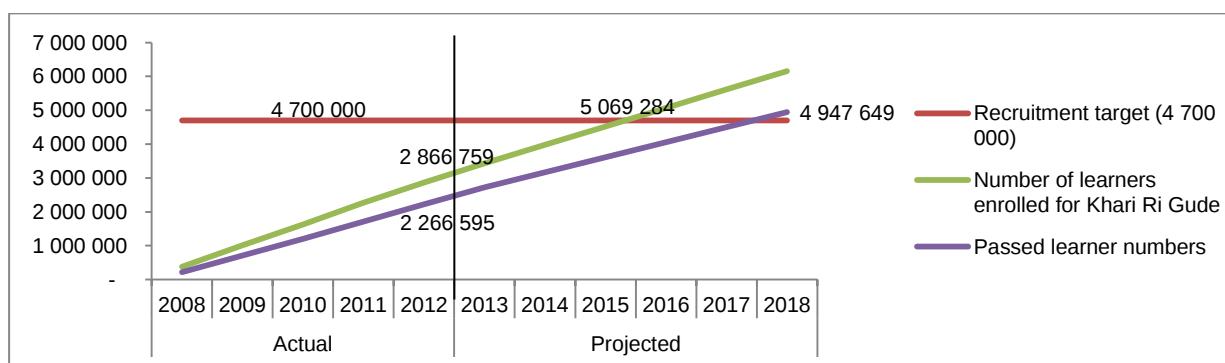
1. Target and objective

The main objective of KRG is to enable 4,7 million functionally illiterate and semi-literate adults, including people with disabilities, to become literate and numerate in one of the 11 official languages by 2015. This is intended to reduce the national rate of illiteracy by 50% by 2015 in line with the government's EFA commitment made in Dakar in 2000. The Millennium Development Goals on poverty reduction, women empowerment, HIV and AIDS eradication, environmental protection and sustainable democratisation and peace building should also be achieved.

1.1 Overall achievement of the Kha Ri Gude objective

1.1.1 While a substantial R2,5 billion was invested in KRG and 63% of the campaign period had been completed by 2012, only 2,2 million (47%) of the targeted 4,7 million unschooled adults completed or passed KRG. Considering this backlog and the average dropout rate of 18%, even with an excellent average pass rate of 99%, the planned completion target will only be reached in 2018 as is illustrated below:

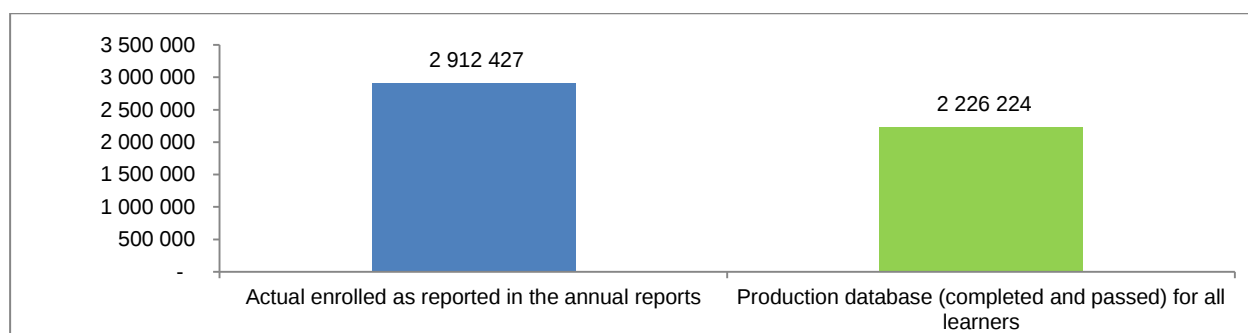
Figure 3: Performance of KRG campaign compared to the recruitment and completion



Source: Learner production database received on 4 March 2014

1.1.2 KRG will not reach its target by 2015 because the reported numbers of the campaign are significantly overstated, inaccurate, incomplete and unreliable. Refer to paragraph 4.1. Progress is much slower than stated and the campaign's contribution to reducing illiteracy is less than reported, as is illustrated in figure 4.

Figure 4: Reported progress in terms of learner numbers compared to actual progress



Source: The department's Annual report and learner production database received on 4 March 2014

1.1.3 Notwithstanding inaccurate reporting on the progress of the campaign, the following factors will also hamper the achievement of the 2015 target:

- National Treasury reduced the KRG budget for 2014-15 to 2016-17. This will result in approximately 135 215 less learners being enrolled over the remaining period based on the Medium Term Expenditure Framework allocations and targets.
- As the pool of unschooled adults decreases, its geographical spread will increase, making it more difficult to reach the targeted adults. This would require a change in the KRG strategy/approach and, coupled with inflation, could lead to higher learner costs towards the end of the campaign. The increased expense will ultimately result in fewer learners being enrolled as the total budget is fixed.

The campaign will not achieve its target of reaching 4,7 million unschooled adults and enabling them to become literate and numerate by 2015.

1.2 Recommendations

1.2.1 The department should:

- recalculate a realistic number of KRG learners that completed the campaign to date, taking all the identified weaknesses into account
- review the target numbers for the remaining period of the campaign and adjust accordingly
- take appropriate steps to act on achieving the new target
- draft an implementation plan with realistic, clearly defined targets after the necessary adjustments have been made. Objectives should be linked to specific time frames and responsibilities. The implementation plan should take the prioritisation of provinces with high levels of illiteracy into account.

- 1.2.2 The department should secure funding for the remaining period of the campaign in conjunction with National Treasury and should implement measures to ensure that the 2015 target will be achieved at the required level of quality.

2. Volunteers and learners of the campaign

2.1 Recruitment of volunteers not in accordance with policies

2.1.1 Job requirements for the VEs, supervisors, coordinators and monitors specified in the *Scope of work of the volunteers⁴ in the literacy campaign* document were not always implemented as:

- volunteers were appointed without submitting proof of grade 12 or post-grade 12 qualifications.
- VEs did not provide copies of their identification documents.
- registration forms were not always completed.
- memorandums of agreement/contracts with the chief executive officer of the KRG unit of the department were not signed.
- VEs were not of the required age (minimum of 18 years). For example, in analysing the database for 2012, three VEs were only 13 years, two were 14 years and seven were 15 years old. Five 16-year-old VEs were registered on the database for 2013. During the audit team's visits in November 2013, the existence of site 4301604 could not be confirmed.

