

**PROVINCE OF THE WESTERN CAPE  
DEPARTMENT OF EDUCATION**

**ASSIGNMENT OF RESPONSIBILITIES BY THE ACCOUNTING OFFICER IN TERMS OF SECTION 44(1)(b) OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999 AND THE NATIONAL TREASURY REGULATIONS (NTRs – 15 March 2005)**

Abbreviations:

PFMA	=	Public Finance Management Act, 1999	AO	=	Accounting Officer	RM	=	Responsibility Manager
NTR	=	National Treasury Regulation	DDG	=	Deputy Director-General	DD	=	Deputy Director
PTI	=	WCP Treasury Instruction	CFO	=	Chief Financial Officer	ASD	=	Assistant Director
AOSCM	=	Accounting Officers Supply Chain Management System	PM	=	Programme Manager	DotP	=	Department of the Premier

ITEM NO.	REFERENCE	CRYPTIC DESCRIPTION OF RESPONSIBILITY	RESPONSIBILITY ASSIGNED TO	REMARKS, LIMITATIONS OR CONDITIONS
<b>1.</b>	<b>NTR 3</b>	<b>INTERNAL CONTROL</b>		
1.1	NTR 3.1	<b>Audit Committees (Sections 76(4)(d) and 77 of the PFMA)</b>		
1.1.1	PFMA 38(1)(a)(ii) NTR 3.2.2 NTR 3.2.11	To ensure that the department has and maintains a system of internal audit under the control and direction of an audit committee.	DDG: Corporate Services (CFO)	1. Internal Audit function to be rendered by DotP. 2. To be determined in consultation with the CFO. 3. In accordance with regulations and instructions prescribed in terms of Sections 76 and 77 of the PFMA. 4. Internal audit function must assist the AO/CFO in maintaining efficient and effective controls.
1.1.2	NTR 3.1.12	To implement the recommendations of the Audit Committee.	DDG: Corporate Services	
1.2	NTR 3.2	<b>Internal control and internal audit (Sections 38(1)(a)(i) and 76(4)(e) of the PFMA)</b>		
1.2.1	PFMA 38(1)(a)(i)	To ensure that the department has and maintains effective, efficient and transparent systems of financial and risk management and internal control.	DDG: Corporate Services	

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ITEM NO.	REFERENCE	CRYPTIC DESCRIPTION OF RESPONSIBILITY	RESPONSIBILITY ASSIGNED TO	REMARKS, LIMITATIONS OR CONDITIONS
1.2.2	NTR 3.2.1	To ensure that a risk assessment is conducted regularly to identify emerging risks of the department.	DDG: Corporate Services	<ol style="list-style-type: none"> <li>1. In consultation with the Chief Risk Officer (CRO) (DotP).</li> <li>2. A risk management strategy, which must include a fraud prevention plan, must be used to direct internal audit effort and priority, and to determine the skills required of managers and staff to improve controls and to manage these risks.</li> <li>3. The strategy must be clearly communicated to all officials to ensure that the risk management strategy is incorporated into the language and culture of the institution.</li> </ol>
1.2.3	PTI 3.4.1	<p>To ensure that –</p> <ol style="list-style-type: none"> <li>1. The department has and maintains an – <ol style="list-style-type: none"> <li>(i) Enterprise risk management strategy;</li> <li>(ii) Enterprise risk management committee;</li> <li>(iii) Enterprise risk management unit under the control and direction of the ERM committee, which can be combined with a Corporate Governance Unit; and</li> <li>(iv) ERM unit, which does not participate in any other function that will have an adverse effect on the unit's primary duties as ERM practitioners.</li> </ol> </li> <li>2. The institution's risk data are captured on the prescribed software and data platform.</li> <li>3. A complete risk management cycle is conducted within a two year period in the department.</li> <li>4. A consolidated inherent risk report is forwarded to the relevant internal audit unit annually by 31 January.</li> </ol>	DDG: Corporate Services	<ol style="list-style-type: none"> <li>1. ERM unit functions to be rendered by DotP.</li> <li>2. The ERM process must be subjected to independent assessment by the internal audit function at least every two years.</li> <li>3. The Provincial Treasury must: <ol style="list-style-type: none"> <li>(a) prescribe and monitor the implementation of enterprise risk management norms and standards in the Province; and</li> <li>(b) approve the prescribed data platform and software as indicated in PTI 3.4.1(b).</li> </ol> </li> </ol>
<b>2.</b>	<b>NTR 4</b>	<b>FINANCIAL MISCONDUCT</b>		
2.1	NTR 4.1	<b>Investigation of alleged financial misconduct (Sections 85(1)(b) and (d) of the PFMA)</b>		
2.1.1	NTR 4.1.1 NTR 4.1.2	To ensure that an investigation is conducted and that a disciplinary hearing is held in accordance with the relevant prescripts and agreements applicable in the public service.	Director or Heads of Institutions	<ol style="list-style-type: none"> <li>1. With the assistance of the Directorate: Labour Relations (DLR).</li> <li>2. Such an investigation must be instituted within 30 days from the date of discovery of the alleged financial misconduct.</li> </ol>

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2.2	NTR 4.2	<b>Criminal Proceedings (Section 86 of the PFMA)</b>		
2.2.1	NTR 4.2.1	To advise the Executive Authority, Treasury and the Auditor-General of any criminal charges that has been laid against any person in terms of section 86 of the PFMA.	DDG: Corporate Services	
2.3	NTR 4.3	<b>Reporting (Sections 85(1)(a) and (e) of the PFMA)</b>		
2.3.1	NTR 4.3.1	To report to the Executive Authority, the Department of Public Service and Administration and the Public Service Commission on the outcome of disciplinary hearings as soon as the disciplinary proceedings are completed.	Director : Labour Relations	1. Report to include : (a) the name and rank of the official against whom proceedings are instituted; (b) the disciplinary charges indicating the financial misconduct the official is alleged to have committed; (c) the findings of the disciplinary hearing; (d) any sanction imposed on the official; and (e) any further action to be taken against the official, including criminal charges or civil proceedings.
2.3.2	NTR 4.3.3	To inform the Executive Authority, Treasury, the Department of Public Service and Administration and the Public Service Commission of the outcome of any criminal proceedings instituted against any person for financial misconduct in terms of Section 86 of the PFMA.	DDG: Corporate Services Director : Labour Relations	1. Criminal charges – CFO 2. Disciplinary charges – DLR 3. Annual basis 4. State changes to the department's systems of financial and risk management, or any other matter dealt with in the PFMA, as a result of the investigation.
2.3.3	NTR 4.3.4	To submit to the Provincial Treasury and the Auditor-General, on an annual basis, a schedule of – (a) The outcome of any disciplinary hearings and/or criminal charges; (b) The name and rank of officials involved; and (c) The sanctions and any further action taken against these officials.	Director : Labour Relations	The schedule must be accompanied by a report which refers to any changes made to the institution's systems of financial and risk management as a result of any investigation.
<b>3.</b>	<b>NTR 5</b>	<b>STRATEGIC PLANNING</b>		
3.1	NTR 5.1	<b>Preparation of strategic plans.</b>		
3.1.1	PFMA 27(4)	To submit to the Provincial Legislature measurable objectives for each main division within the department's vote.	Director: Business, Strategy and Stakeholder Management	1. As included in Annual Performance Plan (APP). 2. To be determined in consultation with the AO and must be signed off by the AO and CFO.

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ITEM NO.	REFERENCE	CRYPTIC DESCRIPTION OF RESPONSIBILITY	RESPONSIBILITY ASSIGNED TO	REMARKS, LIMITATIONS OR CONDITIONS
3.1.2	NTR 5.1.1	To prepare a strategic plan that is consistent with the period covered by the Medium Term Expenditure Framework (MTEF) for approval by the Executive Authority.	Director: Business, Strategy and Stakeholder Management	1. The strategic plan must form the basis for the annual report. 2. To be signed off by the AO and CFO. 3. Strategic plan must comply with the conditions laid down in NTR 5.2.2 and 5.2.3
3.2	NTR 5.3	<b>Evaluation of performance (Section 27(4) read with 36(5) of the PFMA)</b>		
3.2.1	NTR 5.3.1	To establish procedures for quarterly reporting to the Executive Authority to facilitate effective performance monitoring, evaluation and corrective action.	Director: Business, Strategy and Stakeholder Management	In accordance with Provincial Treasury prescripts.
<b>4.</b>	<b>NTR 6</b>	<b>BUDGETING AND RELATED MATTERS</b>		
4.1	NTR 6.1	<b>Annual budget circular</b>		
4.1.1	NTR 6.1.1	To comply with annual budget circulars issued by Treasury.	Director: Management Accounting and Director: Business, Strategy and Stakeholder Management	All submissions to the Provincial Treasury to be signed off by the AO and CFO.
4.2	PFMA 39	<b>Budget control</b>		
4.2.1	PFMA 39(1)(a)	To ensure that expenditure of the department is in accordance with the vote of the department and the main divisions within the vote.	Responsibility Managers	
4.2.2	PFMA 39(2)(a)	To take effective and appropriate steps to prevent any overspending of the vote of the department or a main division within the vote.	Responsibility Managers	Under scrutiny of the CFO and the Director Management Accounting.
4.2.3	PFMA 39(2)(b)	To report to the Executive Authority and Treasury any impending – (i) under collection of revenue due; (ii) shortfalls in budgeted revenue; and (iii) overspending of the department's vote or a main division within the vote.	Director: Management Accounting	To be signed off by the AO and CFO.
4.2.4	PFMA 39(2)(c)	To comply with any remedial measures imposed by Treasury in terms of the PFMA to prevent overspending of the vote or a main division within the vote.	All officials	Under scrutiny of the CFO and the Director Management Accounting.

