

JET EDUCATION SERVICES

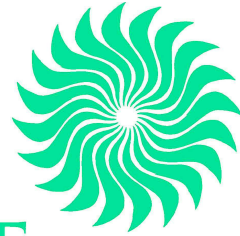
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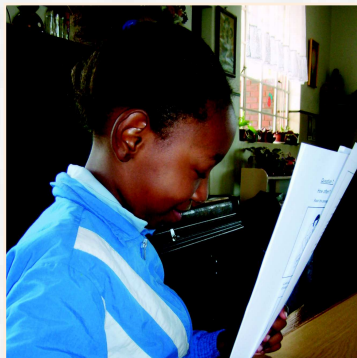
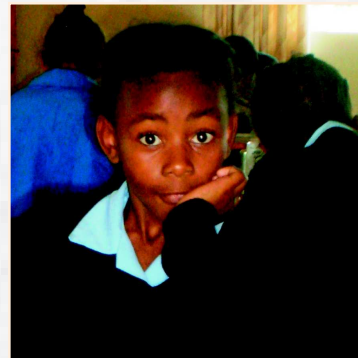
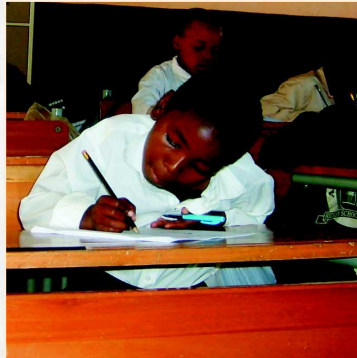
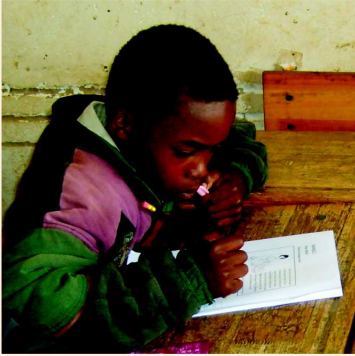
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JET EDUCATION
SERVICES



ANNUAL REPORT 2006



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MESSAGE FROM THE CHAIRMAN

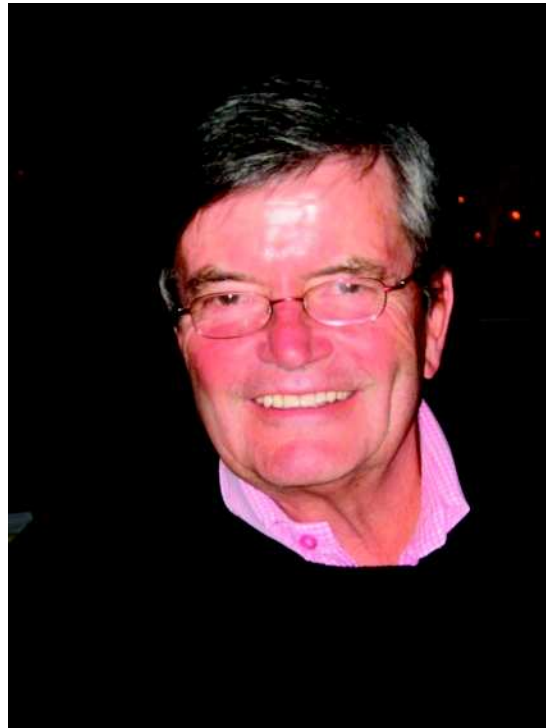
2006 has been a year of consolidation for JET Education Services (JET) in its activities and in its assets.

It is also the year that completes the transformation of JET to a stand-alone independent non-profit service provider fully responsible for forging its own future in the most important of all national priority sectors – that of Education. This year JET is five years old and her parent, The Joint Education Trust, has fully retired from active service with the consolidation of all its residual assets into JET.

It is fitting that we acknowledge the legacy that has been handed down for JET to espouse into the future.

The Trust came into being at the cusp of a new era for South Africa with an initial capital of R500 million from the private sector and a Board of Trustees drawn from all corners of the political, business and community spectrums. It was an extraordinary partnership born out of a patriotic vision that had one common goal in mind – to contribute to the process of long-term fundamental change in South Africa's flawed education and training system. As stated in the Trust's Mission, which has been adopted by JET, this goal was to be achieved through serving the most disadvantaged groups in South Africa by improving the quality of education and the relationship between education and the world of work. In the beginning the Trust worked primarily as a grant organization. Over some 10 years, the initial sum received from the Trust's founder private sector donors was leveraged up by a further R680 million entrusted to it by international donors who saw the Trust as a major education change agent that could manage large-scale projects and large-scale donations effectively.

All the funds were strategically allocated to those who could implement the vision of education transformation. This was a wonderful learning experience for the Trust and the group of professional people that it gathered to evaluate, monitor and support some 400 locally grown service providers. The knowledge and expertise that was garnered within the organization in these 10 years was too valuable to lose and so a carefully planned strategy for it to become financially self-sustainable was embarked upon as a prelude to the transformation of the Trust to the new JET, which was launched on 29th November 2001.



JET has always taken pride in maintaining good corporate governance. It goes without saying that a strong oversight role by the Board of Directors is key to this function. What is not acknowledged as often is that continuity and the maintenance of institutional memory are important elements in keeping governance at the highest standard. The fact that the founding Chair of the Joint Education Trust – Mike Rosholt – continues to be involved as a Director of JET and chairs its Finance and Audit Committee is significant in this regard. I have also been with The Trust for almost as long, having originally represented Sanlam. A third member of the Trust – Margie Keeton – who was appointed to represent Anglo American and De Beers, had signalled her intention to retire as a Director of JET when the closure of the Trust was finalized. This has now occurred and it is with real regret that we accept Margie's departure. She succeeded in filling the very large shoes of Michael O'Dowd when the Trust was at the height of its grant-making phase, and was instrumental in providing guidance to the organization during the transition to JET. I want to thank Margie for the knowledge, insight and dedication she brought to the Board. We are delighted that she will continue to be a friend and have an abiding interest in our future progress.



Three new Directors were appointed during 2006. Marianne MacRobert has many years of experience in the development world, including lengthy spells at the Nelson Mandela Children's Fund and Tshikululu Social Investments. Nigel Mathews has been very successful in the business world for over 40 years and brings a wealth of management and financial experience to the Board. Nathan Johnstone has a long history in the field of Education, including experience as a teacher and headmaster, and is currently Director of Education Services at the Catholic Institute of Education. The skills brought by these new members will enhance the financial, legal and developmental guidance provided by the Board. They complement nicely the strengths of existing members. Non-executive members outnumber Executive Directors by 10 to 2 and, in terms of the latter, our institutional memory is also well served. Nick Taylor has been on the staff since the inception of the Trust, and has played a key role in guiding the organization over the rapidly changing NGO terrain over the past 14 years. In this regard it is also important to acknowledge the involvement of the former Financial Director of JET (now a non-executive Director) – Jim Wotherspoon – who has unstintingly supported the new finance team in their efforts to get to grips with the complexities of project management and financial accountability. It is gratifying for them all to know that JET's financial administration is fully compliant with the new international accounting standards introduced over the past few years.

The transition process has taken some four years, during which time the Trust and JET worked in tandem. 2006 is the first year of JET as a stand-alone entity. In financial terms JET, as a non-profit organization, has shown a healthy return to make a moderate operating surplus before interest received of R770 893 (2005 – a deficit before interest received of R1.6 million). After interest received is added the surplus moves to R2.6 million, compared to only R76 000 in the 2005 year. This surplus, which has been transferred to reserves, will provide funds for future growth in operations. In addition, there was a transfer of a grant of R969 300 from the Trust and that brings the total surplus to R3 607 330. The Board believes that this is a good financial result in the light of it being achieved in JET's consolidation year and after a really tough year in 2005. Management needs to be congratulated on this performance.

While good financial management and the achievement of positive financial results is essential to the life of any organization, the heart of JET lies in its development work. This needs to be judged by a different measure than simple bottom-line profit or, in non-profit organizations' terms, bottom-line surplus. Looked at on

the basis of a 'social profit' measure JET has continued to achieve excellent performance results, as can be seen from the reports on its activities that follow below. Social profit is based on measuring the performance delivered in terms of changing people's lives for the better. These qualitative measurements by their very nature are harder to value – but there is a growing need to do so. In these terms JET is certainly the largest, and I believe the leading public benefit organization doing research and project management in the field of schooling in the country and thereby helping to change the lives of literally millions of learners and thousands of educators. In addition, our footprint in the area of skills development is on a solid growth path in meeting the growing needs of both the local government sector and workers in the private sector.

Our partners in this adventure need to know that the terrain we travel is not an easy one and has no quick-fix success – it needs huge commitment to taking the time and providing the longer-term resources that are necessary to achieve lasting, sustainable change in the sector in which JET is so deeply involved. Recently our Minister of Education, in speaking of the importance of JET's creation of the Community-Higher Education Service Partnerships Project (CHESP), mentioned that "the key to unlocking the full potential of South Africa is a competent, committed, multi-skilled professional teacher". We agree with this and would add to it the need to transform education and training institutions to enable them to provide the climate, the resources and strong executive management for these teachers to deliver the curriculum at the right cognitive level in each grade from Grade R to Grade 12 and, beyond higher education, to embrace life-long learning. In essence that is what JET is all about and that is where our social profit contribution will continue to be made.

In closing, I would like to thank all my fellow Directors and all JET people, past and present for the support they have given to this special enterprise. Their continuing commitment is essential if JET is to achieve what it has set out to do – and I am very appreciative of their involvement.

