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To: Deputy Directors-General, Chief Directors, Directors (Head Office and district offices),
Deputy Directors (Head Office and district offices), Circuit Managers and Principals

Short summary: *This circular provides the financial guidelines for Phase V of the Basic Education Employment Initiative.*

Subject: Financial guidelines for the Basic Education Employment Initiative – Phase V

1. The Presidential Youth Employment Initiative is implemented as the Basic Education Employment Initiative (BEEI).
2. **Phase V funding model**
 - 2.1 **The funding model for Phase V has changed from previous phases. The project will now be funded by the Unemployment Insurance Fund (UIF) and National Treasury respectively.**
 - 2.2 **UIF funding process**

The Industrial Development Corporation (IDC) will administer the funding of **14 959 opportunities** from UIF funding. An amount of R80,00 will be deducted from the gross stipend as a UIF contribution (as referenced in paragraph 5.3). Net stipends will be transferred directly into assistants' bank accounts every month. **Schools will not be involved with the payroll for these assistants.**

2.3 National Treasury process

A total of **4 370 opportunities** will be funded via the Provincial Equitable Share (as referenced in paragraphs 3 and 5.3). The Western Cape Education Department (WCED) will process the monthly transfer payments for these assistants to participating schools. The funds will be available in schools' bank accounts before the last day of each calendar

month. Schools are responsible for UIF administration and ensuring that stipends and data allowances are paid directly into assistants' bank accounts.

3. Stipends payable and UIF contributions

- 3.1 The stipend to be paid to all education assistants and general school assistants for Phase V of the BEEI will be **R4 000,00** per month, **starting from 01 June 2025 and ending on 30 November 2025**. This amount includes the employee's UIF contribution of 1% (R40,00).
- 3.2 In addition, the employer's UIF contribution of 1% (R40,00) will be added, bringing the total UIF contribution to 2% (R80,00). This total amount of R80,00 will form part of the transfer payments to schools.

4. Monthly stipend breakdown

Gross stipend (includes 1% employee UIF contribution)	R4 000,00
Employer UIF contribution (1% of stipend)	R40,00
Total monthly amount payable (to school)	R4 040,00

5. UIF requirements

- 5.1 Schools are required by law to register with the UIF and contribute towards the fund for the assistants appointed by the school. Schools may follow the following link if assistance is required on how to register with the UIF: http://www.labour.gov.za/uiif_how_to/register-with-the-uif
- 5.2 The Unemployment Insurance Act, 2001 (Act 63 of 2001), and the Unemployment Insurance Contributions Act, 2002 (Act 4 of 2002), apply to all assistants employed by schools. Assistants MUST pay UIF contributions of 1% of the value of their stipend per month. **The school and the assistant each contribute 1%.** The school (as employer) is responsible to pay the 1% it deducts from assistants (employee portion), together with the 1% provided through the project funding (as part of the transfer payment) for the employer portion, to the UIF **before the 7th of every month.**

5.3 Stipend and UIF contribution breakdown

Gross stipend (includes 1% employee UIF contribution)	R4 000,00
Data allowance	R30,00
+ Employer UIF contribution	R40,00
= Total monthly cost (including data and UIF)	R4 070,00

- 2% deduction for UIF (1% employer contribution (R40,00) + 1% employee contribution (R40,00))	- R80,00	} Payable to UIF monthly
Net stipend payable to assistant (including data allowance)	R3 990,00	

6. Payment schedule

6.1 The proposed transfer payment schedule is as follows:

Transfer payment	WCED payment date	Funds in schools' bank accounts and schools make payment
Stipend for June 2025	20 June 2025	25 June 2025
Stipend for July 2025	25 July 2025	30 July 2025
Stipend for August 2025	22 August 2025	27 August 2025
Stipend for September 2025	25 September 2025	30 September 2025
Stipend for October 2025	24 October 2025	29 October 2025
Stipend for November 2025	21 November 2025	26 November 2025

6.2 Please note that the above payment dates may be subject to change, depending on—

- the schedule from Provincial Treasury; and
- the action date administered by the IDC for direct payments into assistants' bank accounts, in order to align the payment dates and ensure that all assistants are paid on the same day.

6.3 Guidance on the administration of assistants' payrolls will be provided to schools by the IDC.

7. Monthly stipend and data allowance – Phase V

- 7.1 Each assistant will receive a net stipend of R3 960,00 per month. In addition, a monthly data allowance of R30,00 will be provided for a period of six months (from June until November 2025). This allowance is intended to enable assistants to connect to training platforms and complete assessments after school hours.
- 7.2 **Important:** The data allowance must be paid together with the monthly stipend to ensure timely access to training platforms and resources, as stipulated in paragraph 5.3.
- 7.3 Assistants are only entitled to one data allowance per month.
- 7.4 Assistants must acknowledge receipt of any special allowances. Such control sheets must clearly state the purpose of the special allowance, the assistant's details (name, surname, ID/passport number) to whom the allowance is paid to and the assistant's signature as acknowledgement of receipt. The principal must sign off on the control sheet as final authorisation that the allocations were made to the assistants.

8. Pro rata stipend payments

- 8.1 It must be noted that any assistant who starts or resigns during a month only qualifies for a pro rata stipend payment. The WCED project office will assess the appointment and resignation data as captured on the Finance and Personnel Management System monthly. It is therefore critical that schools capture appointment and resignation dates **accurately and timeously**. Stipend payment processes are strictly informed by the appointment and resignation dates as captured by schools on the Finance and Personnel Management System.
- 8.2 All pro rata stipend payments are paid for **calendar days** and not school days. For example: an assistant who resigns from service during a month, will receive a pro rata payment for the number of calendar days worked during the month of resignation. An assistant with a contract start date of Monday, 09 June 2025, will receive a pro rata payment in June 2025 for 22 **calendar days** (09 to 30 June 2025).
- 8.3 Pro rata stipend payments to assistants must be broken down as follows:

Monthly	Daily	Description
R3 960,00	R130,20	Stipend payable to the assistant (net of UIF contribution)
R40,00	R1,31	Employee UIF contribution (deducted from assistant stipend)
R40,00	R1,31	Employer UIF contribution as transferred to the school

R4 040,00	R132,82	Total transfer transferred to the school
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- 8.4 Schools must make the necessary pro rata deductions (as set out in paragraph 8.3) for any assistant **absenteeism** recorded at the school (i.e., leave without pay) in line with the service conditions set out in the assistant employment contract. Any overpayments or funds retained by the school must be paid back to the WCED within seven days after each month-end. Proof of such payments must be emailed to the relevant BEEI district coordinator.
- 8.5 Banking details for repayments are as follows:
Account name: Western Cape Education Department
Bank: Nedbank
Branch code: 19 87 65
Account number: 1452 045 089
Account type: Current
Payment reference: "school EMIS no." BEEI V (Example: 100000400 BEEI V)
9. Schools are reminded to keep all the necessary financial records for auditing purposes.
10. Further financial communication may be issued to schools as needed, providing relevant information and guidance throughout the duration of the project.
11. A Memorandum of Understanding for Phase V (**Annexure A**) will be distributed to all participating schools, stipulating the agreement entered into between the WCED and each school. The Memorandum of Understanding for Phase V must be signed by the school and returned to the district office by **15 May 2025** for the funding for the BEEI Phase V to be approved for release to the school.
12. The WCED once again extends its sincere appreciation for the hard work and support since the start of the BEEI and reiterates its continued commitment to all participating schools to ensure the success of Phase V.

SIGNED: BJ LORISTON

ACTING HEAD: EDUCATION

DATE: 2025-04-23