2.1.2 The department did not consider the *Scope of work of the volunteers in the literacy campaign* document to be departmental policy. The department consequently allowed the following exceptions to the job requirements:

- Prior learning or experience in community or development work was recognised.
- Deaf and blind VEs with lower qualifications were accepted because of their scarce skills.
- VEs with lower qualifications were recruited in areas where voluntary capacity was scarce.

2.2 Recommendations

2.2.1 The department should craft and implement a policy containing clear recruitment criteria for volunteers to govern, regulate and monitor their recruitment.

⁴ Volunteers comprise of volunteer educators (VEs), supervisors, coordinators and monitors.

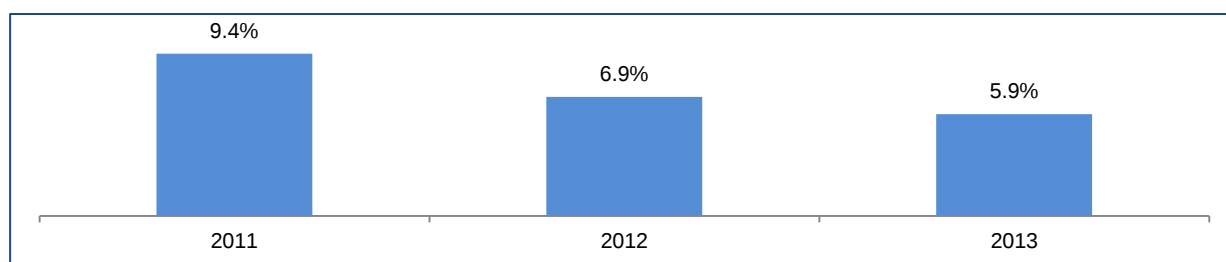
- 2.2.2 The department should establish a process whereby all documents submitted by applicants are reviewed, evaluated and reconciled to the set requirements before the appointment of volunteers.

2.3 Appointment of VEs without the required qualifications, skills and experience

- 2.3.1 To ensure successful implementation of the campaign, teaching needs to be effective. Achieving this necessitates conditions such as suitable and well-trained educators. The minimum qualification required for AET⁵ practitioners is a grade 8, 9, 10 or 11 plus teacher's qualification of at least two years' appropriate training. The minimum qualification for a KRG educator was set at grade 12, but the working practice of the department indicated that grade 12 was a "desired" qualification, resulting in the appointment of VEs without this qualification.

Although the number of unqualified VEs reduced by 35% from 2011 to 2013, 2 269 VEs were still unqualified during 2013 as is illustrated below.

Figure 5: Percentage of VEs without grade 12 qualification



Source: Volunteer Educator database received from the department on 8 October 2013.

- 2.3.2 In addition to the department not enforcing the minimum qualification rule, some KRG learners became VEs after completing KRG. These VEs had the equivalent of a grade 3 qualification. Furthermore, certain VEs had only attended and not necessarily completed KRG. All these VEs were therefore underqualified to teach KRG. VEs that were previously KRG learners represented 4% of the total number of VEs in 2013. The prevalence of KRG learners who became VEs increased from 473 in 2009 to 1 639 in 2013, as reflected in table 1. It is estimated that 74 790 learners were taught by these 4 155⁶ VEs.

⁵ AET level 1 is equal to Kha Ri Gude

⁶ A VE recruits 18 learners

Table 1: Number of KRG learners who became VEs from 2009 to 2013

	Total number	Submitted LAPs	Passed	% of VEs who did not complete KRG*
KRG Learners in 2008 became VEs in 2009	473	231	213	55
KRG Learners in 2009 became VEs in 2010	645	539	530	18
KRG Learners in 2010 became VEs in 2011	630	529	528	16
KRG Learners in 2011 became VEs in 2012	768	650	647	16
KRG Learners in 2011 became VEs in 2013	833	700	699	16
KRG Learners in 2012 became VEs in 2013	806	705	704	13
Total KRG learners which became VEs from 2009 to 2013	4 155	3 354	3 321	20

* Total number of KRG learners that did not submit LAPs including learners that submitted LAPs but did not achieve minimum score of 40%.

Source: Learner and VE database received from the department on 3 March 2014.

As a result, 834 VEs taught KRG classes without having completed and passed KRG themselves. The use of illiterate VEs teaching illiterate learners could also result in the objectives of improving literacy in the country not being attained.

2.4 Recommendations

- 2.4.1 The department should craft and implement a policy containing clear qualification criteria for VEs to govern, regulate and monitor their recruitment.
- 2.4.2 The department should investigate instances where previous KRG learners became VEs. The department should also determine the impact of using these VEs on the campaign's objectives.
- 2.4.3 The department should assess all applicants prior to their appointment as VEs to ensure that they possess the required skills and knowledge to teach KRG learners. VEs that lack certain skills should be developed to ensure that they provide quality teaching.

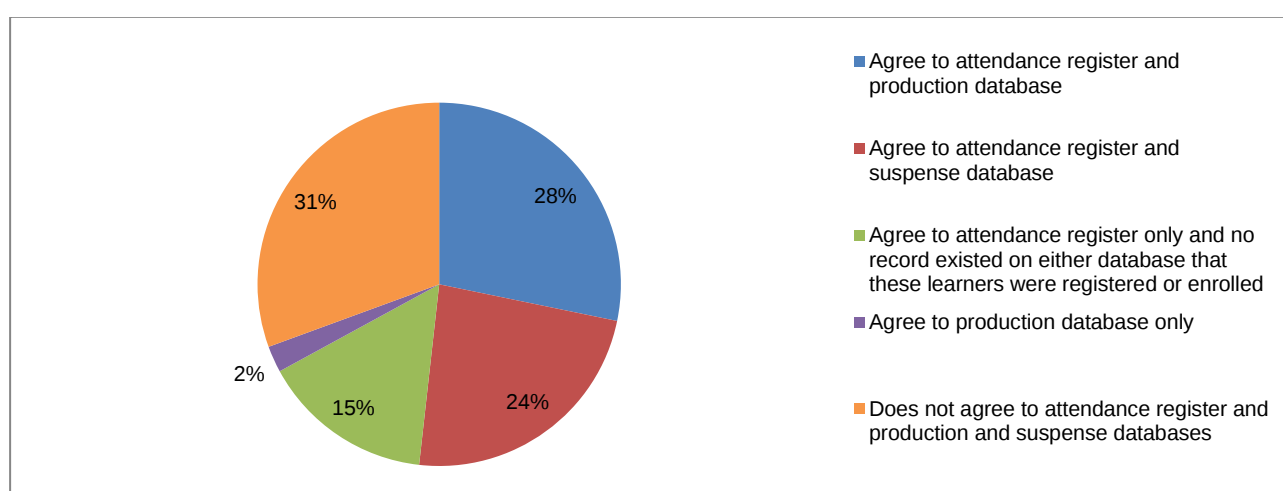
2.5 No reconciliation and verification of attendance information

- 2.5.1 There was no process of reconciling and verifying the information captured by the VE daily in the attendance registers to information on the database. The database is managed and maintained by a service provider on behalf of the department. The

database is further divided into a production database which keeps a record of all verified and authorised learners, and a suspense database which includes incomplete information, repeat learners and duplicates.