Jeremy Ractliffe
Chairman



MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

The growing skills shortage in South Africa intensifies the development challenges in all areas of JET's work: schools, higher education and adult skills. A feature of the past two years has been the initiation, from government and the local private sector alike, of special programmes for institutions which show moderate to high levels of functionality, aimed at increasing their output. While the first decade of democracy can be characterized as a period of high access/low quality, the predominant priority for the current decade is to move into a high differentiation/high quality era.

Programmes targeted at poorly functioning institutions, particularly schools, continue to struggle to achieve significant impact and donors are beginning to be wary of investing in ineffective schools. Yet, this constitutes 80% of the system, and if South Africa is to maintain or surpass current growth levels then significant inroads need to be made in improving the quality of education offered by our poorest schools. JET is exploring a model of development for such schools, working in the Mtawelanga Circuit in the Cofimvaba District of the Transkei. This circuit was selected because both Mtawelanga and the District office are effectively managed and have demonstrated the ability to convert external support into interventions that make a difference.

International donors are also evolving their modalities of support to the country. A growing proportion of funds is being channeled through government but the overall total is declining, as donors shift the weight of support toward countries poorer than South Africa.

These conditions impose dynamic strategies on the non-profit sector in seeking funding for development work. Given JET's origins in a partnership between business and disadvantaged communities, it is not surprising that the organization has a good relationship with the corporate sector, which continues to invest in educational development. The country is also endowed with a number of significant private trusts which donate money to capacity building programmes, and these also serve as a source of support to JET. In 2006 we increased the shift in our sources of revenue towards the latter two sources, anticipating a further decline in international donor funds in the future.

In 2006 JET relied very little on grant funding from any source, local or international. The current level of less



than 15% of total revenue does seem low for a Public Benefit Organisation and we have been working to increase the proportion of JET's revenue derived from this source. This strategy was rewarded in 2006 with a R15 million grant from the Royal Netherlands Embassy (RNE) in support of the National School Effectiveness Study, a major research project to be undertaken by JET in partnership with the Department of Education.

Sustainability of small organizations like JET is increased not only by diversifying funding sources, but risk is also minimized when funds are tied to multi-year contracts. Negotiating such programmes with clients was therefore also a priority during the year under review. Here too we made progress, with the RNE programme extending over four years, and our relationship with the Zenex Foundation moving towards a long-term relationship in which JET will be involved in the design and evaluation of the Foundation's 10-year school development programme.

The past year has been a good one for JET. The Message from the Chairman gives details of a modest but significant growth in our reserves in the 2006 financial year. What has been even more rewarding though, is the fact that JET continued to play a public intellectual role, contributing to the national debate on the provision of quality education for the poor. Increasingly JET is focusing on providing evidence for what works, based on research and evaluation of public and private sector programmes. And JET's own programmes are based on this research evidence.

Nick Taylor
Chief Executive Officer



EVALUATION AND RESEARCH

The Evaluation and Research Division (ERD) serves both external clients and other Divisions within JET.

Our programmes fall into three broad categories:

- Programme evaluation, of a wide variety of initiatives from school development projects to skills training programmes;
- Development of tests to measure learning, with much of our work in this field focusing on literacy, maths and science tests for schools;
- Research on the basics of schooling and, in particular, the identification of factors which influence learning.

Carla Pereira, who joined JET five years ago as a research intern, was promoted to Divisional Manager in October 2006. Continuing growth in demand for JET's services in the field of evaluation and research has led to an expansion of the Division with the appointment of four new members of staff, two project managers and two statisticians. In addition, we have set up a research internship with Wits University through which young graduates will register for an honours level two-year degree in Educational Research, while working at JET and gaining experience in the field. The first intake of four interns will begin in 2007.

Projects undertaken during 2006 are summarised below.

Systemic Evaluation Grade 3

Systemic evaluation was initiated in 2001 when literacy and numeracy tests were administered to a 5% national sample of schools at Grade 3 level. This was followed in 2004 by administration of literacy and maths tests at Grade 6 level. Systemic evaluation is an important quality assurance mechanism which enables performance of the system to be benchmarked

and progress towards improving the quality of schooling tracked. In 2005 the national Department of Education (DoE) approached JET to revise the instruments used in its systemic evaluation programme in order to provide more detailed diagnostic information that would offer clear guidance to teachers on gaps identified in children's knowledge.

The project involves a three-way partnership between the DoE, the Zenex Foundation, which is providing financial support to the project, and JET. The tests were piloted in 2006 and will be administered nationally in October 2007.

A further component of this project is the secondment of a statistician from JET, Mr Ngoni Nyambuya, to the DoE, where he will assist the Department with analysing data for its national QIDS UP project.

Integrated Education Programme

The Integrated Education Programme (IEP) is a school development programme working in close to 700 schools in four provinces. The programme is funded by USAID and managed by Research Triangle International (RTI). JET is subcontracted to RTI and provides a range of monitoring and evaluation services to the IEP. These are outlined below.

Learner Results Measurement Study

In 2006 JET conducted a series of learner testing programmes in IEP schools. The results are used by the project to design the training interventions and to track the success of the project in its efforts to improve teaching and learning in the target schools.





- Follow-up '2' study of Grade 3 and 6 learners in numeracy/ mathematics, literacy and science in Cohorts 1 to 3 project and control schools in Eastern Cape, KwaZulu-Natal and Northern Cape. This was a follow-up to the baseline study conducted in the same 37 schools in early 2005, and the first follow-up study done towards the end of 2005.
- Follow-up '1' study of Cohort 4 schools in Limpopo. In early 2006 a new cohort of schools, Cohort 4, were introduced to the project in Limpopo. A baseline study of Grade 3 and 6 learners was conducted in March 2006 and the follow-up 1 study in September 2006. A total of 16 schools participated in these studies.
- Cohort 4 schools in the balance of provinces (Eastern Cape, KwaZulu-Natal, Northern Cape) were introduced to the IEP project in September 2006. A baseline study of a sample of schools was done in 2006, with a follow-up study to be done in 2007.



Classroom observations

RTI commissioned JET to conduct classroom observations in a sample of IEP and control schools. The purpose of the exercise was to complement the data on learner performance by providing information on classroom practices. A baseline study was conducted in Cohorts 1 to 3 schools and Cohort 4 schools in Limpopo, in April/May 2006. In September/October 2006, a baseline study for the second Cohort 4 group in KZN, EC and NC was conducted.

Technical assistance to the national Department of Education

One component of the IEP is to provide technical assistance to the DoE. In the last quarter of 2006, JET was commissioned to analyse PERSAL data and to develop a manual to assist departmental officials to analyse PERSAL. This work was started in November 2006 and continues until May 2007.

Khanyisa Education Support Programme

Khanyisa is a seven-year programme aimed at building capacity at all levels of the Limpopo Department of Education. It is funded by the British Department for International Development (DfID) and managed by a consortium involving JET and Cambridge Education Consultants.

Monitoring and Evaluation

JET conducted a baseline study in 2004 in schools in the first two districts (Sekhukhune and Vhembe Districts) targeted by Khanyisa. This study entailed collecting data on the socio-economic status of the homes of children attending target schools, as well as on school management, classroom teaching and learner performance in the schools.

In 2006 a new cohort of 100 schools in two new districts was introduced to the programme and the baseline study of Grade 3 and 6 learners' performance in maths and literacy was conducted in September/October 2006.

Case studies

In order to obtain more detailed information on school management and classroom teaching, case studies were conducted in 12 Khanyisa schools, drawn from the top and bottom ranges in terms of the scores obtained during baseline testing. The specific brief was to undertake a qualitative assessment of the factors most likely to contribute to the improvement of learner outcomes. This assessment was undertaken in partnership with Eric Schollar and Associates and produced a set of recommendations for fine-tuning the Khanyisa intervention programmes.

Accelerated Programme for Language, Literacy and Communication (APLLC)

The APLLC is an ambitious seven-year project conceived as a partnership between the Gauteng Department of Education (GDE), READ and JET, to improve reading,



writing and literacy skills in all public schools in Gauteng. The APLLC was officially launched in October 2006 when the Gauteng MEC for Education, Angie Motshekga, announced the importance of the project for the province and for the country as a whole. JET's role in the partnership is to conduct the external evaluation of the programme, starting with the pilot roll out phase in the early part of 2007. The focus of the pilot is to:

- Evaluate the training methodology and materials;
- Assess the applicability of the methodologies to different types of schools in the province;
- Record behavioural changes in learners and teachers as a result of the implementation of the methodologies;
- Describe best practices implemented at pilot schools;
- Forge relationships and develop communication channels between all stakeholders (government, non-government and the community) before the full roll out.

Given the poor literacy levels of South African learners and the key role of reading and writing in all learning, this is a very exciting project which promises to provide important lessons for all provinces as they strive to improve the teaching and learning of literacy.

Mveledzandivho School Support Project

Working in 29 schools across the country, Mveledzandivho is funded by the BHP Billiton Development Trust and managed by JET's School Development and Support Division. The Evaluation and Research Division assisted in the development of evaluation indicators for the Early Childhood Development component of the project and for the learner testing component of the external evaluation which was conducted by the Human Sciences Research Council and JR Consulting Services.

Sisonke Inclusive Education Pilot Project

During 2005 JET's School Development and Support Division was awarded the tender for the management of an Inclusive Education pilot project for the national Department of Education. This is a Department of Education project funded by the Swedish International Development Agency (SIDA). A consortium of experts in the field of Inclusive Education was brought together by JET to conduct the pilot. The objective of the project was to prepare a human resources development strategy for Inclusive Education (in line with White Paper 6).

