

Reference: T 7/2/1

TREASURY CIRCULAR 35/2014

THE PREMIER

THE MINISTER OF AGRICULTURE, ECONOMIC DEVELOPMENT AND TOURISM
THE MINISTER OF COMMUNITY SAFETY
THE MINISTER OF CULTURAL AFFAIRS AND SPORT
THE MINISTER OF EDUCATION
THE MINISTER OF FINANCE
THE MINISTER OF HEALTH
THE MINISTER OF HUMAN SETTLEMENTS
THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING
THE MINISTER OF SOCIAL DEVELOPMENT
THE MINISTER OF TRANSPORT AND PUBLIC WORKS
THE SPEAKER: PROVINCIAL PARLIAMENT
THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

For information

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (ADV B GERBER)
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R HINDLEY)
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (DR JC STEGMANN)
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (DR GA LAWRENCE)
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MS P VINJEVOLD)
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THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR S FOURIE)
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THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (DR R OMAR)
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR N FLAATTEN)
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE CULTURAL COMMISSION (MS J MOLELEKI)
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LANGUAGE COMMITTEE (MS J MOLELEKI)
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE HERITAGE (MR A HALL)
THE CHIEF EXECUTIVE OFFICER: CASIDRA (MR M BRINKHUIS)
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LIQUOR AUTHORITY (MR T GILLOMEE)

THE CHIEF FINANCIAL OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MR P ABRAHAMS)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (MR A PRESTON)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR I BLACKIE)
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 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE HERITAGE (MS B RUTGERS)
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 THE HEAD: BRANCH FISCAL AND ECONOMIC SERVICES (MR H MALILA)
 THE HEAD: BRANCH GOVERNANCE AND ASSET MANAGEMENT (MR Z HOOSAIN)
 THE HEAD: PUBLIC POLICY SERVICES (MR H MALILA) (PRO TEM)
 THE HEAD: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS JD GANTANA)
 THE HEAD: LOCAL GOVERNMENT PUBLIC FINANCE (MR H MALILA) (PRO TEM)
 THE HEAD: ASSET MANAGEMENT (MR IG SMITH)
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 THE SENIOR MANAGER: LOCAL GOVERNMENT ACCOUNTING (MS N OLIPHANT)
 THE SENIOR MANAGER: LOCAL GOVERNMENT BUDGET OFFICE (MR ML BOOYSEN)
 THE SENIOR MANAGER: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MR F SABBAT)
 THE SENIOR MANAGER: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR M SIGABI)
 THE SENIOR MANAGER: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MR TL RADEBE)
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT ACCOUNTING (MR A REDDY)
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS M KORSTEN)
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS A PICK)
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS N EBRAHIM)
 THE SENIOR MANAGER: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS A SMIT)
 THE SENIOR MANAGER: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)
 THE PROVINCIAL AUDITOR
 MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
 THE DEPUTY DIRECTOR-GENERAL: CORPORATE ASSURANCE, DEPARTMENT OF THE PREMIER (MS H ROBSON)

MONTHLY MONITORING OF INVOICES SETTLED WITHIN 30 DAYS FROM DATE OF RECEIPT TO COMPLY WITH TREASURY REGULATION 8.2.3

PURPOSE

1. To retract and replace Treasury Circular 17 of 2013 in its entirety and request Accounting Officers (AO) and Chief Financial Officers (CFO) of departments to provide information in terms of National Treasury Instruction Note Number 34 of 2011 including an age analysis of invoices paid after 30 days from receipt and invoices older than 30 days that have not been paid.

BACKGROUND

2. Section 38 (1)(f) states that:
 "The Accounting Officer for a department, trading entity or constitutional institution must settle all contractual obligations and pay all money owing, including intergovernmental claims, within prescribed or agreed period."

3. In terms of National Treasury Regulations 8.2.3:

"Unless determined otherwise in a contract or other agreement all payments due to creditors must be settled within 30 days from receipt of an invoice or, in case of civil claims, from the date of settlement or court judgment."

While Treasury Regulation 8.2.3 refers to all creditors, NT has confirmed that reporting for this purpose should be limited to creditors relating to Good and Services, including non-infrastructure capital expenditure.

4. The prescribed period referred to in section 38(1) (f) of the PFMA is 30 days from receipt of an invoice or, in the case of civil claims, from the date of settlement or court judgment. In terms of BAS the "document received date" is the source document received date and the "action date" will be the date when the invoice is settled and paid.