The auditors counted 85 learners in attendance on the day of the site visits (attendance registers indicated 174 learners present and 180 learners registered or enrolled for KRG). Details of the 85 learners were compared to the attendance register and the production ⁷ and suspense ⁸ database. Various discrepancies were identified as indicated below:

Figure 6: Discrepancies identified between the database, attendance register and actual learners in attendance on the day of the audit visit



Source: Learner production and suspense database for 2013 received from the department on 4 March 2014 and attendance registers

According to our analysis of the 85 learners:

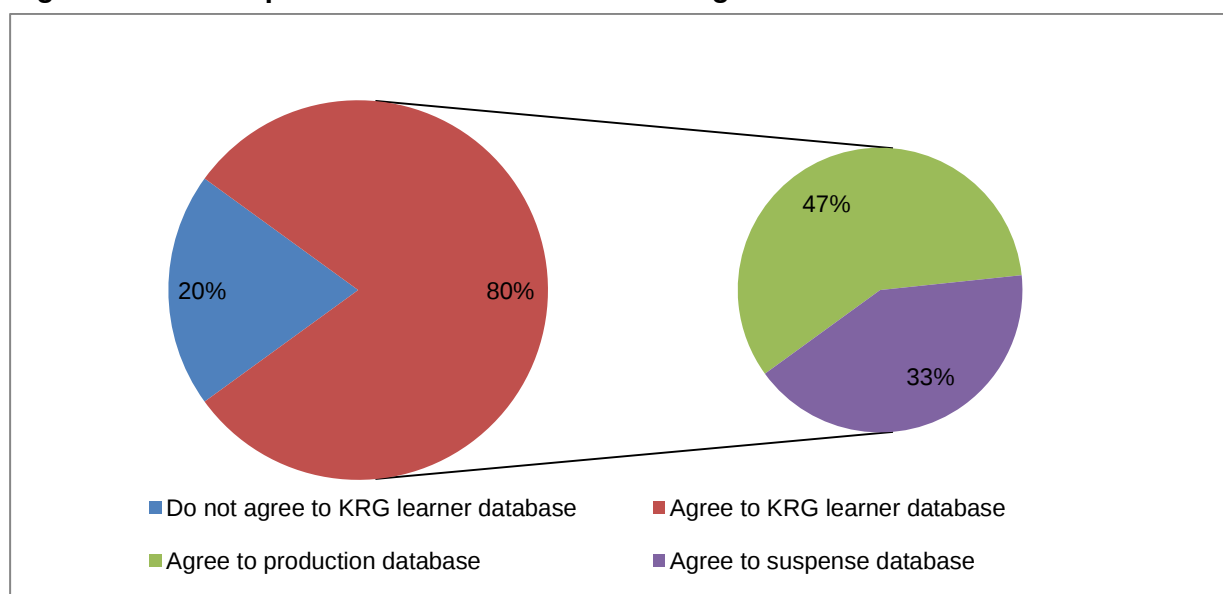
- Only 24 learners (28%) were registered on the attendance register and the production database and were therefore verified and authorised enrolled learners of the campaign.
- Twenty learners (24%) were registered on the attendance register, but appeared on the suspense database and were therefore unverified and unauthorised learners.
- Forty-one learners (48%) could not be confirmed to the attendance register and/or the production or suspense database:
 - Twenty-six learners (31%) of the 85 were not accounted for on the attendance registers and could also not be confirmed to the production and suspense databases.
 - Thirteen learners (15%) agreed to the attendance registers only and there was no record on either database that the learners registered or enrolled in KRG.
 - Two learners (2%) agreed to the production database only.

⁷ The production database include verified and authorised learners

⁸ The suspense database include incomplete information, repeat learners and duplicates

2.5.2 The completed 2013 monthly attendance registers for the ten sites visited were compared to the KRG database. Each site had 18 registered learners as per the attendance register and 180 in total. In comparing these learners to the database, only 84 (47%) of the 180 learners appeared on the production database and 60 (33%) agreed with the suspense database. The remaining 36 (20%) could not be confirmed to either database.

Figure 7: Comparison of learner attendance register and learner database



Source: Learner production and suspense database for 2013 received from the department on 4 March 2014 and attendance registers

For example, at centre 1060705, only one of the 18 learners on the attendance register agreed with the learners on the production database. The other 17 agreed with the suspense database.

2.6 Recommendations

- 2.6.1 The department should institute a process to reconcile and verify information contained in the attendance registers to the information captured on the database. Identified discrepancies should be forwarded to the monitors and coordinators for follow-up and report back.
- 2.6.2 The verification and authorisation of registered learners should be performed within the first two months of registration.

2.7 VEs recorded and submitted invalid information for payment

Payment of stipends to VEs is based on the average number of attending learners captured on the monthly attendance registers in the class per month, regardless of the number of verified and authorised learners on the production database. The monthly attendance registers are completed by the VEs and submitted for payment. According to the stipend criteria, VEs receive the full stipend amount of R1 450 per month if the VE had an average learner attendance of 14 or more per month. The stipend per month decreases when the average learner attendance falls below 14 per month.