In 2006, the Evaluation and Research Division was appointed as the research coordinator for the research activities associated with the project, including the analysis and reporting of the Situational Analysis, the evaluation and monitoring of training activities by the Sisonke training team, and the development of a database. The research work will continue into the early part of 2007 as the human resources strategy is prepared.

Eastern Cape Longitudinal Study on dropout and repetition rate

In 2005, ERD won the tender to conduct a longitudinal study on the dropout and repetition rate at schools in the Eastern Cape. The project was funded by the Eastern Cape Department of Education and the purpose was to identify the extent of and reasons for drop-out and repetition in the Eastern Cape schools for Grades 1 to 7 and 8 to 12. The qualitative sample was drawn from the three Eastern Cape districts of East London, Grahamstown, and Libode, which are representative of urban, rural and farm schools typical in the province. The sample consisted of 150 learners, 50 being selected as representatives from each district. The study was completed in May 2006.

FET Student Choices Tracer Study

In 2003 JET conducted a survey of students in technical colleges in Gauteng, Limpopo, KwaZulu-Natal and Western Cape. A follow-up study was carried out via telephonic survey during May and June 2006, to trace students' progress after their graduation. A total of 300 students were randomly selected across the four provinces to participate in the study. The aim of the project was to gain information on graduate employability and a better understanding of why graduates make decisions the way they do.

Evaluation of READ Mother Tongue Reading Programme

In 2006, READ received a grant from the Zenex Foundation to develop a mother tongue literacy programme in isiXhosa and isiZulu for Grade 1 level, and to train Grade 1 teachers on how to use these materials. The programme was piloted in 50 schools in Eastern Cape and 50 schools in KwaZulu-Natal. JET was appointed as the external evaluator on the project.



The evaluation was conducted in October 2006 in the Queenstown and Lady Frere districts.

MIET project evaluation

In 2006 JET, in partnership with Centre for Education Policy Development (CEPD), was commissioned by the Zenex Foundation to evaluate the Education Development and Support Centres (EDSC) project in the North West Province. The project aimed to improve the quality of teaching in the Foundation Phase in two ways: first, by offering teachers from 20 schools the opportunity to complete an accredited training programme, and second, by establishing local resource centres to serve as resource and development hubs for teachers. JET was responsible for conducting the learner testing component of the evaluation. In total, 28 schools were visited for learner testing which was conducted in September 2006.

Mindset/Zenex project evaluation

The Mindset/Zenex project is another project funded by the Zenex Foundation. The aim of the project is to investigate the use of computer programmes developed by Mindset for mathematics and physical science for Grade 10 and Grade 11 learners. JET was commissioned to conduct a longitudinal evaluation over a period of two years. The baseline study was conducted in mid-2006. Learner testing of Grade 10 and 11 learners was carried out in 18 project schools and six control schools. In addition, case studies were conducted in six of the sample project schools. An interim study is planned for March 2007 and the evaluation will be completed in December 2007 with an impact study.

Mindset/AVI project evaluation

This is another Mindset project, funded by AVI. In 2006, AVI commissioned JET to conduct an evaluation of the Mindset materials in their schools. The main goal of the evaluation was to ascertain the use of this resource by the schools involved in the project. A case study approach was adopted, using three schools in Gauteng and two in the Western Cape. The project continues into 2007.

EQUIP/Xstrata Education Development project evaluation

ERD was commissioned by the National Business Initiative to evaluate the EQUIP/Xstrata Education project. This project aims to improve the quality of schooling by intervening in the areas of governance, management and teaching. Data collection was carried out in a selected sample of 20 project schools in Mpumalanga and analyses were conducted in late 2006.

Research on schooling

JET has a long history of conducting research on the fundamentals of schooling, aimed at identifying the factors in homes, schools, classrooms and the bureaucracy that result in improved teaching and learning. This work is informed partly by our project management and evaluation activities in the field of schooling, and partly by research studies explicitly designed to investigate effective practices. In April 2006 JET convened a seminar at Mont Fleur, Stellenbosch, which drew together scholars working in this field from a range of disciplines – including education, economics, statistics and psychometrics – to discuss their latest publications. The programme for the seminar, together with the papers discussed, can be found on the JET website at www.jet.org.za.

The current state of knowledge concerning the factors that improve the quality of schooling in South Africa is summarised in a paper by Nick Taylor entitled *Equity, Efficiency and the Development of South African Schools*. This is to appear in the volume **International Handbook of School Effectiveness and Improvement**, edited by Tony Townsend, due to be published by Springer early in 2007. The paper is also available on the JET website.

The next phase of this work will be carried out via the National School Effectiveness Study, a project which JET is implementing in partnership with the Department of Education. The study was launched late in 2006 with the news that the Royal Netherlands Embassy had agreed to provide funding. The project is designed as a three-year longitudinal study of the cohort of learners who are in Grade 3 in 2007, drawn from a nationally representative sample of 300 schools.



SCHOOL DEVELOPMENT AND SUPPORT

School Development and Support (SDS) continues as a core focus of JET's operations. The SDS Division strives to transform schools into centres of excellence by improving school management, teaching and learning outcomes.

The Division works with provincial departments and the national Department of Education in designing, planning and managing unique, differentiated packages of interventions, to improve learner performance, mainly in disadvantaged, poor and rural communities.

These intervention packages are targeted at:

- Provincial, district and circuit offices providing support to schools for sustainability, skills transfer and capacity building;
- Schools, from Grade R to 12, with the focus on developing leadership, management and governance and supporting curriculum delivery;
- Youths in schools, particularly from Grade 8 to 12, with the aim to develop them into responsible citizens by ensuring their competence in language, mathematics and the physical and social sciences.

Programmes are funded by government departments, business organizations and international donors. Projects managed by the Division in 2006 are summarised below.

Mveledzandivho School Support Project

Mveledzandivho, meaning 'Knowledge Creation', is a school development and support project of the



Department of Education funded by BHP Billiton through its Development Trust. It started in 2003 and ends in 2008, with a total budget of R29.9 million. It is being implemented in the provinces of Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape and North West, targeting schools from Grade R to Grade 12.

The purpose of the project is to improve the quality of learning and teaching in the 29 project schools, focusing on:

- Curriculum support in maths, science and English/language across the curriculum (numeracy & literacy for Foundation Phase);
- Support for School Management Teams and School Governing Bodies;
- Provision of basic educational resources;
- Refurbishment of schools' physical infrastructure; and
- Creation of environments conducive to learning by addressing social development issues.

Progress on the project through 2006 saw, generally, an improvement in learner performance at most schools (see Evaluation & Research Divisional Report). A total of 177 educators attended curriculum workshops. The Youth and Social Development component was successfully implemented in all provinces. Early Childhood Development (ECD) training was completed in KwaZulu-Natal and began in Mpumalanga, Limpopo and Gauteng.

Family Literacy Project

The Family Literacy Project is funded by the Liberty Life Foundation and the National Lottery Distribution Trust Fund (NLDTF). The project aims to establish a system



for improving literacy for young children in poor rural communities. It incorporates three main components:

- Training educators in the teaching of reading and writing;
- Training parents to support their children's reading activities; and
- Bridging the learning gap between schools and families.

The project is being implemented in the Eastern Cape's Cofimvaba District, reaching six schools in Mtawelanga Circuit. It will benefit 142 Grade 1 learners, their parents, educators and principals. It will run over a period of 18 months which began in June 2006, continuing to December 2007.

During the six months to end December 2006, the project was introduced via advocacy work in the district, circuit and schools. The project schools were selected by the District Office in consultation with JET, and with strong commitment from the circuit manager and respective school principals. A memorandum of understanding was signed with each school through the district office. The project has created a lot of enthusiasm and excitement in the schools and their communities as they see that it is one way to improve the quality of their lives.

Sisonke Inclusive Education Pilot Project

Sisonke is a response to the need identified by the national Department of Education (DoE) to begin a process of implementing the Human Resources Development Component of Education White Paper 6. White Paper 6 is about Special Needs Education and building an Inclusive Education and Training System.

The project is funded by SIDA (the Swedish International Development Agency) through the DoE. Project schools were chosen by the DoE. Project implementation in all provinces started in 2005, with JET as the overall managing agency. Services are delivered by a consortium of NGOs covering nine provinces.

The main focus of Sisonke is to develop a human resources strategy by raising awareness, building capacity and strengthening the pilot district offices and schools to deal with inclusive education.

The project targets full service schools and special schools which serve as resource centres, as well as their district offices. All the provincial offices are also involved in the project's implementation. At school level the

project targets the educators as well as administrative and other members of staff and school governing bodies, while at the district level it works with district based support teams.

All the planned training and on-site support visits for 2006 were completed in all provinces. Additional requests for training were received from a number of provinces and these were responded to where possible, depending on the funds and resources available.

Gauteng Education Development Trust

The Gauteng Education Development Trust (GEDT) was established in 1997 to assist the Gauteng Department of Education (GDE) to build and improve school infrastructure and to support other aspects of education development in the province. All the projects are funded by resources pooled in the Trust, from the GDE, the private sector and other donors.

JET Education Services provides administrative and financial management services to the GEDT. Just some of the projects managed by the GEDT through 2006 indicate the range of its work.

- Eight new classrooms, additional ablution facilities and a therapy building were built for Boiteko School, a special school for learners with disabilities, in a project jointly funded by GDE and Anglo Gold.
- Three full ETDP (Education Training and Development Practitioners) SETA accredited training courses were delivered to 58 Early Childhood





Development practitioners reaching more than 3 000 learners. The project was funded by the City of Johannesburg, GDE and Curriculum Development Project Trust.

