

MEMORANDUM OF UNDERSTANDING
ON THE PARTNERSHIP FOR THE EDUCATION FUND AT KWAMZAMO

Friends of Southern Africa e.V.
Bleekstr. 9, 59555 Lippstadt
Germany

AND

KwaMzamo HIV/AIDS Child Support Centre
Adams Mission, P.O. Box 1779
Amanzimtoti 4125, KwaZulu Natal
South Africa

Have agreed as follows

Contents

- Introduction 3**
- 1. Project 4**
 - 1.1 Project name 4
 - 1.2 Description of the project 4
 - 1.3 Project Partner 4
 - 1.3.1 Local Project Partner 4
 - 1.3.2 Foreign Project Partner 4
 - 1.4 Goals of the project 4
 - 1.5 How to achieve the goals..... 5
 - 1.6 Timetable of the project..... 5
 - 1.6.1 Short term financing by the foreign project partner 5
 - 1.6.2 Long term financing by the beneficiaries of the education fund 5
 - 1.7 Ownership 5
- 2. Duties of the participants 5**
 - 2.1 Duties of KwaMzamo HIV/AIDS Child Support Center 5
 - 2.2 Duties of Friends of Southern Africa e.V..... 6
- 3. Control of the accounts for the education fund..... 7**
- 4. Expectations and Hopes 7**
 - 4.1 Expectations and Hopes by FOSA 7
 - 4.2 Expectations and Hopes by KWAMZAMO..... 7
- 5. Authorization..... 8**
- Appendix 8**

Introduction

Both Friends of Southern Africa e.V. and KwaMzamo HIV/AIDS Child Support Centre are aware of the need to ensure that cooperation is carried out in the most efficient, transparent and social way.

Therefore the goal of this memorandum of understanding (MoU) is to encourage cooperation between the parties in the work areas and to recognize the development potentialities enabled by the parties.

Each organization operates according to its own respective rules and procedures. Both parties desire through this MoU to establish guidelines regarding the sharing of experiences and complementing each other as it may be demanded by circumstances in terms of place, time and matter.

1. Project

1.1 Project name

The name of the common project is “Financial Support of KwaMzamo’s education fund”.

1.2 Description of the project

The project “Financial Support of KwaMzamo’s education fund” aims to setup KWAMZAMO’s education fund to ensure tertiary education¹ for alumni of the KWAMZAMO Cluster Foster Care Home. When the young adults finish their tertiary education (e.g. studies, Further Education and Training [FET] or apprenticeship) and earn a monthly salary, they pay back their interest-free loan until their loan is fully paid back to the education fund. This way the education fund can finance tertiary education for further alumni and eventually does not need any donations from outside.

FOSA’s financial support for KWAMZAMO’s education fund ends after a period of five years, on December 31st, 2015.

1.3 Project Partner

1.3.1 Local Project Partner

KwaMzamo HIV/Aids Child Support Centre, hereinafter referred to as KWAMZAMO.

KWAMZAMO is registered as a non-profit organization (registration number: 031 - 105NPO) with the department of Social Development. KWAMZAMO was formed in February 2004 by various church organizations that saw a need to assist the children who are orphans and vulnerable due to HIV/AIDS. There was also a need to assist them to deal with a range of social, cultural, religious, political and economical problems.

1.3.2 Foreign Project Partner

Friends of Southern Africa e.V., hereinafter referred to as FOSA.

FOSA is a German-based Non-Governmental organization with the overall goal of supporting further education projects in Southern Africa until they are self sustainable. It is represented by Yannic Steffan, Henry Webel and Stephan Dittrich.

1.4 Goals of the project

It is the primary long term goal to establish a self sustaining education program which enables all children at KWAMZAMO to attend further, tertiary education after secondary school. The program is the last step of the holistic set up of the Cluster Foster Care Centre KWAMZAMO.

The short term goal of the project is to finance the tertiary education of young adults at KWAMZAMO for the next five years to support them with their further education and dreams.

¹ Within this document the term ‘tertiary education’ refers to education after the matriculation (short: matric) with the goal to equip a young person with enough education to find a job and to live financially independent.

1.5 How to achieve the goals

In order to gain independence, the graduated students start to pay back their education costs when finding an employment and earning a monthly salary. The monthly transfer is defined by their wage and their ability to pay back. The aim is to pay the whole sum back to KWAMZAMO's education fund within a few years.

This financial support is dependent on a payback agreement, signed by KWAMZAMO and the individual student. (It is attached in the appendix.)

1.6 Timetable of the project

The setup of KWAMZAMO's education fund is done in two phases: During Phase 1, FOSA will finance tertiary education to KWAMZAMO's alumni for a period of five years. Within that phase the second phase will start, where the graduated alumni will pay back their education fees, making the education fund independent from FOSA.