2.7.1 However, information recorded on the attendance registers differed from the auditors' headcount at all sites during site visits in November and December 2013. Attendance registers indicated that 174 learners were in attendance on the day of the site visits, but the auditors' only counted 85 learners (49%) in the class. Examples of the differences at some of the sites are indicated in the table below:

Table 2: Comparison of KRG learners according to the attendance register with the actual headcount by the auditors

#	KRG Site	Actual headcount of learners in attendance during site visits	Number of learners in attendance as per register for date of site visit	% difference between actual learners per headcount and attendance register for date of site visit	Payment to volunteer educator for the month of the site visit
1	7260804	6	17	65	R1 450
2	4180104	7	18	61	R1 450
3	6040902 (1 st visit) ^a	11	18	39	R1 450
	(2 nd visit) ^a	7	18	61	
4	7261405	8	18	56	R1 450
5	4180108	9	18	50	R1 450
6	7170906	11	18	39	R1 450
7	1060705	12	16	25	R1 450
Total		71	141		

Note a: Two centre visits were conducted at this site.

There was a lack of verification, supervision and monitoring by supervisors, coordinators and monitors during site visits and submission of documents for payment. For example, learning site 6040902 was visited by the auditors on 28 November 2013. The supervisor was present when the auditors counted seven learners in attendance. However, the attendance register completed by the VE for that day reflected 18 learners and the supervisor signed off the register.

2.7.2 Eight of the 10 VEs visited had less than 14 valid and authorised learners as per the production database, but received the full stipend payment of R1 450 per month. Independent reconciliations between the attendance registers and the database are not performed and verification and authorisation processes on the learner database are slow. Although learners enrolled in June 2013 and classes started in July and August 2013, the verification and authorisation process was still ongoing as at 6 March 2014. Learners on the suspense database were also not followed up and cleared, nor was remedial action taken.

The table below reflects examples of VEs that received the full stipend during 2013 despite having less than 14 verified and authorised learners (those recorded on the production database) during November and December 2013.

Table 3: Comparison of KRG learners according to the attendance register with the actual headcount by the auditors

Volunteer Educator	Number of learners in attendance which appear on the production database	Actual stipend payment amount	Number of stipend payments over the campaign period	Stipend payment criteria		Difference between actual payment per month and payment per criteria
				Learner breakdown per criteria	Payment per criteria	
6040902	7	R1 450	6	5-9 learners	R1 200	R250
4180108	6	R1 450	6	5-9 learners	R1 200	R250
4180104	9	R1 450	6	5-9 learners	R1 200	R250
1060705	1	R1 450	4	0-4 learners	R1 100	R350

Only 84 learners (47%) on the attendance registers of the 10 sites visited were verified and authorised learners accepted into the production database. This means that 96 learners on the attendance registers were not authorised or verified and that programme funds were used on learners that were not valid or authorised. The learner cost for the 2013-14 financial year was R899,72 per learner and the cost implication to the department of the 96 unauthorised learners at these 10 sites alone is therefore R86 373,12.

2.8 Recommendations

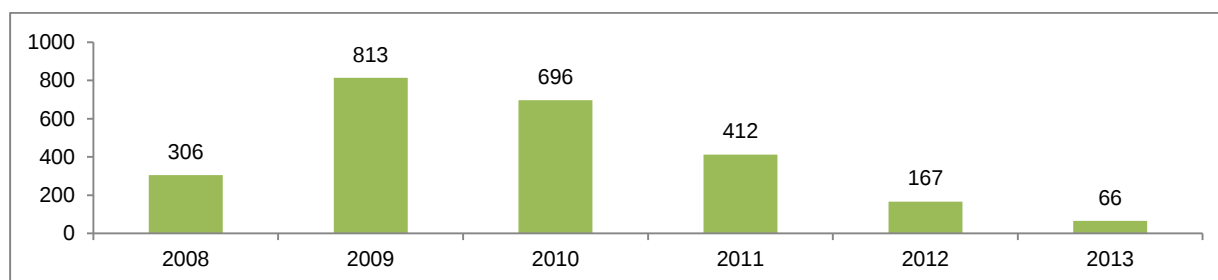
2.8.1 The department should enforce the verification, supervision and monitoring responsibilities required from supervisors, coordinators and monitors during site visits and submission of documents for payment. Supervisors and monitors should also perform independent counts of the learners and sign off on attendance on the day of the site visit as part of their verification processes.

- 2.8.2 Site visits should be, as far as possible, unannounced or unscheduled so that supervisors, coordinators and monitors can observe the true reflection of attendance and learning at the KRG learning sites.
- 2.8.3 The learners on the suspense database should be communicated to the relevant monitors, coordinators, supervisors and VEs so that those learners can be investigated and, if necessary, removed from the programme and replaced with valid learners.
- 2.8.4 The department should consider including in their stipend criteria that payment would only be considered for verified and authorised learners.

2.9 Children attending Kha Ri Gude

- 2.9.1 During the analysis of the database, learners in the age group of 1-14 years were identified. As normal schooling has been compulsory since 1996,⁹ people in this age group should not be enrolled in adult literacy programmes. However, 2 460 young learners enrolled for KRG from 2008 to 2013. This enrolment peaked in 2009 when KRG enrolled a number of juvenile prisoners, and then steadily reduced to 66 learners in 2013 as indicated in the figure below.

Figure 8: Children 14 years and younger who attended KRG from 2008 to 2013



Source: Learner production database received from the department on 4 March 2014

- 2.9.2 The department indicated that children and young people in deprived areas cannot afford to go to school because of indirect costs, poor nutrition and food scarcity. Children that enrolled with KRG included children that were disabled, street children, children who are heads of households or caring for siblings or ill parents, and children in prisons. Despite developments in providing education, there is a shared recognition

⁹ The South African Schools Act, 1996 (Act No. 84 of 1996), section 3(1) requires all children of age 7 to attend school until they reach the age of 15 or the ninth grade, whichever occurs first.

that the challenges, including equalising access for vulnerable groups of children that remain disproportionately excluded from school, remain substantial.

In recognising these challenges, illiterate children up to the age of 14 attending KRG provided a short-term solution, but deprived these learners of potential learning and further education at mainstream schools. KRG and learner support services within the department did not coordinate, communicate and facilitate the entry of these children mainstream schools.

2.10 Recommendations

2.10.1 The department should establish proper communication and coordination channels between the department and role players such as Department of Correctional Facilities and Department of Social Development, whose mandate is to care for vulnerable children and to ensure the health, safety and education of these children, to implement learner support services to facilitate formal schooling for vulnerable children.

2.10.2 The department should analyse the learner database and identify the children that should be enrolled in mainstream schools. These children should be located and reasons for non-attendance of mainstream schools should be investigated.