- The French government funded the Education Action Zone Programme and converted one classroom at each of its 20 target schools into a specialized learning area.

Support to Education and Skills Development (SESD)

The SESD programme supported the development of FET (Further Education and Training) institutions in the areas of management and governance, curriculum development and alignment and implementation of learnerships. Implementation began in January 2003, in the Western Cape, North West and KwaZulu-Natal, working with nine FET colleges across the three provinces. Each college has between three and five campuses.

The programme also worked with the national Department of Education, Department of Labour and the South African Qualifications Authority. It was funded by the Danish International Development Agency (DANIDA) with a total budget of R100 million over three years.

JET's involvement in the SESD programme drew to a close in 2006. Over the course of the programme, colleges have been assisted to set up and operationalize Marketing and Communications functions, College-Industry Links and Student Support Units, which, in terms of the FET Act, are critical to the effectiveness of all FET colleges in South Africa.

Intsika

Intsika is a district development programme working in three districts in the Eastern Cape: Idutywa, Fort Beaufort and Grahamstown. It commenced in 2004, and is funded by SIDA and managed jointly by JET and Copenhagen Development Consultants.

The project has succeeded in improving the management of the three district offices – through improving the human resources and information technology systems. As a result, the districts are



providing increased monitoring and support services to their schools. Intsika has also had a marked effect at the provincial level, seeing the Eastern Cape Department of Education adopting a number of strategies and systems piloted through the project in all 24 districts across the province.

Khanyisa Education Support Programme

Khanyisa, a seven-year education support programme in the Limpopo Department of Education, started its fifth year on 1 April 2007. Funded by DFID (the British Department for International Development), its aim is to support the implementation of the Limpopo Education Department's strategic plan in three key areas: improving



the efficiency of management, delivery and monitoring systems; school transformation; and FET college curriculum development. The programme targets all the levels of the department, including schools, circuits, districts and province. In the 2006 financial year, two new districts and an additional 100 schools were incorporated into the project, making the total number of target schools 200.

During 2006, the school transformation model was refocused following case study investigations of the factors accounting for poor learner performance in literacy and numeracy. All 200 School Management Teams and their teachers were provided with clear guidelines on how to manage curriculum delivery for improved learner performance. Common work schedules and common assessment programmes have also been introduced, to standardise teaching and assessment across schools with the aim of improving quality and the mobility of learners within the education system. In contrast to the widespread perception that principals, teachers and district officials will reject a move to standardise curriculum management and delivery practices, the revolutionary interventions made by Khanyisa were met with a lot of excitement.

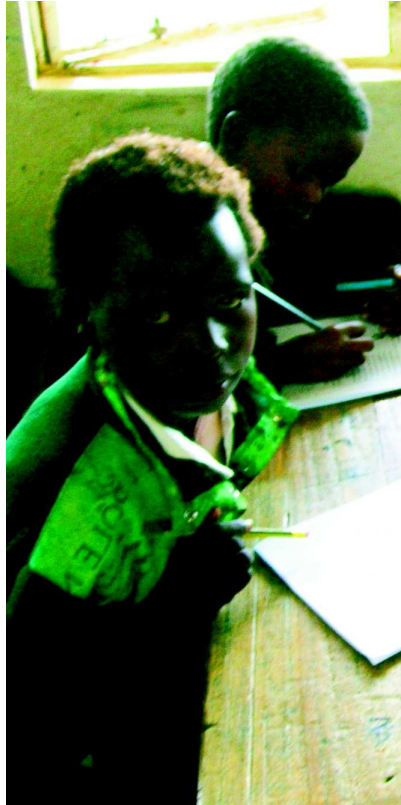
A total of £4 million is budgeted for the programme over the two years starting from July 2006.

JHC's Homework Assistance Programme

In August 2006 the Johannesburg Housing Company (JHC) approached JET Education Services to conduct a feasibility study to establish the strengths and weaknesses of its After School Homework Assistance Programme (ASHAP) and to develop ideas for modifying it.

JHC is a social housing company that was established in 1995 to deliver affordable rental housing in the inner and near city areas of Johannesburg. Community development and social sustainability are key components in JHC's mission of renewal and regeneration of the Johannesburg inner city. In 2004 JHC established its former community development department as Makhulong a Matala, a wholly owned subsidiary of the company. One of Makhulong's activities is the Homework Programme.

The programme was developed in consultation with parents, the Gauteng Department of Education, the University of Witwatersrand's School of Education and other stakeholders. It is aimed at assisting schoolchildren (Grades 1 to 7) who live in JHC buildings with their homework. Many parents work late and do not have sufficient time to help their children with homework. The programme is intended to help children perform well in school.



ASHAP is run in five Homework Centres in JHC buildings. JET interviewed people at all the centres, including: Homework Centre Facilitators; Tutors; Children using the Homework Centres and their parents; Children not using the Homework Centres and their parents; Principals of schools attended by these children; and personnel at the Wits School of Education.

The general findings, which were reported to Makhulong a Matala, strongly support the continuation of the Homework Assistance Programme.

NDoE-DFID Support Programme

The NDoE-DFID Programme is a national education support programme of the Department of Education which started in April 2002 and ends in March 2007. It is funded by DFID with an amount of £4.5 million, provided in the form of an 'accountable' grant that is administered by JET.

In addition, JET has been providing technical and administrative services to the national Department of Education through monthly meetings.

The programme assists with a range of interventions in the life skills sector, Council for Higher Education, Higher Education and Further Education and Training sectors. It also assists in the development of learning and teaching support materials and whole school evaluation.

During 2006 the programme focused on: designing a Teacher Development In-service course; developing learning and teaching support materials; working with merger units in the HET and FET sectors and the launch of SAUS; and the reform of technical colleges.



WORKFORCE DEVELOPMENT

The Workforce Development Division (WFD) was established in 2001, with funding from the Ford Foundation, to provide the South African workforce with innovative learning options. In support of the larger vision of JET, WFD seeks to:

- Provide access to quality learning opportunities for all South African workers;
- Contribute to sustainable livelihoods for workers and their communities;
- Use education and training to empower workers, enabling them to deal with change and give full effect to their citizenship.

WFD has built a strong model for skills and economic development, which is flexible enough to respond to the changing needs of workers and clients. The matrix of services and courses offered by the Division is designed to ensure its interventions have a lasting impact.

WFD offers workforce development, capacity building and advisory programmes aimed at enhancing organizational growth and maximizing clients' returns on investment in training. WFD's work is located within the context of the country's skills development imperatives, taking account of ASGISA (South Africa's Accelerated and Shared Growth Initiative), the framework of the Sector Education and Training Authorities (SETAs) and the Further Education and Training (FET) sector as a whole.

WFD offers the following services and courses.

SERVICES

- Project Management
- Skills Audits
- Management of retrenchments
- Assessment and Moderation
- Material Development
- Accreditation Process

COURSES

- Work Ethics and Customer Service
- Change Management
- Team-Building and Development
- RPL and Assessor Training
- Returning to Learning (Dipaakanyo)
- Personal Money Management

Projects undertaken in 2006 are summarised below.

Municipal Support Project (MSP)

The municipal level of government is key to the delivery of services to all South Africans. Yet, as in all other spheres of the civil service and the economy, the acute skills shortage is inhibiting growth and development. In order to address this problem at the municipal level, government initiated Project Consolidate in 2004 – to provide a targeted hands-on support and engagement programme to build the capacity of municipalities to perform their mandate. At the same time, Project Consolidate is intended to initiate a complementary process of systematic refinement of policy on fiscal and institutional matters that will streamline the operations of the local government system over the long term.

JET's Municipal Support Project began in 2005, when WFD provided training in work ethics and money management to staff at targeted municipalities in three provinces – North West, Northern Cape and Free State.

Phase 2 of the MSP continued from April 2006 and, over the course of the year, extended its reach to municipalities in a further four provinces – KwaZulu-Natal, Limpopo, Mpumalanga and Gauteng.

This project was wholly funded by the Ford Foundation and supported by both the national Department of Provincial & Local Government and the Local Government SETA.

The training programme encompassed: Ethics and Service Delivery, Strategic Planning and Management, and Change Management.

Some of the municipalities reached through this programme in 2006 were: Ethekwini District Municipality; Fezile Dabi District Municipality; West Rand District Municipality; Msunduzi Municipality; Vhembe District Municipality.

Evaluation reports from the municipalities indicate that the MSP assisted over 600 local government officials.

