



Ghana Education Trust Fund (GETFund)

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351/01/06/17

1 June, 2017

Rt. Hon. Speaker of Parliament
Office of Parliament
Accra

Through,
The Hon Minister
Ministry of Education
Accra

GETFUND DISTRIBUTION FORMULA FOR FISCAL 2017

It is our honour and privilege, to submit, on behalf of the Board of Trustees of the Ghana Education Trust Fund (GETFund) the attached Distribution Formula of monies expected to accrue to the GETFund for the year 2017.

Total expected inflows for the year are projected at **Gh¢790,224,149.00 (Seven Hundred and Ninety Million, Two Hundred and Twenty Four Thousand, One Hundred and Forty Nine Cedis)**. This is specified in the **Budget Statement and Economic Policy of the Government for Fiscal 2017**.

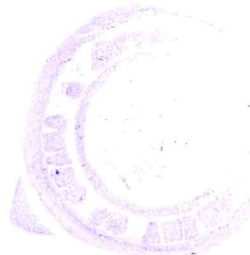
We request the kind approval of the **Distribution Formula** by this august House to facilitate the release and application of funds to the critical and strategic areas of the Education Sector in accordance with the provision(s) of the GETFund Act 581.

We are confident that Parliament will be able to give approval to the Formula.

Sincerely

Richard A. Boadu
Ag. Administrator

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GETFUND DISTRIBUTION FORMULA FOR
FISCAL YEAR 2017

The **Board of Trustees** of the Ghana Education Trust Fund (**GETFund**) is required by provision(s) of **Act 581 Section 8(1)**: "There shall be established by the Board within the Fund accounts in respect of the following:

- a. Tertiary Education
- b. Second-cycle Education
- c. Basic Education
- d. Investment; and
- e. Other related aspects of education such as distance education, school and public libraries and special education.

(2) The Board shall submit annually to Parliament for approval a formula for the distribution of monies to the various accounts under subsection (1)"

to design and submit proposals allocating funds to the **Sub-Sectors, Agencies and Institutions** within the **Public Education Sector** through the mechanism of a **Distribution Formula** for consideration and approval by Parliament.

Funding allocations are made based on the Government's **Annual Budget Statement and Economic Policy** approved by Parliament for each fiscal year.

Mr. Speaker, an amount of **Gh¢1,021,500,000.00 (One Billion, Twenty One Million, Five Hundred Thousand Cedis)** was allocated to the GETFund for the 2016 fiscal year but the actual outturn was **Gh¢948,941,349.33 (Nine Hundred and Forty Eight Million, Nine Hundred and Forty One Thousand, Three Hundred and Forty Nine Cedis, Thirty Three Pesewas)** out of which **Gh¢94,554,979.93 (Ninety Four Million, Five Hundred and Fifty Four Thousand, Nine Hundred and**

Seventy Nine Cedis, Ninety Three Pesewas) remains outstanding as at today and expecting to be received soon.

For Fiscal year 2017, an amount of Gh¢790,224,149.00 (Seven Hundred and Ninety Million, Two Hundred and Twenty-Four Thousand, One Hundred and Forty-Nine Cedis) is expected to be received into the GETFund.

The Law further stipulates that some crucial factors related to Education delivery and development are taken into account in the process of preparing this Formula. These relevant factors are:

- promotion of the study of Mathematics, Science and Technology;
- advancement of female education;
- reduction in the high level of illiteracy in historically disadvantaged areas;
- promotion of Computer, Vocational and Technical Education and Training; and,
- equitable allocation of funds to the Districts at the Pre-Tertiary level of education.

All of these Sub-Sectors, together with the related critical factors received consideration and attention in the process of designing this Formula.

In this regard therefore, the structure of spending has been calibrated to support and achieve the following:

- expansion of access;
- improvement of quality; and
- closing of those social and spatial gaps that tend to generate inequities in the Education Sector, especially at the pre-tertiary level and, also in deprived and hard to reach communities.