1.6.1 Short term financing by the foreign project partner

The short term financing of tertiary education for graduated KWAMZAMO children will be done by FOSA for a period of five (5) years, ending on December 31st, 2015.

After that date, KWAMZAMO's education fund should be self sustaining and an evaluation of the project will be carried out.

1.6.2 Long term financing by the beneficiaries of the education fund

The long term financing of the education fund is done by the graduated alumni, who are employed and receive a monthly salary.

1.7 Ownership

KWAMZAMO, represented by the board and its education fund coordinator, is responsible for the well-functioning of the education program at KWAMZAMO. FOSA is only there for consultancy and financial support; all decisions have to be made by KWAMZAMO. It is KWAMZAMO's responsibility to make the education fund independent and self-sustaining.

2. Duties of the participants

2.1 Duties of KwaMzamo HIV/AIDS Child Support Center

- **Telephone meeting at the end of each quarter**

At the end of each quarter (around 30th of March, June, September and December) a telephone meeting will be held between a KWAMZAMO and a FOSA representative (phone costs paid by FOSA). An agenda and a date will be sent to all the attendants before the meeting. After that meeting, a short report is written by FOSA, to be confirmed by KWAMZAMO.

- **Updates by the local project partner**

Two times a year on July 31st and January 15th, the most important files have to be updated and sent either via e-mail or via mail to FOSA. These updated files should include the following:

- A list about the current and future students including their field of studies, year of starting the apprenticeship/studies and intended year of finish. Future students should be included at least three years before their intended matriculation. Information about their apprenticeship, place to stay and expected costs should be included as soon as available. (Excel-template in appendix)
- A short report for every current student including an expense list and a report written by the student (Word-template in appendix)
- Financial update on education fund
- If available a progress report (grade sheet) from the school/university for each student.

- **Assisting and supervising the beneficiaries**

The board of KwaMzamo HIV/AIDS Child Support Centre, represented by the education fund coordinator assists, cares for and supervises the benefitting student.

- **Assisting new applicants and sending a letter of motivation by the students to FOSA**

2.2 Duties of Friends of Southern Africa e.V.

- **Financial support of KWAMZAMO's education fund**

- **Allowances for education fund coordinator covered by FOSA**

The following allowances paid to the education fund coordinator by FOSA are only for the expenses that occur when cooperating and working together with FOSA.

- 500,00 ZAR for every registration
- 200,00 ZAR for every project report (look above: telephone meeting and updates)

The allowances will be authorized by FOSA via email to KWAMZAMO's education fund coordinator and the accountant and paid out through the education fund account.

- **Regular project visits**

Regular projects visits to keep in good contact are the responsibilities of FOSA members. The costs for FOSA members to stay in South Africa are fully paid for by the private individual FOSA member.

- **Telephone meeting at the end of each quarter**

At the end of each quarter (around 30th of March, June, September and December) a telephone meeting will be held between a KWAMZAMO and a FOSA representative (phone costs paid by FOSA). An agenda and a date will be sent to the attendants before the meeting. After that meeting, a short report is written by FOSA, to be confirmed by KWAMZAMO.

- **Advertisement/Marketing to find donors**

- **Contact to Donors and German tax regulations**

3. Control of the accounts for the education fund

The money within the education fund (either the paid back loan of the student or FOSA's financial support) is strictly only for the use of tertiary education of KWAMZAMO's children.

The allowances paid to the education fund coordinator according to chapter 2.2, bullet point two, is only to cover the private expenses which occur with the work done for FOSA. There is no salary for the education fund coordinator.

KWAMZAMO's accountant makes sure, that the money of the education fund is not misused for other purposes. The accountant authorizes the withdrawal of money for tertiary education.

4. Expectations and Hopes

To insure a cooperation of the two parties in the best possible way, these *Expectations and Hopes* of each of the two parties are tried being followed by both parties.

4.1 Expectations and Hopes by FOSA

- Critical, active and open communication
- Addressing successes and failures
- Effective use of financial funds
- Avoiding last minute communications and requests (both parties)
- To establish a further involvement of the young adults and alumni of KWAMZAMO to the project. The long term involvement should make it possible to build an understanding of family and responsibility to new orphans and their foster mothers.

4.2 Expectations and Hopes by KWAMZAMO

- Steady and constant partnership
- Not to let children down and not to raise any expectations, which cannot be fulfilled.

5. Authorization

For KwaMzamo HIV/Aids Child Support Centre:

Place, Date

Linda Ncube
Education Fund Coordinator

Eunice Madondo
Project Manager

For Friends of Southern Africa e.V.:

Place, Date

Yannic Steffan
Treasurer

Stephan Dittrich
2nd Chairperson

Appendix

A: AGREEMENT BETWEEN KWAMZAMO AND STUDENTS

B: EXCEL TEMPLATE OF FUTURE AND CURRENT STUDENTS

C: REPORT TEMPLATE OF CURRENT STUDENT