

PROJECT POLICY

1. OVERVIEW

The aim of this document is to outline the guiding principles that govern the funding by CETA of strategic projects.

2. CONTEXT

The objective of this policy is to ensure the efficient and effective management and disbursement of project funds, with an ongoing evaluation of the achievement of these and strategic skills development goals of the sector as identified in the Sector Skills Plan.

3. OBJECTIVES

Within the objectives of efficient and effective management and disbursement of funds the policies of CETA are:

- ◆ To ensure that all projects have clearly and effectively communicated goals and guidelines.
- ◆ To ensure that all proposals are recorded, evaluated and processed timeously and efficiently.
- ◆ That all projects embarked upon have sufficient evidence of feasibility in the achievement of the stated goals.
- ◆ That all projects are continually reviewed and evaluated.
- ◆ That the funding requirements are not for current capacity maintenance or capital expenditure.
- ◆ That all expenditure relating to grants complies with the provisions of the Skills Development Act (Number 97 of 1998); Skills Development Levies Act (Number 9 of 1999) and the regulations pertaining to these Acts.

With the objective of ensuring that the strategic goals and objectives of the sector are achieved, the policies of CETA are:

- ◆ To ensure that there is sufficient consultation around and agreement on the goals of all projects by the stakeholders of CETA.
- ◆ That the project is within the scope of CETA as defined by the specific sic codes.

- ◆ That all applicants for funding or bidders on tenders are compliant with the laws regarding the Skills Development Act, the Skills Development Levies Act, the Employment Equity Act and the relevant tax legislation governing the applicant and all organizations that are participants in the project.
- ◆ That all projects funded are aligned with the vision, mission, Sector Skills Plan and strategic targets of CETA.
- ◆ That the funding is not for the sole benefit of a single applicant.
- ◆ That there is no duplication possible in funding i.e. that there is no “double-dipping” and that the project cannot be funded from other levy windows.

Furthermore, the management and disbursement of project funds shall be constrained to the available budget and no project will be accepted or promised against if the funds are not available to achieve this.

4. PROJECT CONCEPTION

All project concepts must consider the following issues:

- ◆ The challenges to be addressed through the project.
- ◆ The specific objectives of the project.
- ◆ The management of the project i.e. who will be ultimately responsible and who/how the project objectives will be achieved. This might include a tender process for an outsource partner who will ultimately be responsible for the achievement of the project objectives.
- ◆ How the project achieves the strategic goals and objectives of CETA.
- ◆ The resources required/allocated.
- ◆ The time-scale of the project.
- ◆ What the measurable of the project are and how they will be evaluated.

5. PROJECT PROPOSALS

5.1 Responsibility

The person who originally conceived of the project requirement is responsible for ensuring that the project has been accepted by EXCO and ratified by the Management Board and that sufficient funds have been allocated to this project. If the Management Board or EXCO identifies the project, the person who

manages the core function affected by the project will act as the project manager of this project.

5.2 Format and Content

The project proposal must conform to the structure and contain the information outlined in the PROJECT SUBMISSION GUIDELINE, or the procurement process outlined in the PROCUREMENT MANUAL, whichever is applicable.

6. PROJECT SUBMISSIONS

The timelines and responsibilities for submissions are as follows:

- 6.1 Incentives will be officially announced in order to afford stakeholders the opportunity to register their interest or submit applications. Companies will be informed in writing on required changes in format or additional information to the content of the project submitted (if any) by the Project Administrator. The companies will be given a period of 14 days to rectify and resubmit these changes. Failing which the project will not be considered and will be taken as that the project has been withdrawn.
- 6.2 The deadline for submitted project proposals is at least three (3) weeks prior to the next EXCO meeting for approval. Any submissions received after this date will be held over for consideration to the next EXCO meeting, entailing at least a six (6) week delay.
- 6.3 It is the responsibility of the Project Management Unit to ensure that all project submitted to EXCO conforms to the project procedure guidelines.

7. PROJECT EVALUATIONS AND APPROVALS

7.1 For External Submission:

- The Project Management Unit will evaluate all externally submitted projects before circulation to Head office and Regional Managers.
- Recommendations will be made to the Project Evaluation & Mentoring (PEM) Committee who will then make recommendations to EXCO for approval.
- Budget outlining the cost to CETA of managing and promoting the project, over and above the costs outlined within the proposal itself to each submission will be attached.
- The full recommendations will not be sent to EXCO member where a conflict of interest, director perceived, is indicated until the (PEM) has clarified the matter with the submission in question.

- A document outlining the direct or perceived conflict will be prepared by the Project Management Unit and attach it the information pack for all PEM to take note before submission to EXCO for approval.
- The EXCO member who is party to a direct or perceived conflict of interest will be excused from the discussion that relates directly to the issue where there is the direct or perceived conflict of interest.
- The Project management Unit will respond in writing to every company that submitted the project proposal within 7 working days of the deciding EXCO meeting.
- The letter will indicate the acceptance or rejection of the project by CETA, the reason of rejected proposals and a date on which the implementation discussions will start in the case of accepted projects.