FISCAL YEAR 2017

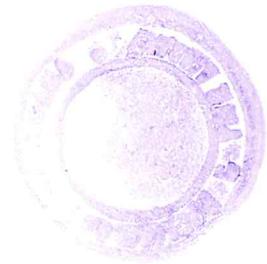
In fiscal year 2017, a total of Gh¢790,224,149.00 (Seven Hundred and Ninety Million, Two Hundred and Twenty-Four Thousand, One Hundred and Forty-Nine Cedis) is expected to accrue to the Fund. And the structure of spending in this Formula are aligned to Education Sector Priority Projects and Programmes.

The GETFund's liabilities and commitments as at 31st December 2016 stood at Gh¢3,733,831,937.36 (Three Billion, Seven Hundred and Thirty-Three Million, Eight Hundred and Thirty-One Thousand, Nine Hundred and Thirty-Seven Cedis, Thirty-Six Pesewas) with liabilities alone amounting to Gh¢951,773,445.64 (Nine Hundred and Fifty-One Million, Seven Hundred and Seventy-Three Thousand, Four Hundred and Forty-Five Cedis, Sixty-Four Pesewas). See attached sheet.

Mr. Speaker, this means the GETFund will not be able to do much based on the amount allocated to the Fund this year.

However, the new areas of focus in the 2017 Formula are:

- Fencing of schools with high risk of encroachment;
- Provision of white boards in Schools;
- Construction of Kindergarten facilities; and
- Regulatory and Policy reforms.



Other components of these projects and programmes include the following:

- Academic Facilities & Infrastructure
- The Students Loan Trust Fund;
- Scholarships;
- Procurement of teaching and learning materials; and
- Demystifying and popularizing STEM/ICT.

SUB-SECTORAL ALLOCATION

Tertiary

The Tertiary Sub-Sector has been allocated **32.33%** of total spending to support a range of activities and interventions.

Secondary Education

This Sub-Sector has also been allocated **30.63%** of total spending. This is to facilitate payments for specific projects/programmes.

Basic Education

A total allocation of **28.19%** of total spending has been made for funding various projects and programmes in Basic Education.

Others

A total of **6.38%** of total spending has been allocated to the Ministry of Education and Institutions and Agencies within the Education Sector. This includes the GETFund.

MP's Emergency Projects and Monitoring

It is proposed that members of Parliament will receive support from the Fund to enable them undertake projects in their constituencies and, also to monitor these projects. For this year, an amount of **Gh¢19,550,000.00 (Nineteen Million, Five Hundred and Fifty Thousand Cedis)** representing **2.47%** of total spending has been allocated for the purpose as against **Gh¢18,075,000.00 (Eighteen Million, Seventy Five Thousand Cedis)** last year.

The specifics are:

- An allocation of Gh¢55,000.00 (Fifty Five Thousand Cedis) per MP as against Gh¢50,000.00 (Fifty Thousand Cedis) last year for the funding of Education Related projects in their constituencies, amounting to Gh¢15,125,000.00 (Fifteen Million, One Hundred and Twenty Five Thousand Cedis);
- An allocation of Gh¢15,000.00 (Fifteen Thousand Cedis) per MP as against GH¢12,000.00 (Twelve Thousand Ghana Cedis) last year for monitoring of these projects, amounting to Gh¢4,125,000.00 (Four Million, One Hundred and Twenty Five Thousand Cedis); and
- An allocation of Gh¢300,000.00 (Three Hundred Thousand Cedis) is proposed for the **Select Committee on Education** to undertake monitoring of education projects and facilities receiving funding from the GETFund.

Conclusion

In conclusion the **Fund** would like to express profound gratitude to Honourable members for the support given over the years. It is hoped that the cordial relationship between the **Fund** and this August House will get stronger and better.

The **Right Hon. Speaker**, I wish, therefore, to kindly request this Honourable House to approve the Distribution Formula for the Fiscal year 2017 as presented.

Thank you.

