INPUTS ON FUNDING FORMULA FOR CET COLLEGE.

Introduction

Financial Planning Directorate met and analysed the draft funding formula framework for Community Education and Training (CET) Colleges. The funding formula framework is composed of Post Provisioning Norms (PPN) which are kept separate. This serve to bring to the attention of the committee that the PPN will not form part of the funding framework, However it is realise that PPN will have an impact on the funding norms.

It is propose that the funding model needs to be futuristic and not mainly focus on current conditions or arrangements at the CET Colleges. A phased in approach was once agreed upon.

The following are acknowledgements made:

- It is acknowledged that it might be a challenge for the Ministerial Committee to determine funding formula for CET colleges when it is still not finalised what types of programmes will be offered other than the ABET level 1-4.
- It is acknowledged that the draft policy on Post Provision propose 60% staffing for CET college central office and only 45% at Community Learning Centres(CLC) whereas service delivery takes place at centre level.
- A lot has been said about CET Colleges which has to do with Post Provisioning norms.
- It is recommended that the definition of terms should come at the beginning of the document.
- Need classification of the CLC's to be administered by CET Colleges

It is also noted that the report mentioned:

- The CET Colleges as admin hubs took over the responsibilities of the Directorates in Provincial Education Department of which it is not the case, there are still Directorates at regional offices that are managing the CET Colleges.
- CET Colleges are managed by the Principals and not rectors according to CET Act terminology.
- The Department is not necessarily using EMIS but rather TVET-MIS and Higher Education Management Information System (HEMIS).

It is proposed that the language used should be sensitive to what is generally acceptable, for instance, "handicapped", sounds inappropriate in the policy document.

1. Discussion

1.1 Performance or output funding

- Supported but should consider the past imbalances when allocating funds, Avoid sustaining or widening inequalities.
- Performance output is proposed to be under earmarked grant

1.2 On “Some Introductory Cautions” (Page 3) It is proposed that earmarked grant should be funded through “additional funding” whilst it also proposed that it should be funding should be sent aside(top sliced) from the state subsidy.

- The project team would recommend that this funding be an additional funding NT

1.3 Funding for special needs need to top sliced from programme funding before allocations are made to colleges.

1.4 There need to be a way of determining FTE in CET sector

1.5 The proposal that a smaller college should be allocated more needs to be further clarified in terms of what would be the rational- **(Size of the college- page(9**)

- Request for clarify on additional funding units
- Referred to that will result in smaller colleges getting more.

1.6 Concur with the recommendation that the Department should proceed with the piloting of CET colleges

2. In the following section, inputs are based on what was extracted from the funding formula report of the Ministerial Committee:

2.1 A future formula could look something like this:

Programme funding =	Number of FTEs × Output factor × Baseline funding rate per student × (Programme cost weighting + [average of amongst all FTEs of] Individual Disadvantage weighting + [average of amongst all FTEs of] Special needs weighting) × College area disadvantage factor

- What does “H” mean? If it stands for multiply, then take out output factor as it should be part of earmark grant
- Size of the college not included

- Why use average
- Explain the type of support (e.g. distance, socio economic background) to individual disadvantaged weighting. Does this also not going to mean double dipping if individual disadvantaged student is funded by NSFAS). How does this link to earmarked SSS

2.2 A current formula could look something like this:

Programme funding = Number of FTEs × Baseline funding rate per student × (Programme cost weighting + [average of amongst all FTEs of] Special needs weighting) × Province area disadvantage factor

- Request more narrative
- Size of the college not included
- Why use average