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4.3	NTR 6.4	<b>Rollovers</b>		
4.3.1	NTR 6.4.1 NTR 6.4.2 NTR 6.4.3	To apply to Treasury for approval for rollovers.	Director: Management Accounting	<ol style="list-style-type: none"> <li>1. Request to be submitted on or before last working day of April.</li> <li>2. Format to be determined by Treasury.</li> <li>3. To be signed off by the AO and CFO.</li> <li>4. See conditions as stipulated in NTR 6.4.2 and 6.4.3.</li> </ol>
4.4	NTR 6.5	<b>Transfer of functions (Section 42 of the PFMA)</b>		
4.4.1	PFMA 42(1)	When assets or liabilities of a department are transferred to another department or other institution in terms of legislation or following a reorganisation of functions, to – (a) draw up an inventory of such assets and liabilities, and (b) provide the AO for the receiving department or other institution with substantiating records, including personnel records of staff to be transferred.	<ol style="list-style-type: none"> <li>(a) Director: Procurement Management</li> <li>(b) Director: Physical Resource Planning</li> <li>(c) Director: Cape Teaching and Leadership Institute</li> </ol>	<ol style="list-style-type: none"> <li>1. Both the AO for the transferring department and the AO for the receiving department or other institution must sign the inventory when the transfer takes place.</li> <li>2. The AO for the transferring department must file a copy of the signed inventory with Treasury and the Auditor-General within 14 days of the transfer.</li> </ol>
4.4.2	NTR 6.5.3	To obtain Treasury approval on the funding arrangements when transferring functions to another sphere of government.	Director: Management Accounting	To be signed off by the AO and CFO.
<b>5.</b>	<b>NTR 7</b>	<b>REVENUE MANAGEMENT</b>		
5.1	NTR 7.2	<b>Responsibility for revenue management.</b>		
5.1.1	NTR 7.2.1	To manage revenue efficiently and effectively by developing and implementing appropriate processes that provide for the identification, collection, recording, reconciliation and safeguarding of information about revenue.	Director: Financial Accounting (DFA)	
5.1.2	PTI 7.2.1	To ensure that measures are instituted and regularly revised to ensure that receipts are allocated to the appropriate receipt items in a consistent manner.	Director: Management Accounting	Any request for new receipt item codes and the amendment of existing Standard Chart of Accounts (SCoA) item codes may only be done in concurrence with the Provincial Treasury.
5.1.3	PTI 8.3.3	To ensure that amounts received after the last day of a financial year are brought into account in the new financial year.	Director: Financial Accounting	

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5.2	PTI 15.6	<b>Instructions by accounting officers in respect of the issue of Machine Receipts</b>		
5.2.1	PTI 15.6.1	To arrange for suitable departmental instructions to be drawn up providing for financial control measures to be applied in connection with the use of receipts machines and to ensure that such instructions are strictly adhered to.	Director: Financial Accounting	In the drafting of such instructions, the following aspects must be covered inter alia: (a) the determination of responsibility at all times; (b) the defining of duties to prevent unauthorised access to machines and machine records; (c) the written designation of a responsible person, who may not be the cashier or machine operator, by the head of the office to be in charge of the machine codes that give access to the totals, audit or cash roll, duplicate receipt holder and the numerical sequence numbering mechanism; (d) the obtaining of signatures at the handing over of machine control keys; (e) where applicable, procedures in connection with the deletion and creation of codes; (f) procedures for the adjustment of errors, safekeeping of cancelled receipts and other records, as well as the closing off and balancing at the end of each working day; and (g) the defining of the supervisor's duties.
5.3	NTR 7.3	<b>Services rendered by the State</b>		
5.3.1	PTI 7.1.1	To ensure that a tariff register is kept as stipulated by the Provincial Treasury.	Director: Financial Accounting	1. Tariff registers must be updated as approved by the Provincial Treasury within 10 (ten) days after such approval. 2. Tariff registers must be made available to the Provincial Treasury on request.

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5.3.2	NTR 7.3.1 NTR 7.3.2 PTI 7.1.2 PTI 7.1.3	To review, at least annually when finalising the budget, all fees, charges or the rates, scales or tariffs of fees and charges that are not, or cannot be fixed by any law and that relate to revenue accruing to a fund and obtain approval from Treasury for the proposed tariff structure.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. To be submitted via the CFO for signing-off by AO.</li> <li>2. Proposed new or revised provincial tariff structures of all fees and charges or the rates, scales or tariffs of fees and charges that are fixed by any law and that relate to revenue accruing to the Provincial Revenue Fund must be submitted to the Cabinet via the Provincial Treasury. The Provincial Treasury should be consulted before any proposed new or revised provincial tariff structure is submitted to the Cabinet for approval.</li> <li>3. Information on the tariff structure must be disclosed in the annual report, including information on exemptions, discounts, free services and any other aspect of material influence on the revenue yield.</li> <li>4. Where applicable, the following aspects must be taken into consideration during the determination and/or revision of the provincial tariff structure of all fees and charges or the rates, scales or tariffs of fees and charges that are not or cannot be fixed by any law and that relate to revenue accruing to the Provincial Revenue Fund: <ul style="list-style-type: none"> <li>Types of products and/or services provided.</li> <li>Direct and indirect costs incurred to provide the products and/or services.</li> <li>• Nationally prescribed tariff structures and policies.</li> <li>• Exemptions and discounts.</li> <li>• Free products and/or services.</li> <li>• Any aspects of material influence.</li> </ul> </li> </ol>
<b>6.</b>	<b>NTR 8</b>	<b>EXPENDITURE MANAGEMENT</b>		
6.1	NTR 8.1	<b>Responsibility of the accounting officer (Section 76(4)(b) of the PFMA)</b>		
6.1.1	PFMA 38(1)(a)(iv)	To ensure that the department has and maintains a system for properly evaluating all major capital projects prior to a final decision on the project.	Chief Director: Physical Resources	To be determined in consultation with the CFO and to be approved by the AO.

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6.1.2	PFMA 38(1)(b)	To ensure the effective, efficient, economical and transparent use of the resources of the department.	All officials	
6.1.3	PFMA 38(1)(c)(iii)	To take effective and appropriate steps to manage available working capital efficiently and economically.	All officials	
6.1.4	PFMA 38(1)(e)	To comply with any tax, levy, duty, pension and audit commitments as may be required by legislation.	All officials	
6.1.5	PFMA 39(1)(b)	To ensure that effective and appropriate steps are taken to prevent unauthorised expenditure.	All officials	
6.1.6	NTR 8.1.1 PTI 8.3.1 PTI 8.3.2	To ensure that internal procedures and internal control measures are in place for payment approval and processing.	Director: Financial Accounting and all Responsibility Managers	<ol style="list-style-type: none"> <li>1. An official may not spend or commit public money except with the approval of the AO or a properly delegated or authorised officer. See delegation of powers 4.1.1.</li> <li>2. These internal controls should provide reasonable assurance that all expenditure is - <ul style="list-style-type: none"> <li>- necessary;</li> <li>- appropriate;</li> <li>- paid promptly; and</li> <li>- adequately recorded and reported.</li> </ul> </li> <li>3. The rule of state accounting, namely that the date of payment is the date of charge, must be strictly observed. All payments made must be accounted for by the department concerned in the financial year in which the payments are made.</li> <li>4. A payment after the last day of the financial year must not be charged in the accounts of that financial year. This instruction must be strictly adhered to.</li> </ol>