Ford Motor Company Social Plan

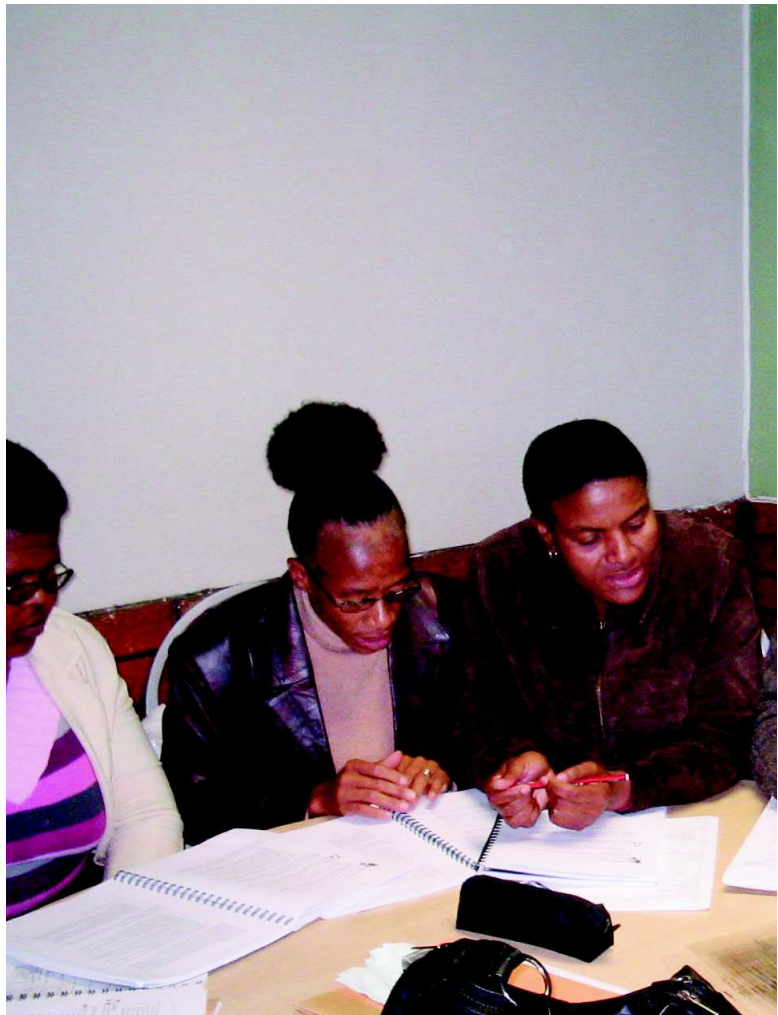


This project, an initiative of the Ford Motor Company of Southern Africa, sought to assist workers affected by 'right-sizing' to gain skills and knowledge that would help them either to re-enter the formal labour market or to engage in alternative income-generating activities.

WFD was retained to provide a project management and monitoring service and, in particular: a workshop to prepare retrenched workers for further learning; individual advising sessions to help workers develop their own training and income-generation plans; and to place workers into learning programmes.

In 2006, as the project drew to a close, activities were mainly focused on monitoring training providers, monitoring quality assurance of the training programmes, and ensuring all concluding reports were completed.

This project was partly funded by the Ford Foundation, which paid for project management costs, while the costs for training and the Dipaakanyo Returning to Learning workshops were covered by the Work Security Fund, an automotive sector fund set up to assist workers in cases of retrenchments.



Mpumalanga Department of Labour/ Expanded Public Works Programme

This project arises out of government's national Expanded Public Works Programme (EPWP), an initiative aimed at creating employment opportunities and building basic skills through short-term, labour-intensive programmes mainly in the field of public infrastructure development. The Department of Labour in Mpumalanga requested WFD to assist it in providing life skills training to prepare unemployed youth to take up the opportunities introduced by the EPWP in the province.

The training programme prepared by WFD addressed the following life skills:

- Applying self-knowledge to make life decisions (3 days course)
- Investigating work opportunities to make personal career/employment decisions (2 days)
- Knowledge of issues relating to HIV/AIDS (3 days)
- Planning and managing personal finance (2 days).

The training programme was spread over 10 weekdays and was delivered mostly in rural areas of Mpumalanga. All participants in the programme received stipends as required by the guidelines for the programme.

WFD conducted 13 workshop sessions benefiting 180 people in total. However, the project presented some serious challenges relating to: the low, fixed course prices prescribed by the Department of Labour; the burdensome administrative requirements of the Department; lower than expected turn-up numbers at training workshops; and low levels of literacy among participants. These challenges are to be addressed as the project continues into 2007.

Sasseta's Military Veterans Project

The SASSETA Military Veterans Project is an initiative of the Safety and Security SETA and is funded by the National Skills Fund. The project seeks to improve the lives and employment opportunities for military veterans (MVs) by providing them with:

- Adult Basic Education and Training



- Returning to Learning workshops and counselling
- Non-Technical Skills Training
- Technical Skills Training
- Training in SMME Development.

The project will also assist MVs with work placements in a bid to help them develop their newly acquired skills and enable them to gain experience.

WFD was contracted to facilitate the Return to Learning/Dipaakanyo component of the project. This intervention is set to benefit 1 000 ex-combatants from the three former military formations – APLA, MK and AZANLA. The broader objective of the project is to assist the military veterans to integrate into the society and access work and/or self-employment opportunities in the areas where they live.

Through 2006 WFD trained 210 MVs in locations as widely spread as Thohoyandou in Limpopo, Cape Town in the Western Cape, Bloemfontein in Free State and Soweto in Gauteng. This R1.6 million project continues to July 2007.

Mbizana Local Municipality

This project was initiated and funded by the Mbizana Local Municipality to develop and implement an Employee Assistance Programme and improve capacity

of staff in the municipality. It is aimed at addressing challenges encountered in the Corporate Services department in dealing with issues such as: substance abuse problems, absenteeism, demotivated staff, depression and conflicts between management and staff.

WFD was asked by the municipality to assist in developing a programme that could turn things around to improve staff performance and service delivery. WFD began with fact finding consultations with key staff members and stakeholders. These sessions included meetings with the Mayor, trade unions, representatives of departments, and Section 57 managers. Out of this process, reports were prepared identifying key areas requiring attention and workshops were implemented accordingly. Through these various workshops:

- Section 57 managers were taken through planning and management techniques, human resources management and managing staff relations;
- Over 100 staff members were trained in ethics and service delivery and personal money management; and
- Corporate Services was assisted to develop and deliver Employee Assistance services to its staff members.

This project continues into 2007.





Lesedi La Sechaba

Lesedi la Sechaba is a non-profit organization that was formed in 1999 by a group of women living in the East and West Rand of Gauteng. Over time it has grown into a more formal business operation that today employs 13 women and has an arts and crafts factory, providing facilities for women to engage in beading and sewing activities and to sell their products. WFD is involved with Lesedi la Sechaba in a project funded by the Kellogg Foundation, with a sum of \$321 714. It is aimed at assisting the business to build its sustainability to secure an income for the members beyond the project funding period and over the longer term.

The WFD intervention is focused on: skills development, strategic planning, business development and marketing, and providing assistance with setting up financial management and control systems. Funding also provides for the purchase of business equipment, including computers.

The project continues to 2008.



Transformation in Agricultural Training

This project, aimed at Improving the Capacity of Agricultural Training and Education – ICATE, was initiated in response to transformation in the agricultural sector. Government has set a target of 30% of agricultural land to be in the hands of black owners by the end of 2014. Its Agricultural Education and Training strategy looks to the agricultural colleges to deliver appropriate, accredited training courses that will support the development of black farmers and empower them to participate in the commercial farming economy. Hence, significant change is required within the colleges and their curricula, to respond to the needs of emerging black farmers.

The Netherlands organization for international cooperation in higher education (NUFFIC) initiated the ICATE project in support of the required transformation in South Africa's agricultural colleges, with funding of three million Euros over three years, starting in 2006.

The project is working with four of the country's eleven agricultural colleges, in KwaZulu-Natal, Limpopo, Mpumalanga and North West, to strengthen capacity, implement appropriate curriculum changes, and support effective change management. It is managed by the Netherlands-based Wageningen International, an

international consortium which involves the Management Development Foundation (MDF), the training institution PTC+, and Larenstein International College of Agriculture. JET is contracted as the local collaborative partner for the project.

The first phase of the project in 2006 dealt with a needs assessment of the four colleges, involving visits to the colleges and consultation with the college principals and appointed project managers. Subsequent planning determined the scope of the interventions required and what these interventions would entail, allowing for variations to suit the needs of individual colleges. Further phases of the project, being implemented through 2007 and 2008, will see the roll out of the programme, addressing issues such as:

- FET curriculum development to suit new learning and training needs;
- A review of colleges' existing learning materials and development of new materials;
- Links of existing and new courses to FET unit standards to ensure accreditation;
- Introduction of bridging courses;
- Development of RPL (Recognition of Prior Learning) policy and practice;
- Team building workshops; and
- Change management training.



COMMUNITY-HIGHER EDUCATION SERVICE PARTNERSHIPS

Since the start of the Community-Higher Education Service Partnerships (CHESP) Project in 1999, its focus has been to support the development of pilot community engagement (CE) initiatives at a number of higher education institutions (HEIs) in South Africa, to monitor and evaluate these initiatives, and to use the data generated through this process to influence higher education (HE) policy and practice at a national, institutional and programmatic level. This involved conducting audits of CE, developing policies and strategies, building human resources capacity for CE and developing academic programmes that include CE. Specific activities during 2006 focused on:

- support for the development of academic courses that include CE;
- building the capacity of academic staff to include CE in their curricula;
- the development of publications to advance CE in all South African HEIs; and

- co-hosting the first national conference on CE in HE in SA with the Higher Education Quality Committee (HEQC) of the Council on Higher Education (CHE).

