



Province of the  
**EASTERN CAPE**  
SOCIAL DEVELOPMENT

SOP File Number:

Expenditure Management - S&T - 01

SOP Version:

V.001

Document Owner:

Director: Expenditure Management

STANDARD OPERATING PROCEDURE: SUBSISTENCE & TRAVEL PROCESS

Approval Date	02 October 2019
Commencement Date	02 October 2019
Review Date	02 October 2020
Periodical Review	Annual
Resources	Internal staff, Non employees, Budget, ICT Equipment
Intent of SOP	To provide a regulatory framework for the Travel and Subsistence allowance to compensate travel or any relevant expense incurred by official on an official trip. To ensure uniformity in the payment of subsistence and traveling allowances.
Process Objective(s)	To provide integrated strategic direction and support to achieve good governance at all times.
Scope	This SOP applies to all departmental officials employed in terms of the Public Services Act of 1994 as amended who are required to perform official duties away from their normal place of work locally and/or abroad and individuals invited to attend interviews in the department.
Definitions	<ul style="list-style-type: none"> <li>• S&amp;T – Subsistence &amp; Travel</li> <li>• MMS – Middle Management Service</li> <li>• SMS – Senior Management Service</li> <li>• DPSA – Department of Public Service Administration</li> <li>• HR – Human Resources</li> <li>• HO – Head Office</li> </ul>
Desired Performance	The aim is to ensure that payment is made timely.

<b>Key Performance Indicator</b>	<b>Number of days taken to pay stakeholder.</b>
<b>Principles &amp; values</b>	<p>The following are the principles to be adhered to for the travel and subsistence allowance as listed in the S&amp;T Policy:</p> <ul style="list-style-type: none"> <li>• The employer may meet reasonable costs incurred by an employee whilst on official duty away from his/her headquarters according to the applicable rates as prescribed by the Department of Public Service and Administration and regulated by this policy.</li> <li>• If an employee takes an official journey that violates this policy, the department may compensate the employee none or part of the cost.</li> <li>• The department shall seek to find the most cost effective way of meeting its obligation within reasonable measures at all times.</li> <li>• All stakeholders should be accountable in the implementation of this policy.</li> <li>• Any claims found to have been fraudulently made shall be investigated further and any amounts will be recovered in full directly from the official concerned.</li> </ul>
<b>Compliance Measures</b>	<p>The following are General Requirements as listed in the S&amp;T Policy:</p> <ul style="list-style-type: none"> <li>• Where an official has undertaken official trip away from headquarters as stipulated above, he/she must submit his/her claim within two (2) months of incurring expenditure.</li> <li>• Claims that are older than two (2) months shall be considered based on the approval from the Head of Department with clear motivation and recommendations by the relevant Responsibility Manager and Programme Manager as per Section 38(1) (a) of the Public Finance Management Act, 1 of 1989.</li> </ul>
<b>Performance Measures</b>	<ul style="list-style-type: none"> <li>• Number of claims processed timeously.</li> </ul>
<b>Process Input Data</b>	<ul style="list-style-type: none"> <li>• KMs travelled.</li> <li>• Evidence of expenditure for official trips.</li> </ul>
<b>Process Output Data</b>	<ul style="list-style-type: none"> <li>• Paid and filed S&amp;T Claim</li> <li>• Monthly report of paid S&amp;T claims</li> </ul>

**STEP BY STEP GUIDE  
SUSTENANCE & TRAVEL PROCESS**

No	Task Name	Task Procedure	Responsibility	Supporting Documentation	Service Standard
1	<p>Complete the S&amp;T claim form and attach relevant supporting documents</p>	<ul style="list-style-type: none"> <li>• Complete and sign Subsistence and travel claim form.</li> <li>• Attachment with calculations.</li> <li>• Copy of the tariffs.</li> <li>• Receipts (where applicable).</li> <li>• Confirmation letter from Supervisor.</li> <li>• Attach the following document for S&amp;T (Special Daily allowance) (0436):               <ul style="list-style-type: none"> <li>• Invitation Memorandum.</li> <li>• Attendance register.</li> <li>• Copy of circular.</li> <li>• BAS expenditure report.</li> </ul> </li> <li>• In case of S&amp;T (Incidental expense) (0464)-Parking and (0465)-Toll Fees:               <ul style="list-style-type: none"> <li>• Invitation Memorandum.</li> <li>• Attendance register.</li> <li>• Copy of circular.</li> <li>• Original receipts.</li> <li>• BAS expenditure report.</li> </ul> </li> <li>• In case of S&amp;T (General Public Transport) (0463):               <ul style="list-style-type: none"> <li>• Invitation for interviews.</li> <li>• Proof of expenditure for public transport (receipts / bus tickets).</li> <li>• Confirmation of attendance from Chairperson or secretarial.</li> <li>• BAS expenditure report.</li> </ul> </li> </ul>	Official	<ul style="list-style-type: none"> <li>• S&amp;T claim form</li> <li>• Completed S&amp;T claim form with relevant attachments</li> </ul>	1 day