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6.1.7	PTI 8.1.1	To ensure that suitable arrangements are made to ensure that all claims payable are received within a reasonable period to prevent them from being submitted long after services have been rendered.	Responsibility Managers and Project Managers including officials delegated to receive and certify invoices	<ol style="list-style-type: none"> <li>1. Where a claim, account or invoice in terms of a contract or agreement cannot be obtained timeously to expedite payment in order to take advantage of any permissible discount, the voucher for such payment must be supported by a certificate from a duly authorised official stating that the supplier is entitled to the payment indicated on the payment voucher.</li> <li>2. Monthly accounts and statements of outstanding balances from suppliers to departments must be verified with the department's records. Any discrepancies must be taken up in writing with the supplier concerned immediately.</li> <li>3. Certificates in support of vouchers must be issued by persons who have actual knowledge of the goods supplied and/or the services rendered.</li> <li>4. A person issuing an inaccurate certificate resulting in irregular payment or overpayment may be liable for any loss or damage suffered.</li> <li>5. The following must be certified in respect of the various services and claims: <ol style="list-style-type: none"> <li>(a) Goods supplied - <ul style="list-style-type: none"> <li>that the supplies were in fact required for official purposes and for an approved service, that they were correct and in good condition on receipt and that the receipt for the supplies were entered in the records;</li> <li>that the rates are in accordance with a contract or that they are fair and reasonable and that the supplier is entitled to payment.</li> </ul> </li> <li>(b) Services rendered - <ul style="list-style-type: none"> <li>that the services rendered were necessary for official purposes and were carried out satisfactorily, and that the charges are according to the relative tariff, contract or agreement, or otherwise fair and reasonable, and that the supplier is entitled to payment.</li> </ul> </li> </ol> </li> </ol>
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6.1.8	PTI 8.1.7 PTI 8.1.8 PTI 8.1.9 PTI 8.1.10	The person verifying the voucher for payment must ensure that the certificate in support of the voucher is in order before a payment is made.	Responsibility Managers and Supply Chain Management Champions	<ol style="list-style-type: none"> <li>1. If a certificate appears to be defective for any reason, or if there are reasonable grounds for doubting its accuracy, the certificate must be returned to the person who issued it, who must amend the mistake and initial the correction. It remains the duty of persons who examine the certificates to make the necessary enquiry if they feel that a certificate is inconsistent with the facts.</li> <li>2. The person verifying the voucher for payment must be authorised by delegation. See Delegation of Powers 4.1.1.</li> <li>3. The delegated official must certify the voucher accordingly and make sure that the following requirements have been complied with before proceeding with the payment, namely that the claim is - <ol style="list-style-type: none"> <li>(a) a proper charge against Provincial Government moneys and has not been paid already;</li> <li>(b) in accordance with a law, regulation, tariff or agreement or that it is fair and reasonable;</li> <li>(c) covered by competent authority;</li> <li>(d) correct in respect of the period covered by the claim;</li> <li>(e) correct with regard to computations;</li> <li>(f) supported, where applicable, by the necessary documents or an explanation of their absence; and</li> <li>(g) generally in order.</li> </ol> </li> <li>4. A pre-payment or partial payment may not be made unless it is supported by a certificate indicating that the amount of the payment requested is fully covered by or equal to the inventory item or equipment already delivered and/or services already rendered.</li> </ol>
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6.1.9	PFMA 38(1)(f) PTI 8.1.11 To PTI 8.1.17	To settle all contractual obligations and pay all money owing, including intergovernmental claims, within the prescribed period.	Responsibility Managers	<ol style="list-style-type: none"> <li>1. Payments for supplies, services or work done under written contractual agreement must be supported by certificates from competent persons stating that such payments are in accordance with the terms of the written contractual agreement and, where applicable, that work to the value of the amount to be paid has been done properly.</li> <li>2. Further directives in this regard can be found in PTI 8.1.12 – PTI 8.1.17.</li> </ol>
6.2	NTR 8.2	<b>Approval of Expenditure (Section 38(1)(f) and 76(4)(b) of the PFMA)</b>		
6.2.1	NTR 8.2.3	All payments due to creditors must be settled within 30 days from receipt of an invoice.	Responsibility Managers	<ol style="list-style-type: none"> <li>1. Unless determined otherwise in a contract or other agreements.</li> <li>2. For civil claims from the date of settlement or court judgement.</li> </ol>
6.3	NTR 8.3	<b>Compensation of employees (Section 76(b) of the PFMA)</b>		
6.3.1	NTR 8.3.2	To ensure that the personnel cost of all appointees, as well as promotion and salary increases, can be met within the budgetary allocation of the department.	DDG: Corporate Services	Supported by the Director: Management Accounting.
6.3.2	NTR 8.3.4 NTR 8.3.5 PTI 8.6.5.1	To ensure that all pay-point certificates have been received on a monthly basis.	Director: Financial Accounting	Where computerised systems are used, the following certification must be printed at the bottom of the last page of the payroll report in respect of each pay point and signed by the person in charge of the respective pay point before payday: "I hereby certify that, unless otherwise indicated, all persons listed on the payroll report are entitled to payment."
6.3.3	PTI 8.6.4.1	To ensure that payroll reports, certifying that the persons listed in them are in fact entitled to receive the salaries or wages as indicated, are filed in chronological order by the person responsible for this.	Director: Financial Accounting	Payroll reports must be available for audit and inspection purposes.

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6.4	NTR 8.4	<b>Transfers payments (excluding Division of Revenue grants and other allocations to municipalities) (Section 38(1)(j) of the PFMA)</b>		
6.4.1	PFMA 38(1)(j)	To obtain a written assurance from an entity, before transferring any funds (other than grants in terms of the annual Division of Revenue Act or to a constitutional institution) to an entity that that entity implements effective, efficient and transparent financial management and internal control systems, or, if such written assurance is not or cannot be given, render the transfer of the funds subject to conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems.	Responsibility Managers	The written assurance from an entity must be filed for audit purposes.
6.4.2	PFMA 38(1)(k)	To manage transfer payments and enforce compliance with any prescribed conditions if the department gives financial assistance to any entity or person.	Responsibility Managers	May withhold the transfers and subsidies to an entity as indicated in NTR 8.4.2.
6.4.3	NTR 8.4.1	To maintain appropriate measures to ensure that transfers and subsidies to entities are applied for their intended purposes.	Responsibility Managers	1. Such measures may include: (a) regular reporting procedures; (b) internal and external audit requirements and, where appropriate, submission of audited statements; (c) regular monitoring procedures; (d) scheduled or unscheduled inspection visits or reviews of performance, and (e) any other control measures deemed necessary.
6.5	NTR 8.5	<b>Division of Revenue Grants (Section 38(1)(i) of the PFMA)</b>		
6.5.1	PFMA 38(1)(i) NTR 8.5.1	To ensure compliance with the provisions of the annual Division of Revenue Act, when funds are transferred to other spheres of government in terms of that Act.	Responsibility Managers	

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6.6	NTR 8.8	<b>Recovery, disallowance and adjustment payments</b>		
6.6.1	NTR 8.8.1 NTR 8.8.2 PTI 8.4	To recover or adjust disallowances in the accounts and to ensure priority attention is continuously given to such recoveries or adjustments to finalise them as soon as possible after the disallowances have been raised.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. Amounts charged against the voted funds and recovered in the financial year in which the payment was made, shall on or before the closing of books of that financial year, be allocated to the main division that was originally debited.</li> <li>2. Amounts which are recovered after the closing of books of a financial year shall be paid to the relevant revenue fund, provided that such amounts have not been allocated to clearing or suspense account during the financial year in which payment was made.</li> </ol>
<b>7.</b>	<b>NTR 9</b>	<b>UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE</b>		
7.1	NTR 9.1	<b>General (Sections 38(1)(g) and 76(2)(e) of the PFMA)</b>		
7.1.1	PFMA 38(1)(c)(ii) NTR 9.1.1	To take effective and appropriate steps and to exercise all reasonable care to prevent unauthorised, irregular and fruitless and wasteful expenditure and losses resulting from criminal conduct.	All Officials	Effective, efficient and transparent processes of financial and risk management must be implemented.
7.1.2	PFMA 38(1)(g) NTR 9.1.2	To report unauthorised, irregular or fruitless and wasteful expenditure to the AO when discovered.	All Officials	In writing immediately when discovered, with a copy to the Director: Financial Accounting.
7.1.3	PFMA 40(4)(b) NTR 9.1.5 PTI 9.1 PTI 9.2	To report unauthorised, irregular or fruitless and wasteful expenditure in the monthly IYM Report.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. The amount of unauthorised, irregular or fruitless and wasteful expenditure must be disclosed as a note to the annual financial statements of the institution.</li> <li>2. See PTI 9.1 and 9.2 regarding the accounting treatment of unauthorised expenditure.</li> </ol>
7.1.4	NTR 9.1.2	To report irregular expenditure incurred by departments in contravention of tender procedures to the Loss Control Section within the Financial Accounting Directorate.	The Director: Procurement Management	