Support for the Development of Academic Courses

Support for accredited academic courses that include the pedagogy of CE (i.e. service-learning) has been one of the key activities of the CHESP Project since 2001 (see Table 1 & 2). To date JET has supported 234 accredited academic courses that include CE. Together these courses involved more than 8 000 students across 39 different academic disciplines in 11 HEIs. Social issues addressed through these courses have included: child and adolescent development; dental technology; entrepreneurship; environmental education; HIV and AIDS; human rights; information technology; job creation; literacy; local government; rural development; school





Table 1: Service-Learning courses supported by JET per HEI and year

Higher Education Institution	YEAR						TOTAL
	2001	2002	2003	2004	2005	2006	
Central University of Technology				7	7	5	19
Cape Peninsula University of Technology				7			7
University of Johannesburg				5			5
University of Cape Town				6	6		12
University of the Free State	12	18	4	8		7	49
Walter Sisulu University	4	7	6	5			22
University of KwaZulu-Natal	17	21	2	1			41
University of Pretoria					8		8
University of Stellenbosch					9	5	14
University of the Western Cape	2	6	9	7	5		29
University of the Witwatersrand	5	15	6	2			28
TOTAL	40	67	27	48	35	17	234

Table 2: Service-Learning courses supported by JET per HEI and student level

Higher Education Institution	STUDENT LEVEL					TOTAL
	1 st year	2 nd year	3 rd year	4 th year	Masters	
Central University of Technology	25	83	199	10		317
Cape Peninsula University of Technology	175	140	60	61		436
University of Johannesburg				542		542
University of Cape Town			120	259	101	480
University of the Free State	864	522	576	549	232	2743
Walter Sisulu University	241	144	322	151		858
University of KwaZulu-Natal	196	182	477	106	32	993
University of Pretoria		30		146	30	206
University of Stellenbosch		36	130	107		273
University of the Western Cape			51	567	18	636
University of the Witwatersrand	76	187	204	93	40	600
TOTAL	1577	1324	2139	2591	453	8084



improvement; skills development; small business development; sport and recreation; sustainable construction; substance abuse; crime reduction and violence. During 2006 JET supported 17 new courses.

Building the Capacity of Academic Staff for Community Engagement

Since the start of CHESP, JET has convened an average of two national workshops per year to assist HEIs with the conceptualization of CE initiatives. Generally, the focus of these workshops is determined by the expressed needs of participating HEIs. During the past three years, JET used these workshops to train at least two academics from each of twelve different HEIs, to conceptualize and implement a one-semester service-learning capacity building programme (SLCBP) for academic staff at their institutions. In most instances, the participants were nominated by the Deputy Vice-Chancellors of the universities as the people designated with the institutional responsibility for building capacity for service-learning (SL). During 2005 and 2006, JET supported the implementation of SLCBPs at eight HEIs, involving more than 50 academic staff.

In July 2006 JET hosted the first national service-learning capacity building workshop to which all 23 of the country's public HEIs were invited. Indicative of the growing interest in SL, at least two representatives from each institution participated in the workshop. The purpose of the workshop was to launch two publications on CE and SL, to introduce participants to a cadre of human resources expertise developed through the CHESP Project, and to assist participants to use these publications and expertise to advance CE and SL at the

institutions where they work. The workshop was facilitated by Professor Kathy Stacey (Eastern Michigan University) and Dr Tim Stanton (Stanford University). As a result of this workshop JET has received numerous requests from HEIs across South Africa to assist with the conceptualization and implementation of CE and SL.

In December 2006 JET convened a national workshop for all the Quality Managers in South African HEIs. The objective of the workshop was to explore ways in which HEIs in Australia and SA were approaching the quality management of CE. The workshop was facilitated by Professor Geoff Scott from the University of Western Sydney.

During 2006 JET supported the development of accredited SL modules within the graduate Higher Education Studies programmes offered by the University of the Free State and the University of Pretoria. Although these modules are part of a Graduate Programme, they are also being used to build the capacity of academic staff who want to include SL as a teaching methodology. JET is currently exploring the possibility of using these modules to train people from other HEIs in SA who have the responsibility for SL capacity building at the institutions where they work.

Publications

In June 2006 JET published two books in collaboration with the Higher Education Quality Committee (HEQC) of the Council on Higher Education (CHE). The first book, entitled *A Good Practice Guide and Self-evaluation Instruments for Managing the Quality of Service Learning*, was based on the monitoring and evaluation of academic programmes supported by CHESP between 2001 and 2004. Given the inclusion of SL in the HEQC's institutional audit and programme accreditation criteria, the purpose of this book is to assist HEIs to manage the quality of SL at an institutional, faculty, programme and course level. The book includes sections on:

- The HEQC's quality assurance system
- Community engagement and service-learning
- Indicators for the good practice of SL
- Institutional arrangements for managing the quality of SL and
- Self-evaluation instruments to manage the quality of SL.

The second book, entitled *Service Learning in the Curriculum: a Resource for Higher Education Institutions*,



Dr Tim Stanton from Stanford University assists with Service Learning workshops



was designed to assist HEIs to build the capacity of academic staff to include SL into their curricula. This book was co-authored by a number of people who have participated in the CHESP capacity building initiatives over the past few years and who used their knowledge and experience gained through this process to write the book. The book includes sections on:

- National HE Policies pertaining to CE and SL
- A Theoretical and Conceptual Framework for SL
- An Integrated Curriculum Model for SL: Design and Implementation
- SL in the Curriculum: Reflection, Assessment and Evaluation
- Partnership Development for SL
- Risk Management and Agreements for SL
- SL in Practice
- Institutionalisation of SL and
- Managing and Enhancing the Quality of SL.

Both books are available from the CHE or on the CHE (www.che.ac.za/publications) and CHESP (www.chesp.org.za) websites.

During 2006 CHESP worked on a third publication entitled *Service Learning in the Curriculum: Lessons from the Field*. This publication is a collection of 14 academic course case studies which illustrate the implementation of SL in various academic disciplines. It will be published as a joint HEQC / JET initiative and is due to be released early 2007.

National Conference on Community Engagement in Higher Education

In September 2006 the HEQC and JET hosted the first South African conference on Community Engagement in Higher Education. Speakers included Naledi Pandor, Minister of Education, Ebrahim Rasool, Premier of the Western Cape, Helen Zille, Executive Mayor of Cape Town, and Vice-Chancellors and CE scholars from Ghana, India, Mexico, South Africa, the UK and the USA. The conference was attended by more than 200 delegates representing all 23 public and a number of private higher education institutions in South Africa, community and business leaders, and local authority officials.

The overarching goal of the conference was to promote an enabling environment for the conceptualization, implementation and quality management of CE in South

Helen Zille, Executive Mayor of Cape Town, welcomes delegates to the CHE-HEQC/JET-CHESP conference on Community Engagement in Higher Education



Africa's higher education sector. Specific goals included:

- Promoting dialogue among senior academics and local authority/ community/ business leaders regarding regional socio-economic development through teaching, learning and research;
- Exploring the implications of CE for governance and management in HEIs;
- Exploring the potential of partnerships as a vehicle for CE;
- Exploring the potential of CE in teaching and learning;
- Exploring the potential of CE through research;
- Identifying the enabling mechanisms for and key challenges to CE;
- Identifying critical issues for managing the quality of CE; and
- Identifying strategies and developing recommendations for the implementation of CE in South African higher education.

The conference proceedings including papers presented at the conference and concurrent workshop reports are available from the CHE (www.che.ac.za/publications) and CHESP (www.chesp.org.za) websites.



FINANCE AND ADMINISTRATION

As well as managing JET's finances and administration, this Division takes responsibility for accounting for external projects. The Finance and Administration Division therefore works with all other divisions in the company; it is involved in each project managed by JET Education Services and deals with all donors that work with JET.

Financial management services for external projects include: fund holding and management, preparation and monitoring of project budgets and related expenditure, and the production of Project Management accounts. The Division also handles the preparation of contracts with project service providers, administration of project logistics (where necessary and as requested), the preparation of project procedure manuals, and recruitment services for projects when required. It is responsible for managing and coordinating external audits on projects where these are required.

A Public Benefit Organization

Jet Education Services is approved by the South African Revenue Service (SARS) as a Public Benefit Organization with Tax Exemption under section 30 and 10(1)(cN) and 18A(1)(a) of the Income Tax Act.

JET operates as a non-profit organization recouping its costs according to the services it is contracted to provide on individual projects that are funded, or specifically commissioned, by donor agencies, government, non-governmental organizations or private sector institutions. Where recoveries exceed costs, JET uses its income to invest in strengthening and growing its organizational capacity and pursuing public benefit activities.

For the financial year ended December 2006, the Operations of the organization as a whole recorded a

PROJECT FUNDS ADMINISTERED	DONORS	TOTAL PROJECT VALUE
Community-Higher Education Service Partnerships (CHESP)	Ford Foundation and JET	R 16 million
Integrated Education Programme (IEP)	USAID	USD 24 million
Gauteng Education Development Trust (GEDT)	Gauteng Department of Education	R 65 million
National Department of Education Support Programme	Department for International Development	GBP 4.5 million
Khanyisa Education Support Programme	Department for International Development	GBP 8 million
Support to Education and Skills Development (SESD)	Danish International Development Agency	D Kroner 100 million
Workforce Development	Ford Foundation	USD 1.5 million
Intsika Eastern Cape	Royal Swedish Embassy (SIDA)	SEK 12 million
Mveledzandivo School Support Project	BHP Billiton Development Trust	R 29.9 million
Sisonke Inclusive Education Pilot Project	National Department of Education	R 24 million
Municipal Support Project	Ford Foundation	R 1.9 million
Family Literacy Project	National Lottery Board and Liberty Life Foundation	R 0.85 million



surplus of R3.6 million (R0.1 million in 2005). The past year was one of consolidation, following a very difficult year in 2005.

A summary of project funds administered by JET through 2006 is presented in the table on page 20. The project value shown in the table reflects total funding over the full term of each project.

The Joint Education Trust

The Joint Education Trust, the agency that was set up by the Private Sector Initiative (PSI) in 1992 and that led to the formation of JET Education Services, was wound up during the course of 2006. The residual Trust funds were disbursed to JET Education Services, as agreed to by the Board of Trustees in line with the objectives of the Trust. As the Trust has been wound up this Annual Report does not incorporate a separate set of abridged financial statements for the Trust.

