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Enquiries: H Barnes

Circular: 0033/2018  
Expiry date: None

To: Deputy Directors-General, Chief Directors, Directors, Deputy Directors, and Heads of subdirectorates and sections (Head Office and district offices)

Short summary: *Guidelines for placing, moving and disposal of furniture and equipment.*

**Subject: Inventory control at Head Office and district offices**

1. This circular has been revised and repeals Circular 0040/2007 in its entirety.
2. In terms of section 38(1)(d) of the Public Finance Management Act (PMFA), 1999 (Act 1 of 1999), every manager must have a system in place for the control and safekeeping of assets. In addition, the Head of Department must have a register of assets which should indicate the exact location of such assets. A full record must be kept of all A-class accountable items (e.g. tables, chairs, computers, fax machines and other labour-saving devices) that are in the possession of the Western Cape Education Department (WCED).
3. After the recent stocktaking, inventories of all the items (furniture and equipment) within each official's responsibility were signed by the official concerned and placed behind the door of every location for which they are responsible. This means that the items must be there when the Auditor-General audits the asset register.
4. In Circulars [0028/2005](#) and [0041/2005](#), dated 23 May 2005 and 17 August 2005 respectively, officials were requested not to transfer any assets between offices without notifying the Procurement Management Directorate of such movements. A movement form must be completed for this purpose.
5. During the stocktaking of 2017/18 and the submission of the asset register for auditing, it was noticed that responsibility managers had often not complied with the measures stipulated in the abovementioned circulars, as inventory items had been moved without the submission of movement forms.

6. All responsibility managers are again requested to adhere to the following:
  - 6.1 No item may be moved from a location unless a movement form (Annexure A), has been completed and approved.
  - 6.2 Any item which is stolen or lost must, in terms of the loss control procedure, immediately be reported to the Departmental Loss Control Officer, as well as the Asset Management Unit, so that the asset register can be updated.
  - 6.3 If there is a shortage of any item or any item is redundant/damaged, the relevant asset management division must be notified by means of a surpluses/shortages form (Annexure B). The asset control official(s) will follow the necessary procedures and supply the duly completed and signed form to the Asset Management Division (for the attention of Mr HG Barnes) at Head Office. No unserviceable/unused item(s) may be left in the passage or close to the lifts. In such cases notice of the redundancy must be given per requisition, accompanied by a completed PGWC 002 form, so that the item(s) concerned can be removed.
  - 6.4 The Asset Management Unit must also be kept informed of all purchases, gifts and transfers so as to ensure that the inventories are continually updated.
  - 6.5 Should any newly purchased equipment be delivered directly to an office by a supplier, for example, computers (desktop or laptop) or furniture, this must immediately be reported to the Asset Management Unit, who will arrange for the marking and bar coding of the items and the updating of the asset register. With regard to desktop computers, it must be indicated who the user will be, the computer's precise location and the relevant serial number. It is incumbent upon officials to arrange with the Centre for e-Innovation for the installation of computers. If an existing computer is replaced, the details of the replaced computer must be provided and the disposal thereof requested, using a Log 1 requisition form. All this information is required in order to update the asset register.
  - 6.6 Should the bar code label of any item become detached or lost, it must immediately be reported to the Asset Management Unit, who will re-attach or replace the label.
7. Responsibility managers are also required to appoint an official (one for each directorate or district office) whose job description must include the tasks of an asset controller for that particular directorate or office (a job description for an asset controller is attached as Annexure C). Every responsibility manager will be requested to send the name of the person so appointed to Mr A Betz at the following address:  
Room 620, 6<sup>th</sup> Floor  
Grand Central Towers  
Cape Town
8. It is trusted that the instructions contained in this circular will be adhered to at all times in a spirit of mutual cooperation.

9. Enquiries regarding the content of this circular may be directed to the following officials:  
Mr A Betz tel. no. 021 467 2805  
Mr H Barnes tel. no. 021 467 2049
10. Responsibility managers are requested to inform all personnel of the contents of this circular.