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7.2	PFMA 64	<b>Executive decisions having financial implications</b>		
7.2.1	PFMA 64(2)	To inform the Executive Authority in writing of the likelihood of an unauthorised expenditure if a directive mentioned in section 64(1) of the PFMA is likely to result in unauthorised expenditure.	Not assigned	The AO will be responsible for any resulting of unauthorised expenditure if the Executive Authority has not been warned of the likelihood of the unauthorised expenditure.
7.2.2	PFMA 64(3)	To file a written copy of the document which sets out any decision of the Executive Authority to proceed in terms of section 64(2) of the PFMA, with the implementation of the directive, and the reasons for the decision, with the National Treasury and the Auditor-General and also with the Provincial Treasury.	Not assigned	Copy of document to CFO
<b>8.</b>	<b>NTR 10</b>	<b>ASSET MANAGEMENT</b>		
8.1	NTR 10.1	<b>Responsibility for asset management (Section 38(1)(d) of the PFMA)</b>		
8.1.1	PFMA 38(1)(d)	To be responsible for the management, including the safeguarding and the maintenance of the assets, and for the management of the liabilities of the department.	Director Procurement Management	
8.1.2	NTR 10.1.1	To take full responsibility and ensure that proper control systems exist for assets and that – (i) Preventative mechanisms are in place to eliminate theft, losses, wastage and misuse; and (ii) stock levels are at an optimum and economical level.	Director: Procurement Management	To be determined in consultation with the CFO.
8.1.3	NTR 10.1.2 PTI 16A3.2	To ensure that processes (whether manual or electronic) and procedures are in place for the effective, efficient, economical and transparent use of the institution's assets.	Director: Procurement Management	To be determined in consultation with the CFO.
8.2	PTI 16A3.3	<b>Handing-over certificate</b>		
8.2.1	PTI 16A3.3(a), (b) and (c)	Where there is a change in person in direct control of an inventory item, equipment or livestock takes place, a handing over certificate must be completed by person responsible for direct control of an inventory item, equipment or livestock.	All officials	<ol style="list-style-type: none"> <li>1. A copy must be retained for audit purposes.</li> <li>2. If for any reason the person is not available, an impartial person must be nominated in writing.</li> <li>3. In case of failure to comply with the requirements of a handing-over certificate, the official taking over may be held liable for any shortages, unless it can be established that the shortages existed prior to the official taking over.</li> </ol>

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<b>9.</b>	<b>NTR 11</b>	<b>MANAGEMENT OF DEBTORS</b>		
9.1	NTR 11.2	<b>Responsibility for management of debtors (Section 38(1)(c)(l) and (d) of the PFMA).</b>		
9.1.1	PFMA 38(1)(c)(i) NTR 11.2.1 NTR 11.3.1 PTI 11.2.1	To take effective and appropriate steps to timeously collect all money due to the department.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. Including as necessary- <ol style="list-style-type: none"> <li>(a) maintenance of proper accounts and records for all debtors, including amounts received in part payment; and</li> <li>(b) referral of a matter to the State Attorney, where economical, to consider a legal demand and possible legal proceedings.</li> </ol> </li> <li>2. The referral of a matter to the State Attorney as contemplated in NTR 11.2.1(b) must be done via the Chief Directorate: Legal Services.</li> <li>3. Unless otherwise indicated, the debts owing to the State may at the discretion of the AO be recovered in instalments – see Delegation of Powers 7.1.1.</li> </ol>
9.1.2	PTI 11.1.1	To examine the estate notices in the Government Gazettes regularly to ensure that, where applicable, viable claims in respect of such debts are lodged in time against deceased or insolvent estates.	Director: Financial Accounting	
9.2	NTR 11.4	<b>Writing-off of debts owing to the state (Sections 76(1)(e) and 76(4)(a) of the PFMA).</b>		
9.2.1	NTR 11.4.2 NTR 11.4.3	To ensure that all debts written off are done in accordance with the debt write-off policy.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. All debts written off must be disclosed in the annual financial statements, indicating the policy in terms of which the debt was written off.</li> <li>2. Write-off Policy to be approved by AO.</li> <li>3. See Delegation of Powers 7.2.1</li> </ol>
<b>10.</b>	<b>NTR 12</b>	<b>MANAGEMENT OF LOSSES AND CLAIMS</b>		
10.1	PTI 12.2	<b>Responsibility for loss control</b>		
10.1.1	PTI 12.2.1 PTI 12.2.2 PTI 12.2.3	To appoint an official in writing with the duties attached to loss control (the Loss Control Officer).	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. The Loss Control Officer must be responsible for, amongst other things, the duties as indicated in PTI 12.2.1 (a) – (d)</li> <li>2. The Loss Control Officer must keep a register in which all particulars of losses are recorded. The minimum requirements for the loss register is indicated in PTI 12.2.3.</li> </ol>

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10.1.2	PTI 12.5.1	Any official who becomes aware of a loss or damage to state property must report such loss or damage in writing to the Loss Control Officer immediately.	All officials	<ol style="list-style-type: none"> <li>1. The Loss Control Officer must investigate the matter or have it investigated without delay and, if requested, must ensure that the identity of the person or persons who reported the irregularity to him/her is not made known. When a person who is aware of an irregularity suspects that his/her identity may become known or that the Loss Control Officer is involved, he/she must report the irregularity to the AO or, if the AO is involved in the irregularities, to the Office of the Auditor-General.</li> <li>2. Regardless of whether or not money is recovered in terms of these instructions, disciplinary measures in terms of the Public Service Act of 1994 (as amended) or other relevant legislation and collective agreements must always be considered.</li> </ol>
10.2	NTR 12.2	<b>Claims against the state through acts or omissions (Section 76(1)(h) of the PFMA.</b>		
10.2.1	NTR 12.2.1 NTR 12.2.2 NTR 12.2.3 NTR 12.2.4 PTI 12.8.1 PTI 12.8.2	If in doubt, to consult the State Attorney on questions of law on the implementation of NTR 12.2.1.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. The amount paid by the institution for the loss, damage or claim arising from an act or omission must be recovered from the official concerned if his/her cover has been forfeited in terms of NTR 12.2.1.</li> <li>2. The State Attorney may only obligate the funds of the department with the prior approval of the AO – see Delegation of Powers 8.2.1.</li> <li>3. For legal costs to be paid, see PTI 12.8.6.</li> </ol>
10.2.2	PTI 12.10.1	To ensure that investigations are immediately instituted when it appears that deficiencies, losses or damage for the state were caused or could have been caused by the acts or omissions of said persons.	Director: Financial Accounting	All the necessary written statements must be obtained in order to determine the liability of the said person whose act or omission may have caused the loss or damage or contributed to it.
10.3	NTR 12.3	<b>Claims by the State against persons</b>		
10.3.1	NTR 12.3.1	If deemed economical, to refer a matter to the State Attorney for legal action, including the recovery of the value of the loss or damage, when the state suffers a loss or damage and the other person denies liability.	Director: Financial Accounting	

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10.4	NTR 12.4	<b>Claims by said persons against the State</b>		
10.4.1	PTI 12.9.1	If uncertain whether to settle or oppose the matter, to submit all the relevant documents and statements to the State Attorney.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>Such claim must be dealt with as contemplated in PTI 12.8.</li> <li>Where ex gratia payments are recommended, these must be dealt with in accordance with NTR 22.1.</li> </ol>
10.5	NTR 12.5	<b>Losses or damages through criminal acts or omissions (Section 76(1)(f) of the PFMA)</b>		
10.5.1	NTR 12.5.1	To recover the value of the loss or damage that the State has suffered through criminal acts or omissions from the person responsible.	Director: Financial Accounting	Report in writing losses or damages suffered through criminal acts or possible criminal acts or omissions to the SA Police Service.
10.5.2	PTI 12.12.1	To report to the State Attorney for consideration and advice as to the method to be used for the recovery of the money or property or for otherwise safeguarding the interests of the State, together with such further particulars as may be available directly after the identity and whereabouts of the said person or persons whose unlawful act caused the loss, or the whereabouts of any stolen money or property or any assets alleged to have been acquired by means of such money or property, become known.	Director : Financial Accounting	<ol style="list-style-type: none"> <li>The matter need not, however, be reported to the State Attorney if the department can recover the loss or damage and has taken steps or is taking such steps either by means of a deduction from the person's salary or pension fund contributions or by requesting the public prosecutor who is taking criminal action against the person concerned or against the receiver of the stolen property, to apply to court on behalf of the State for compensation or restitution in terms of section 300 of the Criminal Procedure Act, 1977 (Act No 51 of 1977).</li> </ol>
10.6	NTR 12.7	<b>Losses and damages through acts committed or omitted by officials (Section 76(1)(b) and 76(4)(a) of the PFMA)</b>		
10.6.1	NTR 12.7.2 PTI 12.13.1 PTI 12.13.2	To determine the amount of the loss or damage and request payment of the amount with 30 days or in reasonable instalments.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>Where said persons or other persons are involved in the loss of assets, inventory items and equipment, the amount to be recovered from them must be calculated as stipulated in PTI 12.13.1 and PTI 12.13.2.</li> <li>Request to be in writing.</li> <li>If the official fails to comply with the request, the matter must be handed to the State Attorney for the recovery of the loss or damage.</li> </ol>

