



Chipunga Development Committee

c/o the Chairman Mr. Daniel Mthuti
P.O. Box 611
Mzuzu
Malawi

June 1, 2012

Dear Mr. Chairman (Dear Daniel)
Dear CDC Members

Many thanks for your in-depth report send to me End of May. With my response today I'll try to clarify things and to release projects. There are three urgent issues I mainly focus in this reply: a) iron sheets for teacher houses, b) salaries for preschool educators, and c) the total annual budget 2012/2013.

Iron sheets for teacher houses: The school management committee (I refer to their letters dated March 3 and April 4) reported some improper planning of the project and asked for MK 146.000 on top. To finish the project during the time Rasmus from the weltwärts team is around we propose to go with the following compromise. We pay for all of the items listed in their letter of March 3 except the iron-sheets. If the committee desires to buy new iron-sheets instead of using the not too bad old ones they must cover 25% of the costs for new ones which is between MK 12.000 and 15.000. Accepting this, the community could show generosity and acknowledgment of the GRACE engagement at Chipunga Primary School.

Could you please inform the school management committee about our proposal and beg them to finish the project in due time? There seems to be a need as more teachers might come to Chipunga First Primary.

Further I would be happy to receive more photos from the project. Have the community ever thought about organizing a housewarming party to celebrate the finishing of the renovation work? Wouldn't this be a very strong signal from the community to the school, all the parents, and to us?

Salary pre-school educators: Your explanation is very comprehensive and straight forward. Thank you!

Let me calculate the costs for wages per year roughly (please correct if I am doing wrong):

4 teachers x MK 150 / day = MK 600 / day (if everybody is present)
MK 600 x 5 working days = MK 3.000 / week (if everybody is present)
MK 600 x 20 working days = MK 12.000 / month (if 100% are showing-up every day)
MK 12.000 x 10 month = **MK 120.000 / year** (estimating 2 month of vacation, pre-school closure)

The total costs will be reduced by MK 200 every parent must pay per term and kid (there are 3 terms if I remember well). For one kid the annual fee is MK 600. Multiplied by 30 kids (probably you have more) the budget contribution by the parents is MK 600 x 30 kids = MK 18.000 / year.

So with MK 120.000 (wages) – MK 18.000 (fees) = **MK 102.000 / year** CDC could finance the pre-schools. Right? Please go ahead with the payment and start the procedure right away.

Question: What is the starting point you refund wages backwards? If they started in Mach you should check the checklists on their daily attendance and payout their earned money. CDC has to decide about the starting point of this system and we expect a simple and proper bookkeeping of the money payout and income. Good luck with the pre-schools! Guess this is another big step in the right direction of increasing education chances at Chipunga. Please report when you deem to start the payout and about the progress. If the community fails to pay for tea and sugar and won't maintain the two preschool houses CDC should put the project on hold immediately (this consequence must be made know to the responsible people, e.g. headmen).



Annual budget 2012/2013: Indeed I understand your desires to have many things. However, I was wondering about the total sum of the self-contribution money every worker has to lift. This seems quite much!

Seed maize: We are OK

Drugs: OK – I asked Ruth Ehret for prices to buy at a wholesaler (also things for the first-aid-box)

Mattresses: Reasonable (raises the self-contribution of the people enormously – see my comment above)

Fertilizer: when do you need the money for? On the other hand we need some clarification – now there are 3 different types mentioned in your letter. Makes a total of MK 942.000! Wow, that's quite a lot this year! Why 3 types this time – I only can remember of 2 types? Please conclude.

Solar panels: Reasonable and good idea; but we would like to have more details. Does everybody need one? Do you have some product characteristics? Seems to be a relatively cheap collector – but is it really any good? Any experience? Please provide more details, probably I can check it out in the internet.

On top-of this budget we must calculate **school-fees** (workers and 10 scholarships + 2 old ones). How much is it in total per year? Please make an easy calculation to help us estimating your top-of budget.

Fertilizer teachers: reasonable – also the pay-back scheme. This money will be not included to your annual budget as there will be a 100% speedy pay-back. So probably you can finance the fertilizer and if the money is coming back you can start other projects proposed on above.

Concerning the application from the Chipunga Dairy Farmers at Chikwina – I am in doubt to finance such an expensive engagement. They are talking of about US \$ 5.500 which is quite a lot of money. I don't see the benefit for the region. Probably we have to meet them together at my next stay to discuss with them.

For the **bore hole** project at the school I am still collecting money. 1/3 of the money needed I got, but there are another 2/3 outstanding. Did you get any information on the new total cost from the drilling company?

With best regards,

A handwritten signature in blue ink, appearing to read 'J. Diedrich', is written over a light blue background.

Dr. Jens Diedrich
President GRACE charity

CC: weltwärts Team (Rasmus and Lynn-Marthe)