New and ongoing projects in 2006

The respective Divisional sections of the Annual Report cover all the continuing and new projects of 2006. Projects for which JET provided financial management services are noted below.

The Finance and Administration Division continued to render financial support services to JET's **Community-Higher Education Service Partnerships (CHESP)** project which has been ongoing since 1999.

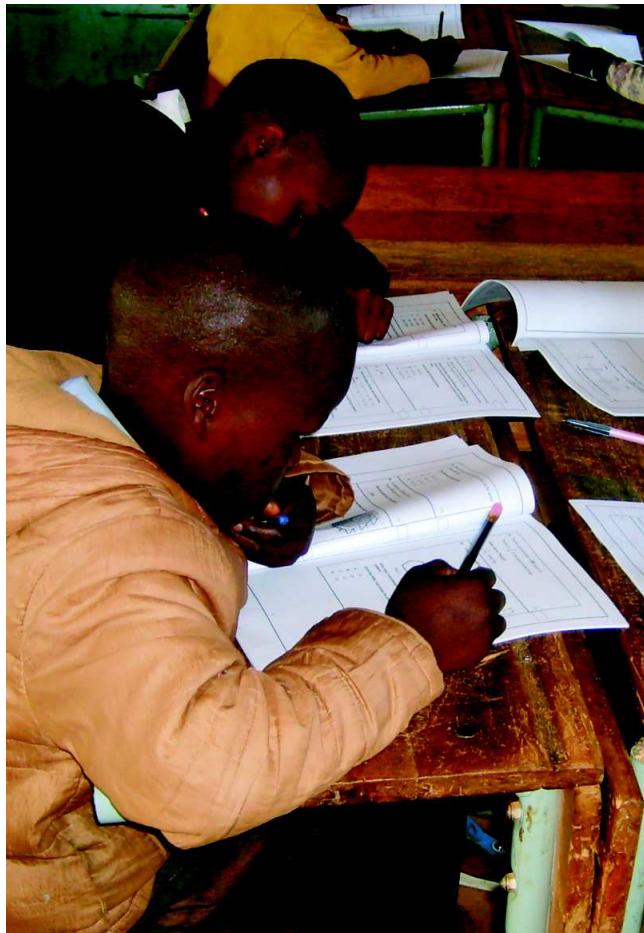
JET continued to provide financial management services for the **Integrated Education Programme** which is funded by the US Agency for International Development (USAID). This is a school development programme working with close to 700 schools in four provinces –

Limpopo, KwaZulu-Natal, Northern Cape and Eastern Cape.

Financial and administrative support was provided to the **Gauteng Education Development Trust**, in line with the annually renewable contract between the GEDT and JET.

Financial management services were rendered to the **National Department of Education Support Programme**, funded by DFID in the amount of 4.5 million Pounds. The programme focuses on interventions in the life skills sector, Council for Higher Education and Further Education and Training sector.

Khanyisa Education Support Programme, funded by DFID, entered its fourth year of implementation. Financial management for this programme continued during 2006. The contract, initially for the project's first three years, has been extended to June 2008.



The **SESD** programme, funded by DANIDA, entered its fourth year during 2006 with an accelerated rate of activity. JET's initial contract expired on the 31 December 2006 and was extended until 31 March 2007. The programme is now scheduled to run through to December 2008 and a new fund holder has been appointed from April 2007.

JET's Workforce Development Division (WFD) entered into a joint venture with the National Peace Accord to train 1 000 military veterans for a project that is funded by the **Safety and Security SETA (SASSETA)**.

WFD is also working with the crafts and skills development company **Lesedi la Sechaba**, with the aim of building the organization's internal capacity to support its longer term sustainability. This project is funded by The Kellogg Foundation with a sum of US\$321 700 over a three-year period.



The **Intsika** project, funded by the Swedish government through SIDA, began in 2004 and continued through 2006. Focused on improving district management, capacity, systems and services in three districts in the Eastern Cape, it has been extended to September 2007.

Mveledzandivho School Support Project, funded by the BHP Billiton Development Trust, saw total spending during 2006 of some R5.2 million, out of the total programme budget of R29.9 million. The programme continues to December 2008.

In 2005 JET won the tender from the national Department of Education for the **Sisonke Inclusive Education Pilot Project**, with a contract value of R24 million from March 2005 to March 2007. The project relates to the preparation of a human resources development strategy for Inclusive Education. The main components are research and training in selected districts and schools. This project is currently being reviewed for possible extension to July 2007.

WFD continued its work on the **Municipal Support Project** which began in 2005 and in 2006 was extended to reach municipalities in other provinces. This project is funded by the Ford Foundation.

The **Family Literacy Project** in the Eastern Cape was funded by the National Lottery Distribution Trust Fund with a sum of R301 000 for 2006. A similar amount is



earmarked for 2007. A further donation of R250 000 was received from the Liberty Life Foundation for this project.

Corporate Governance

JET Education Services continues to place strong emphasis on good corporate governance. This is evidenced by the company's sound financial management practices, clear structures of reporting and accountability, and by the composition of the Board of Directors and its sub-committees. The Board of Directors is comprised of three executive directors and ten non-executive directors, one of whom is the Chair of the Board.

The JET Board meets quarterly and retains full control over the company's business. It monitors the executive management through a structured approach to reporting and accountability. The Board is supported by two sub-committees: the Finance and Audit Committee and the Remuneration Committee.

Finance and Audit Committee

The Finance and Audit Committee meets at least four times during the year. The main issues dealt with by the Audit Committee include:

- Reviewing and analysing the Annual Financial Statements and recommending them to the Board for approval;
- Reviewing and analysing the year-ahead business plans and recommending them to the Board for approval;
- Meeting external auditors, reviewing and approving their annual audit plans and fees;
- Reviewing the Risk Management Policies of the company and recommending adjustments if appropriate.

Remuneration Committee

The Remuneration Committee, appointed by the Board, meets once during the year with a charter to:

- Review annual remuneration increases in line with market trends;
- Review the level of the merit and bonus award structure;
- Review the Performance Management System.

The reviews are presented to the Finance and Audit Committee for recommendation to the Board.



Board of Directors Non-Executive

Mr Jeremy Ractliffe (Chairman)
 Prof Brian Figaji
 Prof Nqabomzi Gawe
 Mr Nathan Johnstone (appointed 30 November 2006)
 Ms Margie Keeton (resigned 23 January 2007)
 Ms Marianne MacRobert (appointed 30 November 2006)
 Mr Nigel Mathews (appointed 30 November 2006)
 Mrs Angie Phaliso
 Mr Mike Rosholt
 Mr Jim Wotherspoon

Executive

Dr Nick Taylor
 Ms Saeeda Anis-Prew (resigned 30 November 2006)
 Mr Deon C Smith (appointed 6 April 2006)

Employment Equity

JET has submitted its Employment Equity Plan to the Department of Labour. The company's employee profile, at all levels, continues to mirror the demographics of the country. This is supported and maintained by JET's established employment equity recruitment plan and by training and development of current staff to suit both the company's requirements and individual growth needs.

Employment Equity Profile

		Female	Male	Total
Board of Directors	Black	2	2	4
	White	2	4	6
Senior Management	Black	2	2	4
	White	1	2	3
Other Professional	Black	6	7	13
	White	2	1	3
Support Staff	Black	17	2	19
	White	1	1	2
Total	Black	27	13	40
	White	6	8	14

Broad-Based Black Economic Empowerment-Codes of Good Practice

JET is fully compliant with the BB BEE Code which came into effect on 9 February 2007. As a section 21 company and a Public Benefit Organization, with an income not exceeding R35 million, JET is categorised under the Generic Scorecard. Accordingly, we will follow the Adjusted Qualifying Small Enterprise scorecard as per code 000 statement 004 that requires us to comply with four of the six elements listed below.

Our BB BEE policy is based on the following six pillars of empowerment and JET intends making a meaningful contribution to each pillar, in line with the targets.

- Management
- Employment Equity
- Skills Development
- Preferential Procurement
- Enterprise Development
- Socio-Economic Development

The scorecard below was produced using our own information and based on 2006 data. In our opinion, it is substantially correct.

JET Scorecard – 2006

Element	Points Available	Points Scored
Management	27	26.95
Employment Equity	27	25.00
Skills Development	25	13.25
Preferential Procurement	25	11.88
Enterprise Development	0	Not chosen
Socio-Economic Development	0	Not chosen
Total	100	77.08

A score of 77.08 places JET as a **Level 3 Contributor**.



REPORT OF THE INDEPENDENT AUDITORS

We have audited the annual financial statements of JET Education Services for the year ended 31 December 2006, an extract is set out on this page. This extract of the annual financial statements is the responsibility of the company's directors. Our responsibility is to express an opinion on this extract of the annual financial statements based on our audit.

Companies Act in South Africa. We confirm that an unqualified audit report was issued on these annual financial statements.