<b>11.</b>	<b>NTR 13</b>	<b>LOANS, GUARANTEES AND OTHER COMMITMENTS</b>		
11.1	NTR 13.1	<b>General (Section 66 of the PFMA)</b>		
11.1.1	NTR 13.1.2 NTR 13.1.3 NTR 13.1.5	To ensure that no official in the department or any other person borrows money on behalf of the department, or issues an unauthorised guarantee, security or indemnity and must also ensure that misconduct and criminal proceedings are instituted against any person responsible for transgressions with regard to borrowings, guarantees, securities or indemnities.	DDG: Corporate Services	<ol style="list-style-type: none"> <li>1. Should the AO be responsible for transgressions with regard to borrowings, guarantees, securities or indemnities, Treasury must, as soon as it becomes aware of the transgression, initiate appropriate misconduct or criminal proceedings against the AO.</li> <li>2. This regulation does not preclude the use of credit cards, fleet management cards or other credit facilities repayable within 30 days from the date of statement.</li> </ol>
11.1.2	NTR 13.1.4	To report on all contingent liabilities of the department in its annual report.	Director: Financial Accounting	In consultation with the CFO and the Legal Advisor.
<b>12.</b>	<b>NTR 14</b>	<b>MONEY AND PROPERTY HELD IN TRUST</b>		
12.1	NTR 14.2	<b>Responsibility for trust money and property (Section 76(1)(e) of the PFMA)</b>		
12.1.1	NTR 14.2.2 NTR 14.2.3 PTI 14.1.2 PTI 14.1.3	To be responsible for the safekeeping and proper use of trust money and property, in accordance with the relevant deed of trust or equivalent instrument.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. Trust money may be deposited in a personal account with a financial institution (including the post office) with due regard to the period of safekeeping and at the discretion of the owner. Where such choice is unreasonable or is not exercised, PTI 14.1.3 must be applied mutatis mutandis.</li> <li>2. The department, or its duly authorised agent, may charge a fee for the administration of a trust account at rates approved by the board of trustees or, in its absence, as agreed with the trustee. Such fees are payable from the trust account and are revenue accruing to the relevant revenue fund.</li> </ol>

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12.2	NTR 14.3	<b>Trust money must be kept in a trust account</b>		
12.2.1	NTR 14.3.1 NTR 14.4.1	For each separate portion of trust money, to – <ul style="list-style-type: none"> <li>• Open and maintain a separate bank account, called a trust account;</li> <li>• Assign the trust account a name or title that clearly identifies the account;</li> <li>• maintain separate accounting records for each trust account, of the transactions, including investment transactions, undertaken; and</li> <li>• annually prepare separate financial statements that comply with generally accepted accounting practice.</li> </ul>	Director: Financial Accounting	Provided that it does not conflict with the terms of the trust arrangement, AO may invest any trust money on such terms and conditions as may be appropriate – See delegation of powers 10.2.1
<b>13.</b>	<b>NTR 15</b>	<b>BANKING, CASH MANAGEMENT AND INVESTMENT</b>		
13.1	NTR 15.5	<b>Responsibilities of departments [Sections 13 and 22 of the PFMA]</b>		
13.1.1	NTR 15.5.1 NTR 15.5.2 NTR 15.5.3	To ensure that all revenue received by a department is paid into the department's Paymaster-General Account daily or, for amounts less than R500, as soon as practicable, but at least by the last working day of the month.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. No provincial department may receive transfers from a national department or public entity directly; such funds must be deposited into the nominated banking account of the province as required by NTR 15.2.3.</li> <li>2. Money collected by a department, which is not classified as revenue, must be paid into the department's Paymaster-General account and accounted for in its ledger. This includes money received for agency services provided to another department.</li> </ol>
13.3	NTR 15.7	<b>Requisitioning of funds by departments.</b>		
13.3.1	NTR 15.7.1 PFMA 24(1)(a)	To submit requisitions, in accordance with approved cash flow estimates, to Treasury for the transfer of appropriated funds.	Director: Financial Accounting	According to time-scales as determined by Treasury.
13.4	NTR 15.8	<b>Surrender of voted surplus funds</b>		
13.4.1	NTR 15.8.1	To surrender to Treasury any unexpended voted money for re-depositing into the Exchequer bank account of the revenue fund at the end of each financial year and after the books of account have been closed.	Director: Financial Accounting	

13.5	NTR 15.10	<b>Banking and cash management</b>		
13.5.1	NTR 15.10.1	<b>General (Sections 7 and 21 of the PFMA)</b>		
13.5.1.1	NTR 15.10.1.1	To establish systems, procedures, processes and training and awareness programmes to ensure efficient and effective banking and cash management.	Director: Financial Accounting	See NTR 15.10.1.2 for what is included under sound cash management.
13.5.2	NTR 15.10.2	<b>Cash Flow</b>		
13.5.2.1	NTR 15.10.2.1 PFMA 40(4)(a)	To annually submit to Treasury a breakdown of anticipated revenue and expenditure.	Director: Management Accounting in consultation with the Directorate Financial Accounting	1. In the format determined by the National Treasury. 2. No later than the last working day of February preceding the financial year to which it relates.
13.5.2.2	NTR 15.10.2.3	To obtain prior written approval from Treasury to draw more than the amount approved for a month from the revenue fund.	Director: Financial Accounting	
13.5.2.3	NTR 15.10.2.4	To motivate and apply for the adjustment of the approved cash flow projections.	Director: Financial Accounting	Treasury to evaluate against the availability of funds in the Exchequer.
13.5.3	NTR 15.10.3	<b>Banking arrangements (Section 7(2) of the PFMA)</b>		
13.5.3.1	PMFA 8(2)(a) NTR 15.10.3.1	To apply to Treasury for approval to open a bank account.	Director: Financial Accounting	1. Must be with a bank registered in SA 2. To be signed off by the AO and CFO.
13.6	PTI 15.15	<b>Verification of money and face-value instruments</b>		
13.6.1	PTI 15.15.1	To verify all moneys and face-value instruments to ensure that the amount on hand is correct, that moneys which should have been banked have not been withheld.	Director: Financial Accounting Heads of institutions	1. Instructions regarding the receipt, custody and disposal of Provincial Government moneys must be carried out. 2. All registers of receipts and relevant records must be verified daily.
13.7	PTI 15.24	<b>Petty Cash</b>		
13.7.1	PTI 15.24.2	To establish petty cash facilities where sufficient need exist in an office or section to have cash available for the immediate payment of petty expenditure.	Director: Financial Accounting	1. Written approval to be granted by the AO. 2. The instructions as indicated in PTI 15.24.4 (a) – (e) must be complied with.

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<b>14.</b>	<b>NTR 16</b>	<b>PUBLIC – PRIVATE PARTNERSHIPS (PPP)</b>		
14.1	NTR 16.3	<b>Project Inception</b>		
14.1.1	NTR 16.3.1	As soon as the institution identifies a project that may be concluded as a PPP, to, in writing: register the PPP with Treasury; inform Treasury of the expertise within that institution to proceed with a PPP; <ul style="list-style-type: none"> <li>• appoint a project officer from within or outside the institution; and</li> <li>• appoint a transaction advisor if Treasury so requests.</li> </ul>	DDG	<ol style="list-style-type: none"> <li>1. To be signed off by the AO and CFO.</li> <li>2. All submissions to the National Treasury to obtain its approval as contemplated in NTR 16 must be submitted via the Provincial Treasury.</li> </ol>
14.2	NTR 16.4	<b>Feasibility study – Treasury approval: I</b>		
14.2.1	NTR 16.4.1	To undertake a feasibility study. Refer to NTR 16.4.1 (a) – (f) to determine whether the proposed PPP is in the best interests of the department.	Programme Managers	<ol style="list-style-type: none"> <li>1. An institution may not proceed with the procurement phase of a PPP without prior written approval of Treasury for the feasibility study.</li> <li>2. In conjunction with the CFO.</li> </ol>
14.2.2	NTR 16.4.4	To take the necessary steps if at any time during the Treasury Approval: 1 and the granting in respect of the feasibility study of a PPP, but before the granting of Treasury Approval: III and a recorded agreement in respect of such a PPP, any of the assumptions in such a feasibility study are materially revised, including any assumptions concerning affordability, value for money and appropriate technical, operational and financial risk transfer.	Programme Managers	<p>The following steps must be taken immediately:</p> <ol style="list-style-type: none"> <li>(a) provide Treasury with the details of the intended revision, including a statement regarding the purpose and impact of the intended revision on the affordability, value for money and risk transfer evaluation in the feasibility study; and</li> <li>(b) ensure that Treasury is provided with the revised feasibility study after which Treasury may grant a revised Treasury Approval: 1.</li> </ol>
14.3	NTR 16.5	<b>Procurement – Treasury approvals: IIA and IIB</b>		
14.3.1	NTR 16.5.1	To get approval from Treasury for the procurement documentation, including the draft PPP agreement, prior to the issuing thereof to any prospective bidders.	Director : Procurement Management	<ol style="list-style-type: none"> <li>1. Must include at least the main terms of the proposed agreement, the aspects of affordability, value for money and risk transfer.</li> <li>2. The Treasury approval shall be regarded as Treasury Approval: IIA.</li> <li>3. The procurement procedure must be in accordance with a system that is fair, equitable, transparent, competitive and cost-effective, and must include a preference for the protection or advancement of persons, or categories of persons, disadvantaged by unfair discrimination in compliance with relevant legislation.</li> </ol>