2.11 Dropout rates of learners from the programme

For KRG to be successful in reaching their objective, they should be able to recruit and retain learners. Without sufficient KRG learners, the campaign will not be able to meet its targets. The average KRG dropout rate for the 2009-2013 periods was 18%, as reflected in table 4. The starting years had higher dropout rates than the 19% estimated by the ministerial committee.

Table 4: Dropout rates for 2009 to 2013

Dropout rate:	2009	2010	2011	2012	2013	TOTAL
Enrolled	634 003	611 281	639 449	600 164	566 364	3 051 261
Learner Assessment Portfolios (LAP) submitted	497 830	491 280	520 252	508 663	496 898	2 514 923
Dropped out	136 173	120 001	119 197	91 501	69 466	536 338
% drop out	21	20	19	15	12	18

Source: Learner production database received from the department on 4 March 2014

Although the department set the acceptable norm for dropouts at 19%, no evidence was provided supporting how these deviations in excess of the norm was investigated and what remedial action was taken. The learners who dropped out between 2009 and 2013 cost the department R432 million.

2.12 Recommendation

The department should monitor dropout rates against the 19% set norm. The department should also investigate dropout rates in excess of the norm to understand why learners drop out and take the required corrective action.

2.13 Learners' progression to next levels of literacy

2.13.1 Although KRG is not responsible for ensuring entry into post-literacy or adult basic education such as AET, the literacy campaign will inevitably have a limited long-term impact without sufficient collaboration with AET. Basic literacy is not enough to provide adult learners with a mechanism to reduce local poverty and accomplish economic development efforts in agriculture, natural resource management or sustainable self-employment. The campaign needs to be followed up by the authorities responsible for AET, as the campaign would be a failure if learners did not sustain their literacy through use and progression onto various follow-up forms of adult basic and then further education

For example, although 489 987 learners passed KRG nationally in 2010, only 34 967¹⁰ learners (comprising of completed KRG learners, completed AET level 1 learners as well as adults that were assessed as literate to enrol only at AET level 2 instead of 1) enrolled for AET level 2.

Seventy-one per cent of successful KRG learners in 2012 (2011: 71%) formed part of the economically active population¹¹ of South Africa and still had 15 or more years of active employment left. By not progressing to AET, these learners lose the opportunity to reach higher education levels, which increases their chances of employment and job progression.

¹⁰ According to the STATS SA General household Survey 2011

¹¹ Includes people from 15 to 64 years of age who are either employed or unemployed and seeking employment

2.14 Recommendations

2.14.1 The department should collaborate with the Department of Higher Education and Training (DHET) on integrating successful KRG learners into the envisaged community colleges and planning for the progression from KRG to AET. Complete and accurate statistics should be recorded and maintained to facilitate proper communication and coordination between the department and the DHET.

3. Learner Teacher Support Material

3.1 Inaccurate need assessments of learner teacher support material (LTSM)

3.1.1 The department did not do an accurate needs assessments for the English books required in 2012. At the end of 2011, the department had 74 243 English numeracy, assessment portfolios and language books on hand at the warehouse. The department then purchased 19 760 English Numeracy and 20 000 English Assessment Portfolio books during 2012 as can be seen from the table below. This was despite there being sufficient books available to satisfy the average demand of the three years previous of 11 537 English books.

Table 5: Incremental increase of English books on hand during 2012

English Books	2011	2012	
	Closing stock	Purchased	Total on hand
Numeracy	24 161	19 760	43 921
Assessment Portfolio	16 372	20 000	36 372
Language	33 710		33 710
Total	74 243	39 760	114 003

According to the department the English books were ordered for the following reasons:

- All deaf learners are taught in English. The department anticipated an increase in the number of deaf learners, particularly in the Western Cape and KwaZulu-Natal.
- The prisons had shown an increase in participation and all learners in prisons are taught in English.

However, it is evident from the table below that the English books on hand at the end of 2011 would have been enough to satisfy the 2012 and 2013 demand.

Table 6: English books on hand after distributions during 2012 and 2013

English Books	2011	2012	2013	Balance of 2011 closing stock after 2012 and 2013 distribution
	Sufficient closing stock on hand	Distributed	Distributed	
Numeracy	24 161	5 297	6 887	11 977
Assessment Portfolio	16 372	5 361	6 858	4 153
Language	33 710	5 297	6 909	21 504
Total	74 243	15 955	20 654	37 634

- 3.1.2 On 25 November 2013, 205 955 books (all languages) were in stock at the warehouse. The 2013 value of the printing costs of all these books was R2 732 830, of which the English books accounted for R1 017 992 (37%). The printing cost of the English numeracy and assessment portfolios printed during 2012 was R294 067,20, which is 29% of the total printing cost of the English books.

Based on the average number of English numeracy books issued from 2009 to 2013, the available 53 907 books on hand at the end of 2013 will not be distributed in the two remaining years of the campaign. It will take up to 6,9 years, more than required for the remaining period of the campaign, to distribute these books. The storage cost¹² for the excess English books is R105 per day.

3.2 Recommendations

- 3.2.1 The department should perform accurate needs assessments before any additional books are printed as the campaign is expected to end within the next two years.
- 3.2.2 The department should plan on how to use the remaining English books after the end of the campaign.

3.3 Discrepancies during the appointment processes of the service provider for warehousing, picking and packing, distribution and collection of materials