GETFund DISTRIBUTION FORMULA - 2017

<u>SUB-SECTOR</u>	<u>AMOUNT (GH¢)</u>	<u>%</u>
Tertiary	255,500,000.00	32.33
Secondary	242,019,149.15	30.63
Basic	222,755,000.00	28.19
Others (GETFund, MoE)	50,400,000.00	6.38
MPs: Emergency Projects	15,125,000.00	1.91
Monitoring (Including Select Committee on Education)	4,425,000.00	0.56
Total	790,224,149.00	100.00

LIABILITIES AND COMMITMENTS AS AT 31ST DECEMBER 2016

NO.	ITEM	OTHER CURRENCY	AMOUNT
1	LOANS:		
	SSNIT 22% COUPON BOND		55,555,555.56
	ECOBANK TERM LOAN		1,600,000.00
			57,155,555.56
2	CLAIMS/CERTIFICATES		
	PROCESSED CLAIMS:		
	Students Loan Trust		23,000,000.00
	Progresively Free SHS		8,653,176.00
	Buses and Pick-ups		24,250,000.00
	Textbooks		22,799,103.00
	Community Day SHS		55,408,802.78
	E-Schools/ICT		24,716,711.96
	MOE Agencies		5,649,352.84
	Others		320,788,696.42
			485,265,843.00
	UNPROCESSED CLAIMS		306,796,846.00
	WITHHOLDING TAXES		57,565,905.00
			849,628,594.00
3	SCHOLARSHIPS:		
	FOREIGN:		
	Sterling	5,182,477.09	26,742,618.28
	US Dollars	3,023,228.33	12,775,860.60
	Euros	613,765.82	2,738,623.09
	Australian Dollar	486,907.20	1,530,641.47
	Canadian Dollar	312,954.60	1,006,305.52
	SA Rand	731,179.00	224,545.07
	Sweden Kroner	259,140.00	120,914.72
	AIR TICKETS		968,652.20
			46,108,160.95
	LOCAL		3,881,135.13
	Amount Paid		(5,000,000.00)
			44,989,296.08
	TOTAL LIABILITIES		951,773,445.64
4	COMMITMENTS:		
	Cost to complete Projects- Tertiary - NCTE		332,929,484.82
	8 New Colleges of Education - MOE		228,734,717.58
	CDSHS, SUT & EIP- MOE		739,339,556.00
	SUTs & EIPs - GETFund		1,481,054,733.32
	Total Commitments		2,782,058,491.72
	GRAND TOTAL		3,733,831,937.36



DISTRIBUTION FORMULA - GETFUND 2016

SUB-SECTOR	2016	
	(GH¢' 000)	%
TERTIARY EDUCATION		
Academic Facilities & Infrastructure	95,059.00	9.31
Scholarships	20,000.00	1.96
Students Loan Trust	28,000.00	2.74
Faculty Development & Research	10,000.00	0.98
KNUST Teaching Hospital Admin Block	8,000.00	0.78
UG School of Engineering Sciences	3,000.00	0.29
Special Support for UCC Medical School	6,000.00	0.59
UCC Graduate School Complex	7,000.00	0.69
Special Support for UDS Medical School	4,000.00	0.39
Special Support for UDS Staff Accommodation	1,500.00	0.15
Special Support for UENR - Dormaa Campus	4,500.00	0.44
Special Support for UHAS School of Pharmacy - Keta	2,000.00	0.20
Special Support for UDS Nyankpala, Wa & Navrongo Campuses	6,000.00	0.59
University of Environment & Sustainable Dev. (New in ER)	6,000.00	0.59
Conversion of Three UDS Campuses into Autonomous Univ.	2,000.00	0.20
Conversion of Polytechnics into Technical Universities	12,000.00	1.17
Ghana Academy of Arts and Sciences Office Complex	4,000.00	0.39
Association of African Universities (Office & Residential Facility)	1,700.00	0.17
Colleges of Education: -		
<i>Completion of Ongoing Projects</i>	31,920.00	3.12
<i>New Colleges of Education</i>	5,000.00	0.49
<i>Vehicles</i>	6,080.00	0.60
<i>Equipment</i>	4,000.00	0.39
<i>Feeding Grant</i>	50,532.00	4.95
Sub-total	318,291.00	31.16
SECOND CYCLE EDUCATION		
Completion of ongoing projects - SHS	14,500.00	1.42
SHS Targeted facilities & Infrastructure	50,000.00	4.89
Emergency SHS projects	8,000.00	0.78
New Community Day SHS	95,632.00	9.36
Progressively Free SHS	58,224.00	5.70
SHS Subsidy	71,911.00	7.04
Vehicles for SHS	25,000.00	2.45
Feeding Grants - Special Schools	6,630.00	0.65
Counterpart Funds - COTVET	3,000.00	0.29
Counterpart Funds - Dev. Of Senior Sec. Sch. Projects	6,249.00	0.61
Classrooms/Dormitories for SHS(Deprived Areas)	4,000.00	0.39