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14.3.2	NTR 16.5.4.	To submit a report for Treasury approval after the evaluation of the bids but prior to entering into negotiations with any of the bidders.	Director: Procurement Management	<ol style="list-style-type: none"> <li>1. The report must demonstrate – <ol style="list-style-type: none"> <li>1.1 how the criteria of affordability, value for money and substantial technical, operational and financial risk transfer were applied in the evaluation of the bids.</li> <li>1.2 how these criteria were satisfied in the preferred bid and include any other information required by Treasury</li> </ol> </li> <li>2. The Treasury approval shall be regarded as Treasury Approval: IIB.</li> </ol>
14.4	NTR 16.6	<b>Contracting public – private partnership agreements –Treasury Approval: III</b>		
14.4.1	NTR 16.6.1	<p>To obtain Treasury approval after the procurement procedure has been concluded but before entering into a PPP agreement,–</p> <ol style="list-style-type: none"> <li>(a) That the PPP agreement contains the affordability, value for money and appropriate technical, operational and risk transfer in regulation 16.4.2 or revised in terms of paragraph 16.4.4; and</li> <li>(b) for a management plan that explains the capacity of the institution to effectively enforce the agreement including, to monitor and regulate implementation of and performance in terms of the agreement.</li> <li>(c) That a satisfactory due diligence including a legal due diligence has been completed in respect of the AO and the proposed private party in relation to matters of their respective competence and capacity to enter into the PPP agreement.</li> </ol>	Programme Managers	<ol style="list-style-type: none"> <li>1. In conjunction with the CFO.</li> <li>2. The Treasury approval shall be regarded as Treasury Approval: III.</li> </ol>

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14.5	NTR 16.7	<b>Management of public–private partnership agreements</b>		
14.5.1	NTR 16.7.1	To ensure that a PPP agreement is properly implemented, managed, enforced and reported on and must maintain such mechanisms and procedures as approved in Treasury Approval: III for - (a) measuring the outputs of the PPP agreement; (b) monitoring and regulating the implementation of, and performance in terms of, the agreement; (c) liaising with the private party; (d) resolving disputes and differences with the private party, (e) generally overseeing the day-to-day management of the agreement, and (f) reporting on the management of the agreement in the institution’s annual report.	Programme Managers	In conjunction with the CFO.
14.5.2	NTR 16.7.2 NTR 16.7.3	To ensure that the relevant institutional function is effectively and efficiently performed in the public interest or on behalf of the public service and that the use of the state property by the private party is appropriately protected against forfeiture, theft, loss, wastage and misuse.	Programme Managers	
14.6	NTR. 16.8	<b>Amendment and variation of public-private partnership agreements</b>		
14.6.1	NTR 16.8.1 NTR 16.8.3 & NTR 16.9.1	To obtain prior written approval from Treasury for any material amendments to a PPP agreement including any material variations to the outputs therein, or any waivers contemplated or provided for in the PPP agreement.	Programme Managers	1. The procedures prescribed by clauses 16.4 and 16.5 for obtaining Treasury approval must be substantially followed. 2. A PPP agreement or an agreement amending a PPP agreement does not bind the Province if the agreement was entered into on behalf of an institution – (a) by a person other than the accounting officer, or (b) without the approval of Treasury.

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<b>15.</b>	<b>NTR 16A</b>	<b>SUPPLY CHAIN MANAGEMENT</b>		
15.1	NTR 16A3.1	<b>Supply chain management system</b>		
15.1.1	PFMA 38(1)(a)(iii)	To ensure that the department has and maintains an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective.	Director Procurement Management	To be determined in consultation with the CFO. The AO System to be approved by the AO.
15.1.2	NTR. 16A3.1 PFMA 38(1)(a)(iii) PFMA 76(4)(c)	To develop and implement an effective and efficient supply chain management system for the purpose of- (a) the acquisition of goods and services; and (b) the disposal and letting of state assets, including the disposal of goods no longer required.	Director: Procurement Management	Must ensure that the supply chain management system- (a) is fair, equitable, transparent, competitive and cost effective (b) is consistent with Preferential Procurement Policy Framework Act, 2000 (Act No.5 of 2000) (c) is consistent with the Broad Based Black Economic Empowerment Act, 2003 (Act No.53 of 2003); and (d) Provides for the following: - i. institutionalisation ii. demand management; iii. acquisition management; iv. compliance monitoring; v. contract management vi. logistics management; vii. moveable asset management viii. disposal management; ix. risk management; x. reporting of supply chain management information; xi. regular assessment of supply chain management performance xii. risk management and; xiii. financial treatment and disclosure of assets and inventories
15.2	NTR 16A.4	<b>Establishment of supply chain management units</b>		
15.2.1	PFMA 38 (1)(a)(iii) NTR 16A.4.1	To ensure that a separate supply chain management unit is established within the office of the CFO, in order to implement the institution's supply chain management system.	DDG: Corporate Services	
15.3	NTR 16A.5	<b>Training of supply chain management officials</b>		

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15.3.1	NTR 16A.5.1	To provide for the training and the deployment of officials implementing the supply chain management system.	Director: Procurement Management	In accordance with the requirements of the Framework for Minimum Training and Deployment issued by National Treasury in 2015.
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15.4	NTR 16A.6	<b>Procurement of goods and services</b>		
15.4.1.	NTR 16A6.1 NTR16A6.2 Refer to AOSCM and Delegations	To procure for goods and services, either by way of quotations or through a bidding process within which the threshold values are determined by National Treasury.	Director: Procurement Management	To procure for goods and services through a bidding process, the supply chain management system must provide for- (a) the adjudication of bids through a bid committee; (b) the establishment, composition and functioning of bid specification, evaluation and adjudication committees; (c) the selection of bid adjudication committee; (d) bidding procedures; and (e) the approval of bid evaluation and/or adjudication committee recommendations.

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15.4.2	NTR 16.A6.3 Refer to AOSCM and Delegations	To procure for goods and services in an open bidding system within a context of unfettered competition.	Director: Procurement Management	Subject to- (a) bid documentation and the general conditions of a contract in accordance with- (i) the instructions of the National Treasury; or (ii) the prescripts of the Construction Industry Development Board, in the case of a bid relating to the construction industry; (b) bid documentation include evaluation and adjudication criteria, including the criteria prescribed in terms of the Preferential Procurement Policy Framework Act, 2000 (Act No.5 of 2000) and the Broad Based Black Economic Empowerment Act, 2003 (Act No.53 of 2003); (c) bids advertised in at least the <i>Government Tender Bulletin</i> for a minimum period of 21 days before closure, except in urgent cases when bids may be advertised for such shorter period as the AO may determine; (d) awards are published in the Government Tender Bulletin and other media by means of which the bids were advertised; (e) contracts relating to information technology are prepared in accordance with the State Information Technology Agency Act, 1998 (Act No. 88 of 1998), and any regulations made in terms of that Act; (f) NTR 16 is complied with when goods or services are procured through PPP or as part of a PPP; and (g) Instructions issued by the National Treasury in respect of the appointment of consultants are complied with.
15.5	NTR 16A7	<b>Disposal and letting of state assets</b>		
15.5.1	NTR 16.A7.1	To dispose of movable assets	Director: Procurement Management	1. At market related value or by way of price quotations; 2. competitive bids or auction, unless otherwise determined by Treasury.
15.5.2	NTR 16A7.3 NTR 16A7.4	To let or dispose of immovable state property	Chief Director: Physical Resources	1. At market related tariffs, unless Treasury approves otherwise. 2. No state property to be let free of charge without the prior approval of Treasury