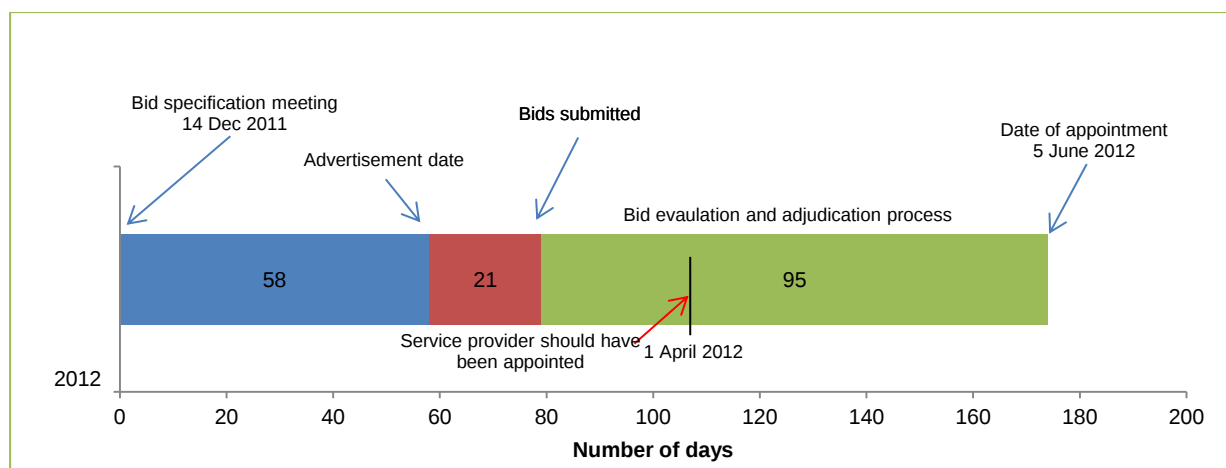
A contract for the warehousing, picking and packing, distribution and collection of materials is awarded by the department annually. Bongani Rainmaker Logistics (Pty) Ltd (Bongani) was the successful bidder since 2009. The campaign's annual activities unfold in three phases: setting up phase, teaching and learning phase and the learner assessment phase.

- 3.3.1 The department extended Bongani's 1 April 2011 to 31 March 2012 contract by two months due to prolonged procurement processes. LTSM was previously procured through the project management company. However, after concerns were raised by the AGSA and National Treasury on the procurement process, the department took over the procurement process. It took the department 58 days from the bid specification

¹² Storage cost of excess books is calculated per square meter of storage space used and the number of pallets in storage.

meeting to advertise the bid, which was done on 10 February 2012 with a closing date of 2 March 2012. The bid evaluation and adjudication took another 95 days before a service provider was appointed as is evident from the figure below.

Figure 9: Delay in tender process for 2012 contract



Note: Bids are only valid for 90 days

3.3.2 The department also did not plan adequately for the extension of the Bongani contract in 2012. The extension only provided for the storage of material. This was despite Bongani being required to continue with the delivery of the following services to the campaign to ensure that the campaign's execution was not affected during this time:

- Receive and warehouse learner and educator stationery packs for the 2012 campaign
- Receive and warehouse workbooks delivered for the 2012 campaign
- Pick and pack learner and teacher support materials as ordered by the volunteers for the 2012 campaign.

3.3.3 The scope of work for the 2012 and 2013 terms of reference included deliverables for the start-up phase of the campaign, which takes place during April and May. However, Bongani was only appointed in June of each year. The terms of reference also referred to a period starting on 1 April and ending on 31 May. As a result, the time frames or deadlines for eight (57%) of the deliverables listed in the 2013 terms of reference had already passed by the time Bongani was appointed. This was because the department did not consider the impact of the new contract periods on the deliverables and the delivery timelines and, consequently, did not amend the contract and terms of reference.

3.3.4 The late appointment of the warehousing and distribution service provider in 2012 continued in 2013 as well as 2014. The delay in the appointment defers the start of the KRG academic year and the late start of classes put a strain on VEs as they are required to compress six month (240 hours) of teaching into a much shorter period. For example in 2012 the six month term was reduced to five months, in 2013 four months and for 2014 it is envisaged that only three months will be available for teaching.

3.4 Recommendations

3.4.1 The department should start the procurement process in good time to ensure that service providers are appointed when their services are required.

3.4.2 The department should review the terms of reference in detail to ensure accuracy, before tender processes begin and tenders are awarded. The department should also consider the additional requirements that gave rise to the extra costs to limit deviations after contracting.

3.4.3 Where possible, service providers' contract periods should be aligned to the campaign period. Clear, specific and measurable deliverables, as well as roles and responsibilities, should be relevant to the period in which the services are provided.

3.4.4 The impact on the teaching hours as a result of the delay in starting KRG on time should be investigated and the department should take all necessary steps to ensure that the 2014 campaign begins on time.

4. Project implementation and management

4.1 Inaccurate, incomplete and unreliable management information

4.1.1 Information captured on the KRG database was inaccurate, incomplete and unreliable. The learner and volunteer information was captured on the KRG database and managed by the project management company on behalf of the department. This information was used for planning, decision-making and performance reporting.

The department did not review the information submitted for audit purposes to ensure that only accurate information was submitted. The KRG learner databases were submitted in October 2013, but at the steering committee meeting on 6 February 2014, the department indicated that the incorrect databases were provided. The information was also not readily available from the department as the databases were only resubmitted for audit on 6 March 2014, after several submissions and withdrawals of the databases between February and March 2014. The total number of records from 2008 to 2013 on the October 2013 databases did not correspond/agree with the March 2014 databases. The records differed by up to 19%, as is reflected in the table below:

Table 7: Differences in the number of records between the databases submitted in October 2013 and March 2014

2011	Databases received 8 Oct 2013	Databases received 3 March 2014			Difference between October 2013 and March 2014 databases
		Production database	Suspense database	Total records	
Learners enrolled	628 641	639 449	126 570	776 019	19%
Learners completed	583 046	520 252	97 084	617 336	6%

As a result, the success of the campaign is overstated and the incorrect information was used for planning, budgeting, decision-making and performance reporting.

4.1.2 The learner database did not support the number of learners reported in the annual report. The databases remained live and open for late submissions and LAP verification and matching processes, including the elimination of learners who were successful in previous years. The department did not keep formal records, safeguard or file supporting evidence for the figures used when reporting. The number of learners

according to the database was up to 18% lower than the reported number of learners in 2011 and 2012 as can be seen below:

Table 8: Differences identified between the number of learners according to the database and those reported for 2011 and 2012 campaign years

	Reported in Annual Reports	Production database 3 March 2014	Difference between Annual Report and production database
2011			
Learners enrolled	660 924	639 449	3%
Learners completed	612 450	520 252	18%
2012			
Learners enrolled	669 815	600 164	12%
Learners completed	532 197	508 663	5%

4.1.3 The information captured on the learner database was not reliable. Audit tests revealed that validation tests had not been established and efficient reviews were not undertaken to ensure that information was captured accurately on the database. The deficiencies identified on the learner production database and the VE databases are listed in table 9.

