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**INTERNAL BURSARY POLICY**

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## 1. DEFINITIONS

- **Accreditation** means a process of recognising and approving an educational and training institution/ organisation that maintains required standards.
- **Bursary** means an amount of money or monetary award given to an employee of the municipality to pay for tertiary education.
- **Bursary holder** refers to an employee studying with financial assistance from the municipality.
- **Designated groups** refers to previously disadvantaged groups (African, Coloured and Indian), women of all races and people with disabilities.
- **Qualification** means an official completion of a course conferring a status recognised in a profession or activity.
- **SAQA** refers to the South African Qualification Authority

## 2. LEGISLATIVE FRAMEWORK

- Basic Conditions of Employment Act, 75 of 1997
- Employment Equity Act, 55 of 1998
- Labour Relations Act, 66 of 1995
- Municipal Finance Management Act, 56 of 2003
- Municipal Systems Act, 32 of 2000
- Human Resource Development Strategy of South Africa (HRDSA) 2010 – 2030
- National Skills Development Plan 2030
- Skills Development Act, 97 of 1998
- Skills Development Levies Act, 9 of 1999
- South African Qualifications Authority Act, 58 of 1995

## 3. OBJECTIVES

- 3.1 To encourage career development of employees through further education.
- 3.2 To encourage self-development activities that also benefit the Municipality
- 3.3 To provide financial assistance to employees who wish to improve their qualifications.

## 4. APPLICABILITY

- 4.1 This Policy is applicable to all permanent and fixed term contract (more than 12 months) employees of the municipality studying part time.
- 4.2 Priority shall be given to employees from the designated groups for skills development.
- 4.3 The policy covers academic studies and skills development programmes.
- 4.4 This policy excludes Councillors.

## 5. POLICY PRINCIPLES

- 5.1. To empower employees with the knowledge and skills necessary to improve the effectiveness and efficiency of service delivery in the municipality.
- 5.2. To facilitate active learning in the workplace and increase investment in the education and training of Nquthu municipality employees.
- 5.3. Bursaries will be awarded to fields of study which are relevant to career development and in line with the functions and strategic direction of the municipality.
- 5.4. To support and address employment equity through encouraging designated groups education and training development.

## 6. POLICY PROVISIONS

### 6.1 *Financial Assistance Conditions*

- 6.1.1 The Human Resources department shall be responsible for the administration and implementation of the bursary scheme.
- 6.1.2 The bursary application must be supported by the employee's department head to ensure alignment with employee personal development plan and / or municipality functions.
- 6.1.3 A bursary application for studies not linked to the employee's personal development plan or current job functions may be considered if the intended studies are in line with municipality's strategic direction and scarce skills programme.

- 6.1.4 Bursaries shall be awarded to employees studying in accredited institutions with SAQA aligned qualifications. It is the applicant's responsibility to verify the status of learning institutions before applying for financial assistance from the municipality.
- 6.1.5 Financial assistance shall include registration, administration, tuition, learning material and examination fees which shall be paid directly to the relevant educational institution upon receipt of proof of registration for the qualification, and the relevant proforma invoices.
- 6.1.6 A bursary holder shall submit a statement of result at the end of each academic year / period. Failure to submit a statement of results will result in the withdrawal of the bursary.
- 6.1.7 The municipality may at any time suspend the financial assistance at its sole discretion if the employee is not making satisfactory academic progress. Satisfactory academic progress is deemed to be the attainment of a minimum of 50% for each course / subject registered for in an academic year.
- 6.1.8 The bursary holder shall repeat failed courses / subjects at own cost, should an employee fail to repeat and pass courses / subjects failed during the previous academic year, then such employee shall repay the municipality for the amount paid for the failed courses / subjects.
- 6.1.9 Employees who are awarded bursaries for a specific course or field of study and then abandon or do not complete studies their studies, shall not be awarded a second bursary.
- 6.1.10 The municipality reserves the right of discretion for the continuation of financial support for employees who have repeated and passed failed courses / subjects.
- 6.1.11 Changes in learning fields or courses shall not be allowed after the approval of the bursary. Should an employee change field of study after monies have been paid to an education institution, he/she shall be liable to repay the municipality the paid funds.
- 6.1.12 A bursary holder wanting to change a learning institution only with valid reasons, must inform the Human Resources Manager who shall inform the Municipal Manager for approval.

## 6.2 Bursary holder obligations

- 6.2.1 The bursary holder shall be obligated to remain in the employ of the municipality for three (3) years after completing his / her studies.
- 6.2.2 The employee shall be under an obligation to pay back all financial assistance for the period that he / she studied before and after attaining a qualification if the employee wants to resign, retire or is dismissed.
- 6.2.3 In the event of an employee retiring, resigning or being dismissed from the Municipality's service before having obtained the qualification in respect of which he / she was granted financial assistance in terms of this policy, he / she shall repay the Municipality the total financial assistance paid by the Municipality plus interest thereon, calculated at an interest rate applicable from time to time.
- 6.2.4 Should an employee at any time suspend or abandon his / her studies for the approved qualification, be refused permission by the educational institution or examining authority to continue his / her studies, or not pass any qualifying course of study during two (2) consecutive years, he / she shall be obliged, from a date fixed by the Municipal Manager or his / nominee to repay the Municipality the full amount of the financial assistance given to him / her, inclusive of study leave, in terms of this policy plus interest thereon, calculated at an interest rate applicable from time to time. Where an employee has been granted leave on full pay he / she may, at his / her option, be permitted to have his / her accumulated annual leave reduced by an equivalent number of days taken as study leave provided that such action is not in conflict with the Leave Policy.
- 6.2.5 If an employee is unable to pay the Municipality the full amount owing to the Municipality in terms of this policy, the CFO shall, in consultation with the employee, make suitable alternative arrangements to facilitate full settlement of the amount owing to the Municipality, provided that such arrangement shall not extend beyond one year from the date on which the employee originally became liable for the full settlement of his / her debt in terms of this policy.
- 6.2.6 In the case of death or physical / mental incapacitation or disability of the bursary holder, any liability for the refund of bursary funds shall be communicated to the Municipal Manager to request approval for a debt write off.

### 6.3 *Roles and responsibilities*

- 6.3.1 The Municipal Manager or his / her nominee accept overall responsibility for the implementation and monitoring of the policy.
- 6.3.2 The Municipal Manager or his / her nominee shall have the authority to:
- a) Approve a qualification and inclusion in the bursary scheme and/ or delete those qualification which are deemed to be no longer appropriate for the municipality.
  - b) Approve employee bursary applications.
  - c) Determine, with help of the CFO, the amount and conditions governing financial assistance in connection with approved qualifications as deemed necessary to give effect to the principles of the bursary scheme and to safeguard the interests of the Municipality
  - d) Approve the continuation, extension, variation or termination of facilities to individual students on conditions laid down in this policy.
  - e) Determine institutions at which students may pursue approved qualifications.
  - f) In conjunction with the CFO determine method and terms under which money owing to the Municipality for financial assistance in terms of the bursary scheme shall be repaid.
  - g) Adopt whatever actions are deemed necessary to address any anomalous situation which is not specifically addressed by this policy.
  - h) Continuously monitor the effectiveness of the bursary scheme and submit recommendations to the Municipal Council for any required amendments to the bursary scheme to match changing or anomalous circumstances.