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15.5.3	NTR 16A7.5	To review at least annually when finalising the budget, all fees, charges, rates, tariffs or scales of fees or other charges relating to the letting of state property to ensure sound financial planning and management.	Chief Director: Physical Resources	1. Submitted via CFO and AO to Treasury. 2. Also see NTR 7.3.1 and 7.3.2.
15.5.4	NTR 16A7.6	To obtain the approval of the National Conventional Arms control committee for any sale for donation of firearms to any person or institution within or outside the Republic when disposing of arms.	Director: Procurement Management	
15.5.5	NTR 16A7.7	To dispose of computer equipment	Director: Procurement Management	1. Firstly, approach institutions involved in education and/or training and determine their need. 2. If required by such a state institution the computer equipment can be transferred free of charge to the identified institution.
15.6	NTR 16A8	<b>Compliance with ethical standards</b>		
15.6.1	NTR 16A8.1	To comply with the highest ethical standards	Director: Procurement Management	To promote- (a) Mutual trust and respect; and (b) An environment where business can be conducted with integrity and in a fair and reasonable manner
15.6.2	NTR 16A8.2 NTR 16A8.3 Public Service Regulations 2001 C4.5-C4.12 and C5.3-C5.4 AOSCM 6.7	To ensure that the National Treasury's Code of Conduct is adhered to for Supply Chain Management	Director: Procurement Management	The supply chain management official or role player should adhere to the following- (a) must recognise and disclose any conflict of interest that may arise; (b) must treat all suppliers and potential suppliers equitably (c) must not use their position for private gain or to improperly benefit another person; (d) must ensure that they do not compromise their credibility or integrity of the supply chain management system through the acceptance of gifts or hospitality or any other act; (e) must be scrupulous in their use of public property; and (f) must assist the AO in combating corruption and fraud in the supply chain management.

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15.6.3	NTR 16A8.4	To ensure the disclosure of any conflict of interest if a contract is awarded whereby the supply chain management official or other role players has any close family member, partner or associate, or any private or business interest , the supply chain management official or other role players must- (a) disclose that interest ; and (b) withdraw from participating in any manner whatsoever in the process relating to that contract.	Director: Procurement Management	
15.6.4	NTR 16A8.5	To ensure the immediate reporting of any breach of or failure to comply with any aspect of the supply chain management system to the AO in writing.	Director: Procurement Management	

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15.7	NTR 16.A9	<b>Avoiding abuse of supply chain management</b>		
15.7.1	NTR 16.A9.1	To ensure that the supply chain management system is not abused.	Director: Procurement Management	<p>Must-</p> <ul style="list-style-type: none"> <li>(a) take all reasonable steps to prevent abuse of the supply chain management system;</li> <li>(b) investigate any allegations against an official or other role player of corruption, improper conduct or failure to comply with the supply chain management system, and when justified- <ul style="list-style-type: none"> <li>(i) take steps against such official or role player and inform Treasury of such steps; and</li> <li>(ii) report any conduct that may constitute an offence to the South African Police Service;</li> </ul> </li> <li>(c) check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, nor any of its directors, are listed as companies or persons prohibited from doing business with the public sector;</li> <li>(d) reject any bid from a supplier who fails to provide written proof from the South African Revenue Service (SARS) that such a supplier either has no outstanding tax obligations or has made arrangements to meet outstanding tax obligations;</li> <li>(e) reject a proposal for the award of a contract if the recommended bidder has committed a corrupt or fraudulent act in competing for the particular contract; and</li> <li>(f) cancel a contract awarded to a supplier of goods or services- <ul style="list-style-type: none"> <li>(i) if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract; or</li> <li>(ii) if any official or other role players committed any corrupt or fraudulent act during the bidding process or the execution of that contract that benefited that supplier.</li> </ul> </li> </ul>
15.8	NTR 16A10	<b>National Industrial Participation Programme</b>		
15.8.1	NTR 16A10.1	To ensure that clearance is obtained from the Department of Trade and Industry for contracts that are subjected to the National Industrial Participation Programme.	Director: Procurement Management	

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15.9	NTR 16.A11	<b>Reporting of supply chain management information</b>		
15.9.1	NTR 16.A11.1 NTR 16A11.3	To submit to Treasury supply chain management information as required by Treasury.	Director: Procurement Management	Information referred to in terms of NTR 16A11.1.1 and 16A11.1.2 is submitted to Treasury in a format and at intervals as required by Treasury.
<b>16.</b>	<b>NTR 17</b>	<b>BASIC ACCOUNTING RECORDS AND RELATED ISSUES</b>		
16.1	PFMA 40(1)(a)	To keep full and proper records of the financial affairs of the department in accordance with any prescribed norms and standards.	Director: Financial Accounting	1. To be determined in consultation with the CFO. 2. Persons assigned in writing to examine records must sign and date the relevant books and records as evidence that they have been examined.
16.2	NTR 17.1	<b>Use of clearing and suspense accounts (Section 40(1)(a) of the PFMA)</b>		
16.2.1	NTR 17.1.2	To account for revenue and expenditure transactions in a clearing or suspense account, in exceptional cases, because the classification has not been resolved, to ensure that – (a) the sources of the transaction are readily identifiable; (b) amounts included in the clearing or suspense accounts are, each month, cleared and correctly allocated to the relevant cost centres; (c) monthly reconciliations are performed to confirm the balance of each account, and (d) reports are provided to the CFO about uncleared items on a monthly basis.	Director : Financial Accounting	
16.2.2	NTR 17.1.3	To certify that the forecast/projection for the remainder of the financial year adequately makes provision for all amounts not yet cleared from clearing and suspense accounts.	Director: Management Accounting	Monthly In Year Monitoring (IYM) Report.

16.3	NTR 17.2	<b>Availability of financial information (Section 40(1)(a) of the PFMA)</b>		
16.3.1	NTR 17.2.1	To retain all financial information in its original form.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. Subject to the provisions of the relevant national or provincial legislation.</li> <li>2. Retain as follows: <ol style="list-style-type: none"> <li>(a) information relating to one financial year – for one year after the audit report for the financial year in question has been tabled in the provincial legislature, or</li> <li>(b) information relating to more than one financial year – for one year after the date of the audit report for the last of the financial years to which the information relates.</li> </ol> </li> <li>3. Refer to NTR 17.2.3 for the standards that apply to certain types of records.</li> </ol>
16.3.2	NTR 17.3.1	To obtain written approval from Provincial Treasury to amend or institute new computerised systems that will affect financial administration.	Director: Financial Accounting	As recommended by the CFO and signed off by the AO.
16.4	PTI 17.2	<b>Maintenance of certain basic accounting records</b>		
16.4.1	PTI 17.2.1	To maintain a Main Ledger for all voted money under the department's control.	Director: Financial Accounting	The main ledger must contain at least the accounts as indicated in PTI 17.2.2 (a) – (h)
16.5	PTI 17.3	<b>Control Accounts and Bookkeeping</b>		
16.5.1	PTI 17.3.2	<b>Basic Ledger Accounts and the closing thereof.</b>		
16.5.1.1	PTI 17.3.2.1	To keep basic ledger accounts stated in PTI 17.3.2.1	Director: Financial Accounting	
<b>17.</b>	<b>NTR 18</b>	<b>MONTHLY AND ANNUAL REPORTS</b>		
17.1	NTR 18.1	<b>Monthly reports (Sections 32(2) and 40(4) (b) and (c) of the PFMA)</b>		
17.1.1	NTR 18.1.1	In addition to the reporting requirements of PFMA 40(4)(b) and (c), to also comply with the reporting requirements of the annual Division of Revenue Act.	DDG: Corporate Services Relevant Programme Managers	