Table 9: Deficiencies identified on the learner production and VE databases

Deficiency	Number of records with discrepancies from 2008 to 2013	Comment
Learners who completed KRG without completing a registration form or being recorded as enrolled on the learner production database from 2008 to 2013	485 192 (14%)	Details were captured from the LAPs that were handed in at the end of the campaign. These learners did not have registration forms. It could not be determined if these learners completed the required 240 hours of learning.
Learner identification numbers could not be verified against the national population register	124 623 (4%)	Many records on the database reflected the learner's date of birth or a number '1' instead of the identifiable 13 character identification number in the identification number field
Learner identification numbers registered as deceased prior to enrolment in KRG	16 773 (0,5%)	Deceased on Department of Home Affairs database
Learner identification numbers registered as deceased prior to enrolment in KRG and learners registered continuously in 2008 to 2013	110 (0,003%)	Deceased on Department of Home Affairs database
KRG learners who became VEs in the next year or two years later	4 155 (0,1%)	
Number of identification numbers of VEs that could not be verified against the national population register	12 310 (6%)	

Note: The total number of learner records tested from 2008 to 2013 was 3 393 690; and VE records was 195 983

- 4.1.4 The department did not ensure that every learner submitted a copy of their identity document for enrolment. Invalid identification numbers and other exceptions on learner identification numbers were not always identified and followed-up, with the database updated accordingly. The contract between the department and the project management company for the period of 4 April 2008 to 31 March 2012 did not allocate the responsibility of verifying identification numbers with the databases of the Department of Home Affairs to any of the parties involved. This requirement was, however, included and allocated to the project management company in their new contract from 2 October 2013 to 30 September 2016.

4.2 Recommendations

- 4.2.1 The department should review all information prior to submitting it for audit to eliminate the duplication of audit work.
- 4.2.2 The department should ensure that actual performance reported for the campaign is based on valid, accurate and complete information. The department should keep a formal record of the numbers reported due to the nature of the reporting cycles and the database being live.
- 4.2.3 The department should establish and implement validation tests and perform sufficient reviews to ensure accuracy when information is captured on the database.
- 4.2.4 Coordinators, supervisors and VEs should obtain copies of learner identification numbers. This information should be captured onto the system as accurately as possible and filed to support the captured information.
- 4.2.5 Data integrity tests on the identification numbers of learners should be conducted regularly to identify irregularities and exceptions. Irregular identification numbers and other exceptions should be regularly followed-up and the database should be updated accordingly to ensure the validity, accuracy and completeness of information on the KRG database.
- 4.2.6 Identification numbers should be verified to eliminate possible irregularities. Exceptions should be followed-up and cleared, and the database updated accordingly.

4.3 Monitors, supervisors and coordinators did not provide sufficient monitoring and support

4.3.1 Monitors,¹³ coordinators and supervisors provided limited support to the field activities of the campaign. They also did not always monitor whether the literacy classes and programme were being delivered. Although there was an improvement on some monitoring activities since the campaign began, it was not enough to ensure proper monitoring by 2013. For example, 30% of the 25 supervisors selected did not visit the sites required during 2013, as can be seen in the table below. The roles and responsibilities of the volunteers are included on page 12 of this report.

Table 10: Percentage of documentation not completed/submitted and site visits not performed for the selected monitors, coordinators and supervisors from 2009 to 2013

<i>Required number of:</i>	2009	2010	2011	2012	2013	Total
Monitor						
<i>Monthly reports were incomplete</i>			36%	-	-	14%
<i>Monthly meetings did not take place</i>			^	^	^	^
<i>Required number of sites not visited</i>			72%	42%	11%	42%
Coordinator						
<i>Monthly reports were incomplete</i>	#	13%	28%	#	23%	44%
<i>Monthly meetings did not take place</i>	#	17%	28%	#	19%	43%
Supervisor						
<i>Monthly reports were incomplete</i>	33%	21%	30%	33%	20%	25%
<i>Monthly meetings did not take place</i>	33%	21%	30%	33%	22%	26%
<i>Required number of sites not visited</i>	75%	38%	43%	38%	30%	39%

^ No register / document to track the number of meetings exist

No information on file

- No discrepancies identified

The following discrepancies were identified:

- Inconsistent format/template for reporting, resulting in inconsistent information reported by the different monitors.
- Minutes of meetings were submitted as monthly reports.
- Reports lacked details to enable proper follow up. For example, Monitor 43 reported in 2013 that two VEs did not have any learners; however, no details were recorded to identify the relevant VEs.

¹³ From 2008 – 2010 there were no Monitors in Kha Ri Gude. Monitors were only appointed from 2011.

- Information in reports was copied from month to month, without changing details.
- No indication that previously reported problems was followed up.
- No formal record existed for the meetings between monitors and coordinators as the monitors did not have a specific document/register that indicated the number of meetings held. In some instances a meeting was mentioned in the monitor's monthly report.
- Instances where coordinators signed on the VE site visit register instead of the VE.

The formalised monitoring processes did not always prompt appropriate action from the responsible people. Monthly reports, registers of meetings and site visits were not reconciled and reviewed. This would ensure that management information was complete and accurate for the effective monitoring of the campaign. The department also relied on the service provider (project management company) to address problems, although the company was not tasked with a monitoring responsibility.

The coordinator and supervisor did not monitor and manage site 4190208 as they did not know that the VE resigned with effect from 1 November 2013. The audit team arranged a site visit during November 2013 with the coordinator and supervisor. The class time schedule was provided and the audit team visited the indicated site on 21 November 2013. The audit team could not locate the site and the coordinator and supervisor did not make themselves available for an interview.

The project management company performed a follow-up visit to site 4190208 in January 2014 and met with the coordinator, supervisor and VE. All confirmed that the site does exist.

However, during July 2014, the department provided proof of the resignation of VE 4190208, with effect from 1 November 2013. The resignation form was only signed off by the coordinator and supervisor on 10 January 2014.

If the necessary support is not provided, supervisors, coordinators and monitors will not identify and take corrective action on:

- Learners who did not attend classes
- VEs who did not teach regularly and effectively
- Unmotivated learners and VE's
- Problems at field level which were not addressed
- Learning sites which did not exist (refer to finding 4.3.2 below).

4.3.2 The auditors also could not verify the existence of the site reflected in the table below during their site visits. This represented 25% of the four learning sites visited in KwaZulu-Natal. The supervisor and the coordinator for this site did not make themselves available for an interview.