**SIGNED:** BK SCHREUDER

**HEAD: EDUCATION**

**DATE:** 2018-09-10



Asset Movement Form

I, hereby certify that I have moved the assets reflected on the inventory of the following Cost Centre: \_\_\_\_\_

Table with 3 columns: Description of asset, Barcode No., Serial No.

From: Room no.: \_\_\_\_\_ Room barcode: \_\_\_\_\_ Floor: \_\_\_\_\_ Building: \_\_\_\_\_

To: Room no.: \_\_\_\_\_ Room barcode: \_\_\_\_\_ Floor: \_\_\_\_\_ Building: \_\_\_\_\_

(a) Custodian (person handing over/directly in control of asset(s)):

Signature \_\_\_\_\_ Name \_\_\_\_\_ Designation (Rank) \_\_\_\_\_ Date \_\_\_\_\_

Asset controller (person responsible for asset management function):

Signature \_\_\_\_\_ Name \_\_\_\_\_ Designation (Rank) \_\_\_\_\_ Date \_\_\_\_\_

Responsibility manager/delegated official:

Signature \_\_\_\_\_ Name \_\_\_\_\_ Designation (Rank) \_\_\_\_\_ Date \_\_\_\_\_

(b) Custodian (person receiving/directly in control of asset(s)):

Signature \_\_\_\_\_ Name \_\_\_\_\_ Designation (Rank) \_\_\_\_\_ Date \_\_\_\_\_

Asset controller (person responsible for asset management function):

Signature \_\_\_\_\_ Name \_\_\_\_\_ Designation (Rank) \_\_\_\_\_ Date \_\_\_\_\_

Responsibility manager/delegated official:

Signature \_\_\_\_\_ Name \_\_\_\_\_ Designation (Rank) \_\_\_\_\_ Date \_\_\_\_\_

(c) Asset management official:

Signature \_\_\_\_\_ Name \_\_\_\_\_ Designation (Rank) \_\_\_\_\_ Date \_\_\_\_\_



Reporting of Surpluses/Shortages

A. Inventory Controller (person responsible for asset management function/directly in control of item)

I, the undersigned, would hereby like to apply for the rectification of the following items as reflected on inventory number: \_\_\_\_\_

Table with 5 columns: Barcode No., Description of asset, Quantity, Reason, Balance Adjustment No.

Signature Name Designation (Rank) Date

B. Chief User (Responsibility Manager) Document No.: \_\_\_\_\_

Complete documentation with regard to the investigation and findings on the items implicated has been attached hereto.

Signature Name Designation (Rank) Date

C. Senior Stores Official (person in charge of asset management)

I agree/do not agree with the application and approve/do not approve the necessary transferal(s) to the discrepancies account.

Signature Name Designation (Rank) Date

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**TO BE COMPLETED BY LOGIS USERS ONLY**

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**D. Inventory/Miscellaneous Clerk (LOGIS Clerk)**

System transfers have been done as per the attached LOG 4. New inventory reports have also been printed and signed.

\_\_\_\_\_  
Signature                                      Name                                      Designation (Rank)                      Date

**E. Official Verifier (authoriser on LOGIS)**

The transaction has been performed successfully according to prescripts.

\_\_\_\_\_  
Signature                                      Name                                      Designation (Rank)                      Date

(Reason codes: 01 - Surplus; 02 - Shortage)



### **JOB DESCRIPTION: ASSET CONTROLLER**

1. Before signing the asset register, you must be satisfied that the items noted on it correspond with the physical equipment.
2. Ensure that your asset register is kept in a safe place as well as behind the door of that specific location.
3. If any doubt exists about the naming of an item, an expert or the Asset Management Unit must be consulted as this cannot be used as an excuse at a later stage when shortages/surpluses are identified on your asset register.
4. You are responsible for the safekeeping of equipment under your direct control (i.e. items on the asset register for which you have acknowledged receipt). When not in use, this equipment must be stored in a manner that will simplify the checking and handling thereof but will also restrict or eliminate the possibility of damage and theft.