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17.1.2	PFMA 40(4)(b) & (c)	To submit to Treasury and the Executive Authority within 15 days of the end of each month, information on – (a) the actual revenue and expenditure for that month; (b) projections of anticipated expenditure and revenue for the remainder of the current financial year, and (c) any material variances and a summary of actions to ensure that the projected expenditure and revenue remain within the budget.	Director: Management Accounting	To be signed off by the AO
17.2	NTR 18.2	<b>Annual financial statements (Sections 40(1)(b) of the PFMA)</b>		
17.2.1	PFMA 40(1)(b) and NTR 18.2	To prepare annual financial statements for each financial year in accordance with generally recognised accounting practice.	Director: Financial Accounting	1. Adhere to reporting standards as set out in NTR 18.2, unless otherwise approved by the National Treasury. 2. Report to comply with stipulations (a) to (g) as laid down in NTR 8.5.1. 3. Appropriation accounts to be signed by the AO. 4. In consultation with CFO.
17.3	NTR 18.3	<b>Contents of annual reports (Section 40(1)(d) of the PFMA)</b>		
17.3.1	NTR 18.3.1	To comply with the requirements as set out in NTR 18.3.1 (a) – (h) when preparing the annual report.	Director: Business, Strategy and Stakeholder Management; Director: Management Accounting; Director: Financial Accounting; Director: Human Resource Management	As applicable according to different parts of the Annual Report – Part A and B - Director: Business, Strategy and Stakeholder Management Part C – Governance (Assurance committees) Part D - Director: Strategic People Management Part E - (financials) - Director: Financial Accounting and Director: Management Accounting
17.4	PFMA 40	<b>Reporting responsibilities</b>		
17.4.1	PFMA 40(5)	To report the inability, together with reasons, to the Executive Authority and Treasury if the department is unable to comply with any of the reporting responsibilities determined for AOs in section 40 of the PFMA.	DDG: Corporate Services	To be signed off by the AO

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17.4.2	PFMA 40(1)(c)	To submit the financial statements referred to in section 40(1)(b) of the PFMA within two months after the end of the financial year to – (a) the Auditor-General for auditing, and (b) the Provincial Treasury to enable Treasury to prepare consolidated financial statements in terms of sections 8 or 19 of the PFMA	Director: Financial Accounting	To be signed by the AO and the CFO.
17.4.3	PFMA 40(1)(d) PFMA 40(1)(3)	To submit within five months of the end of a financial year to Treasury and also to the Executive Authority responsible for that department – (a) an annual report on the activity of that department during that financial year; (b) the financial statements for that financial year after those statements have been audited, and (c) the Auditor-General's report on those statements.	(a) Director: Business, Strategy and Stakeholder Management (b) Director: Financial Accounting (c) Director: Communication	1. Financial statements to be signed by the AO and the CFO. 2. The financial statements must: <ul style="list-style-type: none"> <li>• fairly present the state of affairs of the department, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned, and</li> <li>• include particulars of <ul style="list-style-type: none"> <li>(i) any material losses through criminal conduct and any unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure, that occurred during the financial year</li> <li>(ii) any criminal or disciplinary steps taken as a result of such losses, unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure;</li> <li>(iii) any material losses recovered or written off; and</li> <li>(iv) any other matters that may be prescribed.</li> </ul> </li> </ul>
17.4.4	PFMA 40(1)(f)	To take responsibility for the submission of all reports, returns, notices and other information to Parliament, the Provincial Legislature, the Executive Authority, Treasury or the Auditor-General, as may be required by the PFMA.	DDG: Corporate Services	
17.4.5	PFMA 41	To submit to Treasury or the Auditor-General such information, returns, documents, explanations and motivations as may be prescribed or as Treasury or the Auditor-General may require.	Responsibility Managers	Replies to audit queries may only be signed on Director level or higher.

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<b>18.</b>	<b>NTR 21</b>	<b>GIFTS, DONATIONS AND SPONSORSHIPS BY THE STATE</b>		
18.1.	NTR 21.3	<b>Gifts or donations of immovable property by or to the state (Sections 76(1)(k) and (l) of the PFMA)</b>		
18.1.1	NTR 21.3.1	To obtain Treasury's approval before the department offers or accepts any gifts or donations of immovable property.	Responsibility Managers	1. Institutions must submit to Treasury the reasons for and the conditions under which the gift or donation of immovable property is offered. 2. The submission to the Treasury to be signed off by AO and CFO.
18.2	PTI 21.1	<b>Inducements, rewards, gifts and favours to departments, officials or other role - players in terms of NTR 16A8.3(d)</b>		
18.2.1.	PTI 21.1.2	To note all small gifts and hospitality extended not exceeding R350.00 in a gift register kept by the department for audit purposes.	Director: Internal Control	The gift register must contain the following information: (a) name, identity and Persal number of the receiver; (b) name, address, and telephone number of donor and contact person in case of a company; (c) nature and description of gift/invitation; (d) estimated value; (e) date of receipt; and (f) details of persons who authorised the acceptance of the gift (if applicable).
18.3	NTR 21.4	<b>Identity of donors and sponsors</b>		
18.3.1	NTR 21.4.1	To submit to Treasury a certificate from both the Public Protector and the Auditor-General, when a donor or sponsor requests to remain anonymous, which states that the identity of the donor or sponsor has been revealed to them, that they have noted it and have no objection.	Programme Managers	To be signed off by the CFO and the AO.
<b>19.</b>	<b>NTR 23</b>	<b>Government payroll deductions</b>		
19.1	NTR 23.2	<b>Persal deductions</b>		
19.1.1	NTR 23.2.2 NTR 23.2.3 NTR 23.2.4	Before a benefit, collective agreement, state or statutory deduction is processed on Persal, to certify that the deduction is due and no portion of it is a discretionary deduction.	Director: Financial Accounting	To comply with NTR 23.2.3 and 23.2.4.

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<b>20.</b>	<b>PTI 25</b>	<b>GENERAL</b>		
20.1	PTI 25.1	<b>Stamps, face value and other forms having a potential value and bulk stocks</b>		
20.1.1	PTI 25.1.1	To appoint a person in writing to control bulk stocks of postage and revenue stamps, receipts, licences, and face value or other forms that have a potential value that must be kept in strongrooms or safes.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. The persons referred to in PTI 25.1.1 must keep a main stock book or register for entering the number and value of stamps or face value forms received and issued and any other information as may be necessary with regard to forms having a potential value under each denomination.</li> <li>2. Refer to PTI 25.1 for the procedures and prescripts for stamps, face value and other forms having a potential value and bulk stocks.</li> </ol>
20.2	PTI 25.3	<b>Deficiencies and Losses</b>		
20.2.1	PTI 25.3.1  Also see  PTI 21.3.2	To report to the AO for possible action the following: (a) any deficiencies in or destruction of, or damage to or loss of stamps and unused or cancelled receipt, licence, cheque, face-value or other forms having a potential value; and (b) any loss of used counterfoils or copies of any receipt, licence, cheque, face-value or other forms having a potential value.	Director: Financial Accounting	Written proof of the action of the CFO / AO shall be available for audit purposes at the point where the deficiency or destruction originated.
20.3	PTI 25.5	<b>Postage stamps for official purposes</b>		
20.3.1	PTI 25.5.3 PTI 25.5.4 PTI 25.5.5	To record all stamps received and issued in a Register.	Director: Knowledge and Information Management	Postage stamps must be used solely for the prepayment of postage on official mail matter and may not be sold or otherwise disposed of under any circumstances.
20.4	PTI 25.6	<b>Securities to the State</b>		
20.4.1	PTI 25.6.2	<b>Safe custody</b>		
20.4.1.1	PTI 25.6.2.1	To ensure that all securities held in a department or office shall be kept in a safe or strong room.	Director: Financial Accounting	
20.5	PTI 25.6.3	<b>Designation of responsible person and the register of securities.</b>		
20.5.1	PTI 25.6.3.1 PTI 25.6.3.2	To be responsible for the custody of securities held in the department or office concerned.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. Keep a register containing minimum particulars as stated in PTI 25.6.3.1 (a) – (m).</li> <li>2. The consecutive number of a security held in respect of a loan, advance or debt must also be recorded on the page of the relevant account in the register of loans, advances or debts.</li> </ol>

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20.5.2	PTI 25.6.4.1	To examine all securities at least once in each financial year.	Director: Financial Accounting	<ol style="list-style-type: none"> <li>1. Satisfy himself/themselves that-               <ol style="list-style-type: none"> <li>(a) all securities are correctly recorded in the register of securities;</li> <li>(b) the amount or value of each security is adequate in each case;</li> <li>(c) no security is in danger of prescription;</li> <li>(d) no issuer of a document of security or guarantee has died or is legally incompetent;</li> <li>(e) the securities in general are in order.</li> </ol> </li> <li>2. A certification of such examination must be given, signed and dated in the register of securities.</li> </ol>
20.6	PTI 25.7	<b>Postal and delivered articles</b>		
20.6.1	PTI 25.7.1	To appoint in writing a responsible person that must collect all postal articles from the post office.	Director: Knowledge and Information Management	Refer to PTI 25.7 for the procedures and prescripts for receipt of post.
20.7	PTI 25.10	<b>Submissions to Treasury</b>		
20.7.1	PTI 25.10.9	To sign all submissions to Treasury.	Not delegated	<ol style="list-style-type: none"> <li>1. The certificate by the CFO must also be furnished as indicated in PTI 2.2.</li> <li>2. Refer PTI 25.10 for the form and contents of submissions to Treasury.</li> </ol>

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