5. Departments are therefore required to capture the 'source document receipt date' on BAS and LOGIS to improve the control over late payments.

6. The Director-General of the Presidency has addressed a letter dated 7 February 2013 to the Director-General of the Province wherein he indicated that the aggregate situation of late payments had not improved and the Accounting Officers are failing to address commitments made to the President. He raised the following questions in his letter, which still remain relevant:

- Reasons for failure to settle invoices within 30 days?
- Are AOs and CFOs engaging on NT Instruction Note 34?
- Do CFOs have systems in place to track invoices (electronic or manual)?
- Are these systems able to track progress, date of receipt, date of payment and the time taken to process each invoice?

7. There was an improvement in late payments across all Western Cape provincial Departments. However, reasons provided for certain late settlement of invoices by departments have become repetitive with remedial steps only being reported by a few departments.

8. Based on a survey conducted by Provincial Treasury (Provincial Government Accounting and Compliance) during May 2013, it is evident that not all departments have a suitable system in place to track invoices.

CONTROL MEASURES TO ENSURE COMPLIANCE WITH TREASURY REGULATION 8.2.3

9. The responsibility remains with the Accounting Officer to institute preventative control measures that addresses the problem upfront based on:
 - Document control registers;
 - Payment transaction checklists;
 - Standardised procedures that are well documented and communicated;
 - Regular management oversight, and
 - Reporting on remedial and disciplinary steps taken.
10. Manual or electronic systems must be implemented by departments to track the receipt of all invoices, progress made with such payments of invoices and when it was settled as well as reasons for the delay of payments. Ideally invoice tracking systems should be kept at a central point/s for better control purposes, although it will be a challenge in a decentralized environment.

MONTHLY REPORTING IN TERMS OF TREASURY REGULATIONS 8.2.3

11. On BAS and LOGIS the following reports are available that should be requested and scrutinised on a monthly bases:
 - The Provincial Treasury (Directorate: Supporting and Interlinked Financial Systems) will provide information on payments on a monthly basis, including payments made after 30 days of receipt of invoice, that can be downloaded from KITSO.
 - On LOGIS, the RR101 - 'Invoice Age Analysis Report' will calculate and display the age of all open invoices- see included in Annexure B.
 - A LOGIS report RR105 - 'Purchase to payment report' was also introduced that enables users to track the time it takes for an Order to be invoiced. Further information on this report can be found in Annexure B.
12. To prevent punitive steps from being taken against individuals for payments being made after 30 days of receipt of an invoice without valid reasons, management processes and controls such as registers and payment transaction checklists should be utilised to monitor payments at a central point. In cases where invoices are settled after 30 days, reasons must be provided with the payment as part of the supporting information. Progress should be reported on a monthly basis, providing reasons and remedial or preventative measures that have been instituted to remedy such cases.

REQUIRED

13. Departments are required to note the content and requirements of National Treasury Instruction Note 34 of 2011. (See Annexure C)
14. Departments are required to report to Provincial Treasury, Provincial Government Accounting and Compliance the information as per Annexure A (see attached), the value of payments made after 30 days of receipt of invoice, including the age analysis, the reasons for the delayed payments, as well as the remedial measures taken to address the reasons.
15. Departments must report on the aging of payments made after 30 days in terms of the following categories:
 - 30 - 60 days
 - Greater than 60 days
16. Accounting Officer must ensure that the accuracy and completeness of information is confirmed by signing Annexure A.
17. The **signed report** must be submitted to Provincial Government Accounting and Compliance by the **10th** day following the reporting month. Provincial departments that fully comply with TR 8.2.3 must please submit a nil return.
18. Where a report signed by the Accounting Officer is not received by the Provincial Treasury by the 10th, a letter of non-compliance will be issued to the Accounting Officer and reported to the Director-General and the Premier.