We confirm that this extract has been properly compiled from the annual financial statements of Jet Education Services for the year ended 31 December 2006. These annual financial statements have been prepared in accordance with statements of Generally Accepted Accounting Practice, and in the manner required by the

GOBODO INCORPORATED 7 May 2007
Registered Accountants and Auditors
Chartered Accountants (SA)
1st Floor, Block B
Empire Park, 55 Empire Road
Parktown, Johannesburg, 2001

JET EDUCATION SERVICES

(Association incorporated under Section 21)

ABRIDGED INCOME STATEMENT

For the year ended 31 December 2006

	2006			2005		
	R Projects	R Operations	R Total	R Projects	R Operations	R Total
INCOME						
Funds Received	74 355 395	2 071 570	76 426 965	69 628 457	-	69 628 457
Interest Received	1 089 169	1 922 455	3 011 624	1 136 878	1 681 654	2 818 532
Management Fees	-	11 303 529	11 303 529	-	12 658 115	12 658 115
Share of Profits	-	4 092 463	4 092 463	-	899 393	899 393
Other Income	205 580	-	205 580	27 259	-	27 259
Total Income	75 650 144	19 390 017	95 040 161	70 792 594	15 239 162	86 031 756
EXPENDITURE						
Administration and Office Expenditure	807 411	15 782 687	16 590 098	792 685	15 163 112	15 955 797
Project Disbursements	67 768 894	-	67 768 894	72 040 619	-	72 040 619
Total Expenditure	68 576 305	15 782 687	84 358 992	72 833 304	15 163 112	87 996 416
Net Surplus (-deficit) for the year	7 073 839	3 607 330	10 681 169	(2 040 710)	76 050	(1 964 660)
Transfer from project reserves	-	-	-	(450 604)	28 726	(421 878)
Net Surplus (-deficit) at end of year	7 073 839	3 607 330	10 681 169	(2 491 314)	104 776	(2 386 538)



JET EDUCATION SERVICES

(Association incorporated under Section 21)

ABRIDGED BALANCE SHEET

at 31 December 2006

	2006			2005		
	R Projects	R Operations	R Total	R Projects	R Operations	R Total
ASSETS						
Property, plant & equipment	-	90 576	90 576	-	156 199	156 199
Current Assets	46 097 385	32 244 917	78 342 302	38 995 539	28 332 722	67 328 261
Cash and cash equivalents	33 996 893	18 532 115	52 529 008	31 299 428	19 603 070	50 902 498
Accounts/Project Receivables	12 100 492	13 712 802	25 813 294	7 696 111	8 729 652	16 425 763
Total Assets	46 097 385	32 335 493	78 432 878	38 995 539	28 488 921	67 484 460
EQUITY AND LIABILITIES						
Reserves	35 619 619	26 511 677	62 131 296	28 545 780	22 904 347	51 450 127
Funds held for projects	35 619 619	-	35 619 619	28 545 780	-	28 545 780
Accumulated funds	-	26 511 677	26 511 677	-	22 904 347	22 904 347
Current liabilities	10 477 766	5 823 816	16 301 582	10 449 759	5 584 574	16 034 333
Accounts payable	10 477 766	5 823 816	16 301 582	10 449 759	5 584 574	16 034 333
Total equity and liabilities	46 097 385	32 335 493	78 432 878	38 995 539	28 488 921	67 484 460

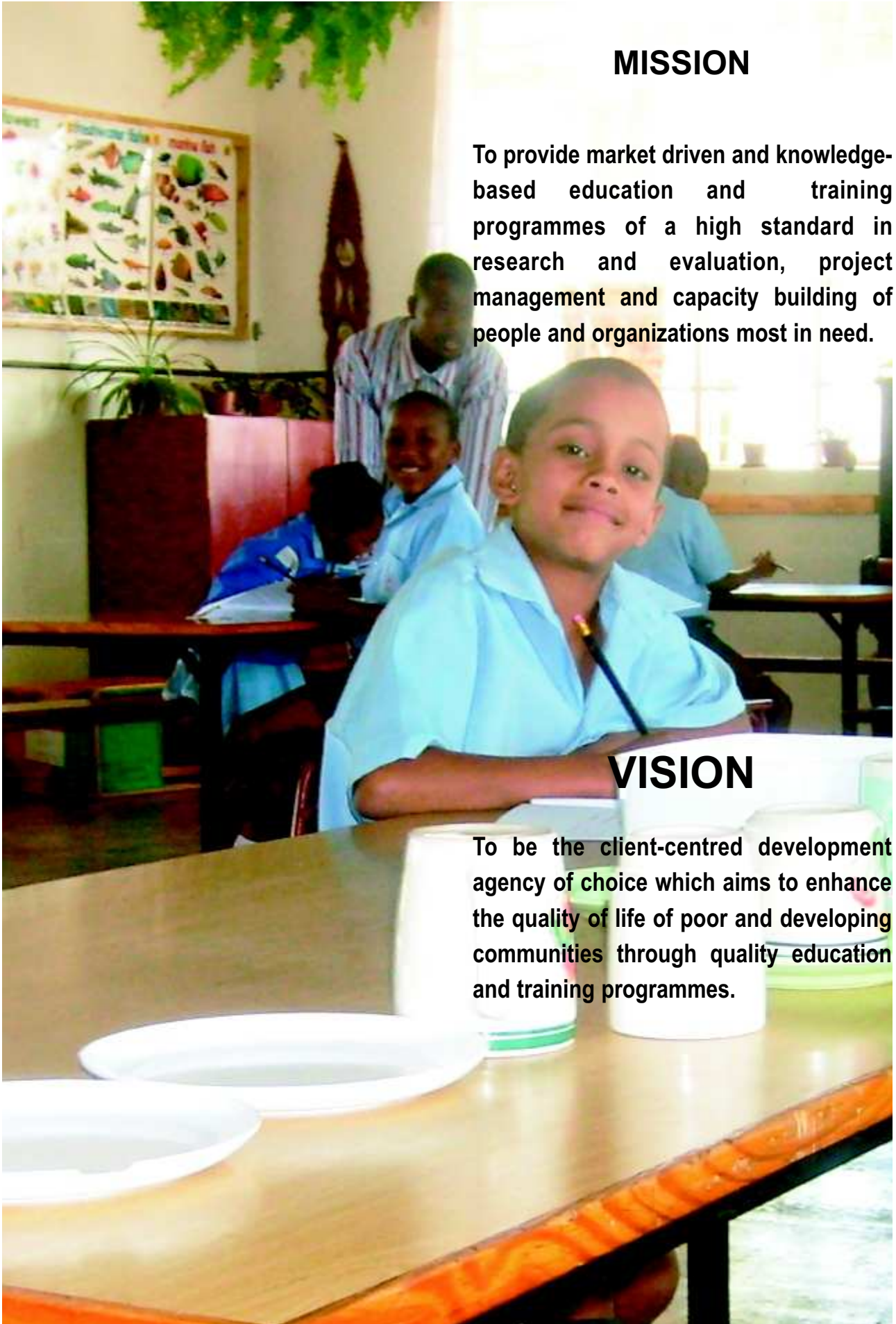


MISSION

To provide market driven and knowledge-based education and training programmes of a high standard in research and evaluation, project management and capacity building of people and organizations most in need.

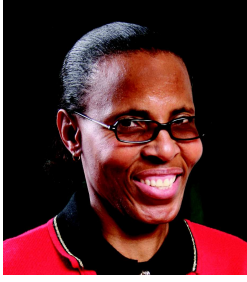
VISION

To be the client-centred development agency of choice which aims to enhance the quality of life of poor and developing communities through quality education and training programmes.



JET HEAD OFFICE STAFF

The following staff member's picture was not available at the time of going to print:
Ms Roshan Seedat, Bookkeeper



Tebogo Kibe
Accounts Clerk



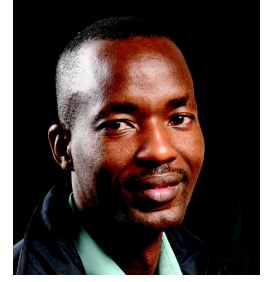
Jabu Simelane
Administrator



Gavin Kelly
Senior Project Manager



Maureen Mosselson
Librarian



Nkululeko Dube
Bookkeeper



Saeeda Anis-Prew
Programme Director



Denise Barry
Senior Project Manager



Selby Xinwa
Project Manager



Thelma Dibakwane
Administrator



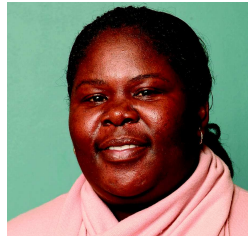
Buyi Diba
Records Clerk



Phumzile Dhludhlu
Senior Administrator



Thoko Jali
Accounts Clerk



Ruth Magoro
Administrator



Dina Mashamaite
Divisional Manager



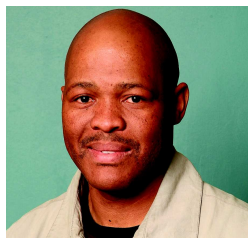
Debbie Mogorosi
Receptionist



Elizabeth Koaho
Accounts Clerk



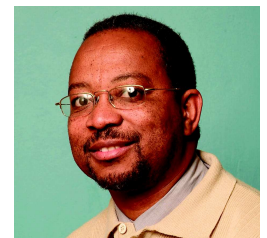
Thabo Mabogoane
Senior Statistician



Letshego Mokeki
Divisional Manager



Cynthia Moeng
Project Officer



Alec Ngwenyama
Accountant



Aneasha Mayet
Project Manager



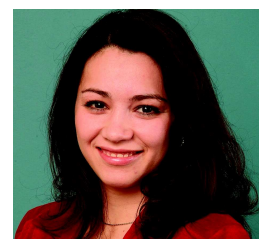
Peter Verbeek
Project Manager



Ngoni Nyambuya
Project Statistician



Maureen Otto
Project Accountant



Carla Pereira
Divisional Manager



Deon Smith
Finance Director



Nevina Smith
Project Manager



Nick Taylor
CEO



Kathy Tracey
PR Manager



Hawa Hoosen
HR Manager