Please note that you can be held responsible for any shortages encountered and it is therefore in your own interest to ensure that the storage space for items not in use is kept locked at all times.

5. Ensure the safekeeping of the key, it must be kept in your personal possession at all times and must never be left lying around.
6. Ensure that keys are not handed to other staff members unless the asset register has been handed over as well or a sub-asset controller has been appointed.
7. Where other officials will use equipment reflected on your asset register, you must ensure that proper control is instituted by means of a register (Annexure C-1 & C-2) so that receipts and returns can be recorded. The person to whom the item is issued must personally return the item. You may be held responsible for any shortages/surpluses that you did not immediately report in writing.
8. Regularly check your inventory to ensure that the equipment corresponds with your asset register. Any shortages/surpluses must immediately on discovery thereof be reported in writing to the Asset Manager at Head Office, who will assist you in the matter.
9. Apart from periodically checking the asset register, you are responsible for quarterly stocktaking and must submit a quarterly certificate (copy attached) to the Cost

Centre Manager, on which you indicate that you have personally checked the assets and what the findings were. The Asset Management Unit can assist in this regard.

10. Asset Controller(s) must assist cost centre officials in respect of:
  - 10.1 facilitating the permanent movement of assets between sections;
  - 10.2 following up on any items that were sent for repairs and not yet returned;
  - 10.3 ensuring that assets temporarily used elsewhere are brought to a central point for stock take purposes e.g. field workers; and
  - 10.4 maintaining proper record keeping of all asset movements.
11. You must indicate the following as an addition to the quarterly certificate:
  - 11.1 Any shortages/surpluses as well as the reason therefore.
  - 11.2 Any equipment that cannot be used must be indicated as obsolete (outdated), damaged or redundant.
12. You should safely file copies of all the reports that you submitted during your period as asset controller and which could later count in your favour when a shortage/surplus is discovered.
13. However, before you report a shortage/surplus in writing ascertain whether a data error has not been made on the asset register (with reference to the quantity and description of equipment). If so, take the report to the Asset Management Unit for rectification. If not, the following must be done:
  - 13.1 When a shortage has been discovered, ascertain whether the equipment is not in another office/division of the component.
  - 13.2 When a surplus has been discovered, ascertain whether the equipment does not belong to another office/section.
14. Should you be absent from duty for a considerable period of time, be transferred/seconded to another section or no longer be able to exercise control over the equipment on the applicable asset register, you must notify the Cost Centre Manager in writing at least seven days in advance so that another member can be appointed within delegated powers to take over from you. You must file a copy of the aforementioned notification and appointment, and ensure that a handing over certificate (Z584) is completed and signed.



15. You may delegate your responsibility to as many Sub-Asset Controllers as you deem necessary. Sub-Asset Controllers should be appointed in writing. You can compile sub-asset registers, which must correspond with the main asset register.
16. Ensure that all items under your control are marked in the appropriate manner as instructed in paragraph 10.2.1 of the Western Cape Provincial Treasury Instructions, issued on 01 December 2001 in terms of section 18(2)(a) of the Public Finance Management Act, 1999 (Act 1 of 1999).
17. Ensure that no transfer of items takes place between asset registers without the written approval of the Cost Centre Manager. The Asset Manager at Head Office must be informed accordingly and provided with a copy of the movement form.
18. Ensure that all the assets accounted for on the records are available for stocktaking purposes.
19. Ensure that all locked rooms, cabinet drawers, toolboxes, etc. have been unlocked and subjected to an asset count.
20. In cases where the key to storage places cannot be provided, such a storage place should be unlocked with the help of a locksmith for the account of the person responsible for such a place.

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Cognisance has been taken of the contents of the above:

Name (in print): .....

Signature: .....

Date: .....

Persal no.: .....

Directorate/cost centre: .....

**RESPONSIBILITY MANAGER:**

Name (in print): .....

Signature: .....

Date: .....