MR A HARDIEN

PROVINCIAL ACCOUNTANT GENERAL

DATE: 27 AUGUST 2014

ANNEXURE A - PROVINCIAL DEPARTMENTS

INFORMATION RELATED TO INVOICES PAID AFTER 30 DAYS FROM RECEIPT AND INVOICES OLDER THAN 30 DAYS THAT HAVE NOT BEEN PAID

| | | | | | | |
|---|--|----------------|-------------------------------------|--|---------------------------------------|--|
| FINANCIAL YEAR | | MONTH | NAME OF PROVINCE | | NAME OF DEPARTMENT | |
| NUMBER OF INVOICES PAID AFTER 30 DAYS | | AGE ANALYSIS | VALUE | | REASONS FOR LATE PAYMENTS OF INVOICES | |
| | | 30-60 DAYS | | | | |
| | | >60 DAYS | | | | |
| TOTAL NUMBER OF INVOICES: | | | TOTAL VALUE: | | REMEDIAL STEPS | |
| NUMBER OF INVOICES OLDER THAN 30 DAYS THAT HAVE NOT BEEN PAID | | AGE ANALYSIS | VALUE | | REASONS FOR LATE PAYMENTS OF INVOICES | |
| | | 30-60 DAYS | | | | |
| | | > 60 DAYS | | | | |
| TOTAL NUMBER OF INVOICES : | | | TOTAL VALUE: | | REMEDIAL STEPS | |
| NAME OF ACCOUNTING OFFICER: | | CONTACT NUMBER | EMAIL ADDRESS OF ACCOUNTING OFFICER | | SIGNATURE OF ACCOUNTING OFFICER:* | |
| | | | | | | |
| | | | | | DATE | |

* If the power to confirm the accuracy of the information in this annexure has been delegated to the Chief Financial Officer or to any other functionary, the Accounting Officer is not divested of the responsibility concerning the execution of the delegated power, as provided for in section 44(1)(d) of the Public Finance Management Act (PFMA)

LOGIS USER WORKSHOP 2 OF 2011

LOGIS USER WORKSHOP 2 OF 2011

August / September 2011

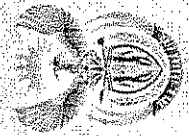


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LOGIS PROCUREMENT MANAGEMENT REPORTS

August / September 2011



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PROCUREMENT MANAGEMENT REPORTS

- LOGIS Procurement reports can be used for management information and reconciliation:
 - RR020-Spend Analysis
 - RR093- Payments using Invoice Price
 - RR094 --- Payment Reconciliation Report
 - RR095 – Payments Authorised but with no BAS Payment no
 - RR016- Summary of Procurement Integration Commitments
 - RR082- Outstanding Commitments per Order Status
 - RR083 -Outstanding Commitments per Allocation
 - RR102- Financial Statement Commitments
 - RR103- Financial Statement Accruals
 - RR10i – Invoice Age Analysis Report
 - RR 105 --- Purchase to Payment Report
 - RR069 – Supplier Analysis Report



PROCUREMENT MANAGEMENT REPORTS

CONTINUED

- " RR101 – Invoice Age Analysis Report
- The Invoice Age Analysis was previously available in RR103, was moved to a new report RR101, because Accruals (RR103) must calculate age based on the actual receipt date.
 - RR101 will calculate and display the age of all open invoices as per the PFMA requirements on the Actual Invoice Receipt Date.
 - Parameters:
 - Store no /ILNO: Key in the Store number /ILNO for which the Report is requested. ("ALL" is not allowed).
 - Supplier No: A valid supplier number or the word "All".
 - Cost Centre No: A valid cost centre number or the word "All".
 - Summary /Detail/ Both: S- only RR101-1 (Summary report) will print, D-only RR101-2.(Detail report) will print, B- both summary and detail report will print.



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" AR-101 Invoice Age Analysis Report

RR101 must display all unpaid invoices (excluding rejected invoices)

The age analysis is calculated as:

- Age in days == Today's date - Actual Invoice Received Date.

| Payment Authorised but not accepted by BAS | Illovoif:Estattis | Payment Type and sundus | Antuillit calculation Pa Tn9-mt Pike |
|---|---|--|---|
| Illovoif:if: IHIIt Paym?ilt-not yet Invoiced, but H6 Pa menf P:ist L | Cre:: ted PartiaBy Paid Fully Paid Cr aff?d Partial?/ P<ill fully P Jid- Cred | iiulhonsed but on Protutelello?-lit Integr lion ResubmitS sioli (Jusu) Ftvm Ill e :disls in Cr alEITJ Lx Pie- El Bt1 s rlo pCvment e ists -ifil | Per 'm ?int)ny P<}> n)Bni. InvoltOly 't Out'et'! Prik-9 |