7.2 For internal submitted projects:

- The Management Board will identify the strategic priorities for CETA`s activities for the following year.
- The management team will then recommend projects to fulfill the strategic priorities by the Management Board.
- Once a project is deemed to be viable and strategically in line with the Management Board priorities by the CETA of CETA, the project will be proposed in the information packs for the next EXCO meeting scheduled.
- At the relevant EXCO meeting, the project will either be approved or rejected.
- The CEO will notify the management team as to the rejection or acceptance of the project and, in the case of rejection, the reasons for the decision. This will be within seven (7) working days of the deciding EXCO meeting.
- The responsible manager will then, the help of expert assistance, if needed, ensure that the applicable process, as outlined in the PROCUREMENT MANUAL is implemented.

8. PROJECT IMPLEMENTATION

Every project embarked upon and funded by CETA must have its own project manager or project management team to ensure delivery of the objectives of the project. The person/team will, however, be accountable to CETA for the CETA

funds spent and CETA objective agreed on. In order to achieve these outcomes effectively and efficiently, a number of policies and procedures must be adhered to. These are as follows:

- A Memorandum of Agreement (MOA) or Memorandum of Understanding (in case of externally submitted projects) or other form of contract (in case of a Service Provider) must be agreed upon, as outlined in the PROCUREMENT MANUAL.
- The documents must either be signed immediately at an implementation meeting or signed within seven (7) working days where legal advice or an authorized signatory is required.
- The CEO of CETA and an authorized person from the external party will sign the MoU, MoA or contract.
- The content of the MoU, MoA or contract must contain, inter alia, clear measurable objectives, delivery deadlines (including start and finish dates for the full project) milestones, total costs, cost timetable and documents/proof/activities required by CETA prior to payment of costs and the general terms of agreement.
- The agreement must also contain a cancellation clause that allows, after a process for rectification, either part to cancel the project without prejudice.
- No project may incur costs for CETA`s account nor represent themselves to be acting in the interest of CETA until such an agreement is signed.
- An implementation meeting must also agree upon the timetable and method of reporting to the responsible person within CETA.
- The report must occur at least four (4) times over the duration of the project and start no later than on quarter of the way into the project.
- The Project Manager must ensure that there are clear lines of communication and responsibility between CETA and the project manager/team.

9. PROJECT MONITORING

Within an implementation process, clear lines of reporting and the requirements from CETA must be agreed upon and documented (either in the MoU, MoA or contract or in the minutes from an implementation meeting). It is the responsibility of the CETA Project Manager to ensure that the MoU, MoA or contract or agreed procedures are adhered to and effectively managed.

Should it become apparent to the Project Manager at any stage that the MoU, MoA or contract is not being adhered to; the procedures documented in the

QUALITY ASSURANCE MANUAL must be initiated and followed through to conclusion by the CETA Project Manager.

No unauthorized expenses up to seven (7) working days after the letter is sent and CETA will pay no authorized or unauthorized expenditure after that date. This must be explicitly stated in the Mou, MoA or contract.

The CETA Project management Unit will ensure that regular updates and reports on the funded projects are submitted to EXCO meeting regularly.

A process of cancellation may also be initiated by the Project Manager/Team of the funded project as per the agreement reached with the MoU, MoA or contract. The following policies and procedures will apply:

- CETA personnel who receive written notification of such cancellation is responsible for forwarding such to the Project Manager or the CEO.
- The Project Manager is responsible for ensuring that the defaults are remedied within the stipulated deadlines.
- The Project Manager must submit report to the CEO outlining the remedial action proposed. A copy of this letter must be sent to the project manager/team and another copy be placed in the project file.
- A report summarizing the remedial action completed must be sent to the CEO and also be placed in the project file.

10. PROJECT CLOSURE

It is the policy of CETA that every project must be formally closed. The purpose of the final closure meetings is to discuss any final activities of documentation that must be completed and to review the project with the project manager/team. The minutes from final meetings, together with a formal evaluation by the Project Manager must be completed within 2 weeks of the closure meeting. The report must explicitly consider the following items:

- ◆ Did the project achieve the specific objectives outlined in the proposal?
- ◆ Was the project within budget
- ◆ How did the project meet the National Skills Development Strategy Targets?

- ◆ How effectively did the project benefit this sector
- ◆ What were the ways in which this project benefited the sector
- ◆ What went wrong or exceptionally right with the project
- ◆ What lessons were learnt through the project that can be applied to future projects
- ◆ How effective were the project manage/team i.e. would CETA Project Manager recommend using company again.

The report must be sent to the CEO, Head Office & Regional Managers, PEM and EXCO (except in the case of direct or perceived conflict of interest) and a copy to be placed in the respective project file. Only once this has been finalized is the project considered to be closed.

11. EVALUATION

For CETA to effectively learn from previous experience, a formal evaluation process is necessary. This must be completed at the end of every project in accordance with the agreed project evaluation process. The recommendations and lessons learnt through the project will be considered by the EXCO members and tabled in the minutes of the meeting for future reference and kept on file with all other project details. All new projects conceptualized must, at the point of conception, review past projects of a similar nature to assess the lessons learnt through the project.