
Western Cape Education Department
Wes-Kaap Onderwysdepartement
iSebe leMfundo leNtshona Kolon

Navrae Enquiries IMibuzo	M.J. COMER	Verwysing Reference Uhheliso	3/1/3/B	Telefoon Telephone iFoni	403-6180
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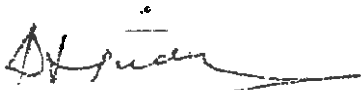
TO: THE SUPERINTENDENT-GENERAL, THE DEPUTY DIRECTOR- GENERAL, ALL CHIEF DIRECTORS, DIRECTORS, AREA MANAGERS, HEADS OF SUBDIRECTORATES AND DIVISIONS AT HEAD OFFICE AND AREA OFFICES	Kantoor van die Office of the i-Ofisi ye	Head of Education		
	Privaatsak Private Bag Ingxowa eyeDwa	9114		
	Dorp/Stad Town/City iDolophi/iSireka	CAPE TOWN		
	Poskode/Postal Code iKhowudi yePosi	8000	Faks Fax	419-5967
	Datum/Date Umhla	30 June 1998		

EDUCATION FINANCE INSTRUCTION 0078/1998

PAYMENT OFFERED AS FULL AND FINAL SETTLEMENT

1. This instruction supplements Treasury Instruction J4.3.
2. Where a debtor offers a payment as "full and final settlement" of his or her account and this payment is accepted, the debtor is exonerated from his or her entire debt, even where the amount of the payment is less than the outstanding debt.
3. The attention of the official responsible for receiving and depositing state moneys (cashier) must be drawn to the fact that such payments must not simply be accepted and deposited without further ado. Such action can result in the debt to the State having to be written off as a loss. Persons appointed in writing in terms of Treasury Instruction J5.1.1 to receive state moneys will be held liable for losses suffered by the Department on acceptance of such payments.
4. On receipt of "full and final settlement" payments, they must immediately be brought to the attention of a senior official. It must then be ascertained from the section concerned whether the amount offered redeems the full outstanding debt. If the amount proves to be less than the outstanding debt, it must not be accepted, but returned immediately under cover of a letter informing the debtor that the condition of the payment cannot be accepted.

5. If the amount offered is erroneously deposited, it must be placed in a suspense account. The debtor must still be notified immediately by registered post that the amount cannot be accepted conditionally. The debtor must furthermore be informed that the amount has been placed in a suspense account, pending his or her instruction to return the money or to credit the debt account. It must also be stated clearly that the money will be returned immediately should this be preferred. If the debtor does not respond to this letter, the money must be returned. If the money is returned, interest must be calculated on the full outstanding amount until proper payment has been received.
6. The contents of this instruction must be brought to the attention of all persons who have been authorised to accept state moneys. Area Managers are responsible for the further distribution to all the relevant persons.



DEPARTMENTAL ACCOUNTANT