Table 5-LOGIS criteria for fnvoicQ .Age Analysis Report

| Verification Route Name | Verification value | Abstract Description |
|-------------------------|--------------------|----------------------|
| | C | Crated |
| | p | Partially Paid |
| | f | Fully Paid |
| | / | RP'd ?ted |

| Table \$--LOGIS Invoice Statuses |
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1. Project
 2. Phase
 3. Activity
 4. Task
 5. Sub-task
 6. Work Item
 7. Issue
 8. Defect
 9. Requirement
 10. Feature
 11. Story
 12. Use Case
 13. Scenario
 14. Test Case
 15. Test Script
 16. Test Data
 17. Test Environment
 18. Test Plan
 19. Test Report
 20. Test Results
 21. Test Log
 22. Test Summary
 23. Test Metrics
 24. Test Coverage
 25. Test Pass Rate
 26. Test Failure Rate
 27. Test Execution Time
 28. Test Setup Time
 29. Test Teardown Time
 30. Test Maintenance Time
 31. Test Configuration
 32. Test Environment Setup
 33. Test Environment Configuration
 34. Test Environment Maintenance
 35. Test Environment Monitoring
 36. Test Environment Reporting
 37. Test Environment Documentation
 38. Test Environment Support
 39. Test Environment Training
 40. Test Environment Evaluation
 41. Test Environment Improvement
 42. Test Environment Optimization
 43. Test Environment Upgrade
 44. Test Environment Migration
 45. Test Environment Integration
 46. Test Environment Interoperability
 47. Test Environment Compatibility
 48. Test Environment Reliability
 49. Test Environment Security
 50. Test Environment Availability
 51. Test Environment Scalability
 52. Test Environment Flexibility
 53. Test Environment Portability
 54. Test Environment Extensibility
 55. Test Environment Customization
 56. Test Environment Configuration Management
 57. Test Environment Version Control
 58. Test Environment Backup and Recovery
 59. Test Environment Disaster Recovery
 60. Test Environment Archiving
 61. Test Environment Archival
 62. Test Environment Restoration
 63. Test Environment Migration
 64. Test Environment Integration
 65. Test Environment Interoperability
 66. Test Environment Compatibility
 67. Test Environment Reliability
 68. Test Environment Security
 69. Test Environment Availability
 70. Test Environment Scalability
 71. Test Environment Flexibility
 72. Test Environment Portability
 73. Test Environment Extensibility
 74. Test Environment Customization
 75. Test Environment Configuration Management
 76. Test Environment Version Control
 77. Test Environment Backup and Recovery
 78. Test Environment Disaster Recovery
 79. Test Environment Archiving
 80. Test Environment Archival
 81. Test Environment Restoration
 82. Test Environment Migration
 83. Test Environment Integration
 84. Test Environment Interoperability
 85. Test Environment Compatibility
 86. Test Environment Reliability
 87. Test Environment Security
 88. Test Environment Availability
 89. Test Environment Scalability
 90. Test Environment Flexibility
 91. Test Environment Portability
 92. Test Environment Extensibility
 93. Test Environment Customization
 94. Test Environment Configuration Management
 95. Test Environment Version Control
 96. Test Environment Backup and Recovery
 97. Test Environment Disaster Recovery
 98. Test Environment Archiving
 99. Test Environment Archival
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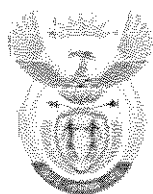
PROCUREMENT MANAGEMENT REPORTS.

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RR105 – Purchase to Payment Report

- This report will enable users to track the time it takes for an Order to be invoiced and paid from the time the Order was authorised.
- Parameters:
 - STOREIILNO Key in the STORE Number / ILNO for which the report is requested. (ALL is not allowed)
 - DATE FROM (YYYYMMDD) Key in the start date for which the transaction information should print on the report – date compared with order authorised date.
 - DATE TO (YYYYMMDD) Key in the end date for which the transaction information should print on the report-date compared with order authorised date.
 - (D)OWN / (R)EP / (B)OTH Only D, R or B will be accepted as valid inputs input. "D" will generate only a Download that will be sent to the MyFTP application. "R" will generate only a Report that can be viewed on Browse Spool Queue (BRPQ). "B" will generate both the Download, which will be sent to the MyFTP application, as well as the Report, which can be viewed on BRPQ.