	Location	Coordinator number	Supervisor number	VE number (site)
1	Tatane village	430	43016	4301604

- a) The audit team visited three different possible sites in the Loskop, Escourt area for the Tatane village site, but was greeted by empty venues each time. The visit was done during scheduled class hours. The community at the site had no knowledge of KRG.
- b) The VE for Tatane Village could not be reached during the site visit.

Furthermore, the auditors identified the following discrepancies on the monitoring documents of VEs, supervisors, coordinators and monitors in respect of the above site:

		Responsibility	Site 4301604
1	Learner attendance register	Volunteer Educator	Attendance register indicates that 16 learners attended the class on the day of the site visit although the existence of the site could not be verified by the auditors.
2	Supervisor meeting with VE	Supervisor	Even though the existence of the learning site could not be verified during the auditors' site visit in November 2013, the attendance register indicates the VE was present during the meeting in November 2013.
3	Supervisor report	Supervisor	No mention of this specific site.
4	Monitor report	Monitor	Monitor M43 identified two sites during October 2013 under coordinator 430 that no classes are taking place, however no detail of the sites is provided in the report.

4.3.3 Although the project management company followed up on system generated exception reports and captured problems such as payment discrepancies on a register with recommendations, the outcome or result was not formally recorded on the register. Therefore, it could not be determined whether the problems had been resolved or not. For example, in August 2013 it was highlighted that two VEs (7022008, 7022005) did not provide copies of their identification documents. The supervisor indicated that it would be faxed. It could not be determined from the register or the system whether further steps were taken or whether the problem had been resolved.

4.4 Recommendations

- 4.4.1 The department should reconcile and review monthly reports, registers for meetings and site visits to ensure that management information is complete and accurate for the effective monitoring of the campaign.
- 4.4.2 The department should put specific monitoring actions in place. Complete reliance was placed on the service provider (project management company) to address problems although the company was not tasked with a monitoring responsibility.
- 4.4.3 Formalised monitoring processes should prompt appropriate action from the responsible people to ensure that corrective action is taken for identified problems.
- 4.4.4 The department should:
- Monthly reconcile a sample of site visit attendance registers to the required six visits per month to identify visits that did not take place. The department should enquire from the monitor why he/she did not attend the required six KRG learning centres per month and track whether the monitor does additional site visits during the following month.
 - Review a sample of site visit attendance registers to ensure that relevant and accurate information was captured and that the attendance register was signed-off by the VE to confirm the validity of the visit. Incomplete and incorrect attendance registers should be sent back to the monitors for completion/correction before stipend payments are made. Corrections should be tracked going forward.

4.5 Monitoring by the department was not effective to ensure delivery of the campaign

- 4.5.1 Monitors submitted reports to the department, but there was no evidence of a formal system of feedback or follow up actions on reported problems. The monitors' reports were not effectively actioned by the department. Pressing matters included in the monitors' reports were resolved over the telephone between the monitors and the KRG unit and resolutions were not documented. For example, monitor M43 identified two sites under coordinator 430 where no classes took place during October 2013. At the one site, the VE did not know her unique number and could not show evidence of class work done thus far. No attendance registers were shown. The other VE was not in the

class and her/his mother could not tell where classes were held, days or the times of the classes. The monitor's monthly reports for November and December 2013 did not reflect any follow-up work or whether the problem had been resolved. Although monitoring the field operations of the literacy campaign was spelled out for the monitors, coordinators and supervisors, there were no formal documented roles and responsibilities for the KRG unit in executing their monitoring responsibilities.

There was no clear documented relationship between the monitors and the department. The department regarded the monitors as ultimately responsible for monitoring the campaign activities in the field, given the scope and magnitude of the operations of the campaign. The department relied upon a number of registers and reports to support the delivery of the campaign in terms of supervision, monitoring and reporting, but does not control or monitor the structure/system in place.

This resulted in the department not responding in time to shortcomings in the KRG campaign, to ensure that the campaign reached its intended strategic objectives.

4.6 Recommendations

- 4.6.1 The department should take ultimate responsibility for the delivery of the KRG campaign by monitoring its delivery. Formally documented monitoring roles and responsibilities of the KRG unit should be established to assist the unit in defining and executing their monitoring responsibilities. Monitoring responsibilities could include:
- Monthly reconciliation and review of monitors' monthly reports to follow up on outstanding reports and record problems identified by the monitors.
 - Ensuring that the established monitoring process is effectively executed.
 - Keeping a register to track problems from their identification to their resolution. The register should be updated monthly by logging each problem together with the recommendation and implementation measures, to provide sufficient detail on how the problem was resolved.
 - Clearly delegating the responsibility that follow-up work should be conducted and reported on in the following month's monitor report to the monitor. The department should follow up to determine what steps were taken to resolve the problems if the monitor does not report on the follow-up work in the next month's monitor report.

- The department should consider whether the payment of the monitors' monthly stipend should be dependent on their submission of monthly reports and required information to the department.

4.7 Lost savings with the extension of the contract with the project management company

The department appointed SAB&T Ubuntu Holdings (Pty) Ltd (SAB&T) to render project, human resource and financial management services for KRG. The department extended the contract with SAB&T twice from April 2013 to September 2013 (six months) after the first contract expired on 31 March 2013. The extensions were necessary as the department did not act proactively when the period of the campaign was extended from 2012 to 2015. SAB&T was originally appointed on 1 April 2008 to 31 March 2012 for a period of five years. The department knew in 2009 that the campaign would not end in 2012; however, the department did not initiate a competitive procurement process in time. The department opted to extend the contract twice at the original administration fee of 6,36%. The second contract commenced on 2 October 2013 and had a lower administration fee of 4,99%.

4.8 Recommendations

The department should monitor contract periods to identify and initiate competitive procurement processes in good time to ensure that service providers are appointed when contracts end.

ACRONYMS AND ABBREVIATIONS

AET	Adult Education and Training
AGSA	Auditor-General of South Africa
DHET	Department of Higher Education and Training
EFA	Education for all
Kha Ri Gude	Kha Ri Gude Mass Literacy Campaign
KRG	Kha Ri Gude Mass Literacy Campaign
LAPs	Learner Assessment Portfolios
LTSM	learner teacher support material
MCL	Ministerial Committee on Literacy
SAB&T	SAB&T Ubuntu Holdings (Pty) Ltd
The department	Department of Basic Education
UNESCO	United Nations Educational, Scientific and Cultural Organisation
VE	Volunteer educator