Furniture for SHS Structures (Including Beds and Mattresses)	13,000.00	1.27
Fencing of SHS	3,000.00	0.29
Text Books for SHS	15,000.00	1.47
Equipment & Maintenance/Rehab. of TVET Institutes	3,000.00	0.29
E- Schools /ICT Programme	20,000.00	1.96
Washrooms and Boreholes for SHS	3,500.00	0.34
Second Cycle Contingencies	1,000.00	0.10
Sub-total	401,646.00	39.32
BASIC EDUCATION		
Construction of Classrooms (Shift System) Ongoing	3,000.00	0.29
Completion of ongoing projects	10,000.00	0.98
New Projects	8,653.00	0.85
Maths & Science Reforms	30,000.00	2.94
Textbooks including Braille Materials & Equipment	20,000.00	1.96
Furniture for Basic Schools	10,000.00	0.98
Footwear for Basic School Pupils	2,000.00	0.20
School Uniforms	2,000.00	0.20
Exercise Books	1,000.00	0.10
Water and sanitation for Schools (Boreholes & Toilets)	4,000.00	0.39
On-going PIP projects	2,000.00	0.20
Counterpart Funds - FPMU	1,089.00	0.11
Counterpart Funds - OPEC Fund for Development	1,358.00	0.13
Institutions of the Handicapped - Ongoing	3,000.00	0.29
Institutions of the Handicapped - New Projects	2,000.00	0.20
Rehabilitation of Dilapidated Structures	4,000.00	0.39
E- Schools /ICT Programme for Basic Schools	10,000.00	0.98
MASTESS	4,000.00	0.39
Completion of ongoing projects - Schools Under Trees <i>Priority Infrastructure for SCh</i>	110,000.00	10.77
Construction of Classrooms for KGs	10,000.00	0.98
Learning Materials for KGs	2,000.00	0.20
Basic Education Contingencies	1,000.00	0.10
Sub-total	241,100.00	23.60
OTHERS		
MOE and Subvented Agencies	17,000.00	1.66
GETFund Operational and Monitoring Costs	7,708.00	0.75
GETFund Head Office Building	10,000.00	0.98
Office Building for Agencies under the Ministry	2,000.00	0.20
Youth Employment Agency	4,500.00	0.44
Contingencies	1,180.00	0.12
Sub-total	42,388.00	4.15

MEMBERS OF PARLIAMENT		
MPs Emergency Projects	14,575.00	1.43
MPs Monitoring (Including Select Committee on Education)	3,500.00	0.34
Sub-total	18,075.00	1.77
GRAND TOTAL	1,021,500.00	100

2016	AMOUNT ACCRUED	AMOUNT PAID	OUTSTANDING
JANUARY	82,756,969.29	82,756,969.29	-
FEBRUARY	81,707,793.56	81,707,793.56	-
MARCH	66,296,211.47	66,296,211.47	-
APRIL	70,691,930.83	70,691,930.83	-
MAY	88,802,417.84	88,802,417.84	-
JUNE	72,603,100.93	72,603,100.93	-
JULY	89,528,704.93	89,528,704.93	-
AUGUST	66,625,801.20	66,625,801.20	-
SEPTEMBER	63,850,603.74	63,850,603.74	-
OCTOBER	106,520,837.67	106,520,837.67	-
NOVEMBER	84,183,538.52	65,001,997.94	19,181,540.58
DECEMBER	75,373,439.35	-	75,373,439.35
TOTAL	948,941,349.33	854,386,369.40	94,554,979.93