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Annexure C

TO ALL : ACCOUNTING OFFICERS DEPARTMENTS
: HEAD OFFICIALS OF ALL PROVINCIAL TREASURIES

NATIONAL TREASURY INSTRUCTION NOTE NUMBER 34

EFFECTING PAYMENTS WITHIN THIRTY (30) DAYS FROM RECEIPT OF AN INVOICE AS REQUIRED IN TERMS OF TREASURY REGULATION 8.2.3

1. PURPOSE

This Instruction Note aims to enhance compliance with section 38(1)(f) of the Public Finance Management Act (PFMA) which requires accounting officers to settle all contractual obligations and pay all money owing, including intergovernmental claims, within the prescribed or agreed period.

2 BACKGROUND

2.1 Treasury Regulation 8.2.3 provides that "*Unless determined otherwise in a contract or other agreement, all payments due to creditors must be settled within 30 days from receipt of an invoice or, in the case of civil claims, from the date of settlement or court judgement*".

2.2 The prescribed period referred to in section 38(1)(f) of the PFMA is 30 days from receipt of an invoice or, in the case of civil claims, from the date of settlement or court judgement, as provided in Treasury Regulation 8.2.3.

3 NON-COMPLIANCE WITH TREASURY REGULATION 8.2.3

3.1 The National Treasury and provincial treasuries are often inundated with complaints from service providers that despite supplying goods in accordance with orders and/or rendering services satisfactorily, departments are not effecting payments timeously for the purchases of such goods and/or the rendering of such services.

3.2 Many provincial treasuries have also regularly raised concerns with the National Treasury that some national departments are not honouring intergovernmental claims made by provincial departments for services rendered.

Instruction Note Number 34 dated 30 November 2011

Effecting payment within 30 days from receipt of an invoice as required in terms of Treasury Regulation 8.2.3

- 3.3 During 2009, it came to light that non-compliance with Treasury Regulation 8.2.3 had reached significant levels whereby departments were blatantly disregarding the requirement to make timeous payments to their creditors within thirty (30) days from receipt of an invoice.
- 3.4 This led to the Minister in the Presidency responsible for Performance Monitoring and Evaluation issuing a communiqué during June 2009 requesting departments to ensure compliance with Treasury Regulation 8.2.3.
- 3.5 On 2 December 2009, Cabinet also resolved that departments must implement mechanisms to ensure that payments to creditors are met within thirty (30 days) from receipt of an invoice.
- 3.6 The National Treasury also issued a circular on 31 May 2010 urging all accounting officers to institute measures to ensure that all their obligations are paid within the prescribed period.
- 3.7 Despite the foregoing, many departments are still not effecting payment to their suppliers within thirty (30) days from receipt of an invoice. This undesirable practice has now reached disturbing levels and besides being in contravention of the PFMA and Treasury Regulations, this practice is severely affecting the cash flow positions and sustainability of businesses, especially the small medium and micro enterprises (SMME's).
- 3.8 Many of such businesses are closing down largely due to financial constraints whilst others are resorting to drastic measures to keep afloat, which include the retrenchment of employees. **These measures are counterproductive to Government's priorities, which include the creation of decent jobs through inclusive economic growth.**

4. MEASURES TO ENSURE COMPLIANCE WITH TREASURY REGULATION 8.2.3

- 4.1 The accounting officer's responsibility [in terms of section 38(1)(f)] to settle all contractual obligations and to pay all money owing, including intergovernmental claims, within the prescribed (30 days) or agreed period is hereby re-iterated.
- 4.2 Within thirty days (30) days from the date of this Instruction Note, all departments are required to have in place systems (processes and procedures) that will enable the tracking of each invoice received from the various service providers.
- 4.3 The system referred to in paragraph 4.2 above may either be manual or electronic in nature and such a system must also be able to track progress with the processing of each invoice.
- 4.4 At any given time, such a system must be able to provide information related to the date on which an invoice was received, the date on which it was paid and the time period between the date of receipt and the date of payment, if the invoice was indeed paid.

Instruction Note Number 34 dated 30 November 2011

Effecting payment within 30 days from receipt of an invoice as required in terms of Treasury Regulation 8.2.3

- 4.5 With effect from 1 February 2012, all national departments must provide the National Treasury each month with exception reports on the number of invoices and the value thereof that have not been paid within thirty (30) days from receipt together with reasons for not making the payments timeously. This information must include payments that were made late (i.e. after 30 days from date of receipt) as well as those invoices that have not been paid and where the time period has exceeded thirty (30) days.
- 4.6 The information required in paragraph 4.5 above must be submitted to the National Treasury within seven (7) days after the end of the preceding month in the format prescribed in the enclosed Annexure A.
- 4.7 The accuracy of information in paragraph 4.5 must be confirmed by signature of the department's accounting officer prior to its submission to the National Treasury.
- 4.8 National departments that have fully complied with Treasury Regulation 8.2.3 must file a nil return with the National Treasury, duly confirmed by the department's accounting officer.
- 4.9 Provincial treasuries must request the information required in terms of paragraph 4.5 from their respective provincial departments in the format prescribed in the enclosed Annexure B.
- 4.10 The accuracy of information submitted by provincial departments must also be confirmed by signature of the respective department's accounting officer prior to its submission to the relevant provincial treasury.
- 4.11 If accounting officers of national and provincial departments delegate the power to confirm the accuracy of information in paragraph 4.5 to their respective department's chief financial officer or to any other functionary, the accounting officers are not divested of the responsibility concerning the exercising of the delegated power, as provided in section 44(1)(d) of the PFMA.
- 4.12 Provincial treasuries must each month ensure that all their respective provincial departments have provided returns on the information required in paragraph 4.5.
- 4.13 Provincial departments that have fully complied with Treasury Regulation 8.2.3 must file a nil return with the relevant provincial treasury, duly confirmed by the department's accounting officer.
- 4.14 Provincial treasuries must collate the information as submitted by their respective provincial departments for submission to the National Treasury within fifteen (15) days after the end of each month.
- 4.15 Submissions by provincial treasuries to the National Treasury in terms of paragraph 4.14 above must be in the format prescribed in the enclosed Annexure C.

Instruction Note Number 34 dated 30 November 2011

**Effecting payment within 30 days from receipt of an invoice as required
in terms of Treasury Regulation 8.2.3**

- 4.16 The National Treasury will provide national departments and provincial treasuries with electronic copies of Annexures A, B and C.
- 4.17 In terms of a Management Committee resolution of the Forum of South African Directors-General (FOSAD), the National Treasury must provide the Forum with statistics each month on the exception reports, broken down per national and provincial department.
- 4.18 The information required in terms of this Instruction Note will therefore be provided to FOSAD on a monthly basis. The relevant treasuries shall take no responsibility for the accuracy of information received from departments except to the extent relating to transcribing errors.

5. SUBMISSIONS TO THE NATIONAL TREASURY

- 5.1 National departments must hand-deliver their returns to Elanie van Niekerk at the Chief Directorate: Governance Monitoring and Compliance situated on the 17th floor (Room 1711) 240 Vermeulen Street, Pretoria.
- 5.2 Provincial treasuries must forward collated returns in respect of their respective provincial departments to Ms Virginia Sefako via e-mail to Virginia.Sefako@treasury.gov.za

6. APPLICABILITY OF THIS INSTRUCTION NOTE

This Instruction Note applies to all national and provincial departments.

7. AUDITING OF THIS INSTRUCTION NOTE

A copy of this Instruction Note will be forwarded to the Auditor-General to ensure that its contents are included in their audit scope.

8. DISSEMINATION OF INFORMATION CONTAINED IN THIS INSTRUCTION NOTE

Heads Officials of provincial treasuries are requested to please bring the contents of this Instruction Note to the attention of accounting officers of their provincial departments.

9. AUTHORITY FOR THIS INSTRUCTION NOTE

This Instruction Note is issued to facilitate implementation of the PFMA in terms of section 76(4)(g) of the Act read together with section 38(1)(f) and Treasury Regulation 8.2.3 and to monitor and assess implementation of the Act in terms of section 6(2)(c).

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in terms of Treasury Regulation 8.2.3**

10. EFFECTIVE DATE FOR THIS INSTRUCTION NOTE

This Instruction Note takes effect from the date of issue and requires the first submission of information to the National Treasury in February 2012.

11. CONTACT INFORMATION

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Chief Director: Governance Monitoring and Compliance
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E-mail: Jayce.Nair@treasury.gov.za



**S F NOMVALO
ACCOUNTANT-GENERAL
DATE: 30 NOVEMBER 2011**