STEP BY STEP GUIDE

SUBSISTENCE & TRAVEL PROCESS

NY	Task Name	Task Procedure	Responsibility	Supporting Documentation	Service Standard
		<p><b>Non-Departmental employees will be paid through BAS, the following need to be also attached:</b></p> <ul style="list-style-type: none"> <li>● Completed BAS Entry Maintenance Form.</li> <li>● Certified copy of ID.</li> <li>● Banking Details with bank stamp.</li> <li>● Proof of Address.</li> </ul> <p><b>In case of S&amp;T (Fixed Daily Allowance) (0443):</b></p> <ul style="list-style-type: none"> <li>● Invitation/Memorandum.</li> <li>● Attendance register.</li> <li>● Copy of circular.</li> <li>● Affidavit for private accommodation.</li> <li>● BAS expenditure report.</li> </ul> <p><b>In case of S&amp;T (Accommodation) (0462):</b></p> <ul style="list-style-type: none"> <li>● Invitation.</li> <li>● Approved memorandum by HOD for accommodation.</li> <li>● Receipts/ Invoices for accommodation.</li> <li>● Attendance register.</li> <li>● Copy of circular.</li> <li>● BAS expenditure report.</li> </ul> <p><b>In case of S&amp;T (Petrol) (0460-SMS, MMS &amp; other permissible officials):</b></p> <ul style="list-style-type: none"> <li>● Annexure C (SMS).</li> <li>● Z43 form (MMS/Private Transport).</li> <li>● Invitation / Memorandum.</li> <li>● Weekly plan.</li> <li>● Confirmation from supervisor (MMS and below).</li> </ul>			

**STEP BY STEP GUIDE  
SUBSISTENCE & TRAVEL PROCESS**

Id	Task Name	Task Procedure	Responsibility	Supporting Documentation	Service Standard
2	<b>Submitt</b> completed S&T claim form and supporting documents to Salaries	<ul style="list-style-type: none"> <li>• Attendance register.</li> <li>• Transport Tariffs.</li> <li>• Copy of circular.</li> <li>• BAS expenditure report.</li> <li>• Send completed S&amp;T claim with attached relevant documents to Salaries.</li> <li>• Sign the register as proof of submission.</li> </ul> If the S&T claim document does not comply <ul style="list-style-type: none"> <li>• Reject the claim immediately.</li> <li>• Inform the official the reason for not registering the claim.</li> <li>• Take back the claim document for corrections.</li> </ul>	Official  Salaries State Account	<ul style="list-style-type: none"> <li>• Completed S&amp;T claim form with relevant attachments</li> <li>• Proof of submission</li> </ul>	1 day
3	Register submitted S&T claim	<ul style="list-style-type: none"> <li>• Register the submitted S&amp;T claim in the Incoming register by completing it with the following information:                             <ul style="list-style-type: none"> <li>✓ Name of the official.</li> <li>✓ Date.</li> <li>✓ Claim month.</li> </ul> </li> </ul>	Salaries State Account  Official	<ul style="list-style-type: none"> <li>• Completed S&amp;T claim form with relevant attachments</li> <li>• Registered S&amp;T claim</li> <li>• Acknowledgement receipt.</li> </ul>	1 day
4	Confirm attached supporting documents	<ul style="list-style-type: none"> <li>• Check supporting documents to confirm compliance.</li> </ul>	Salaries State Accountant	<ul style="list-style-type: none"> <li>• S&amp;T claim with Confirmed supporting documents</li> </ul>	1 day
5	Verify claim calculations	<ul style="list-style-type: none"> <li>• Ensure that the following has been done accordingly for the case of Special Daily allowance:                             <ul style="list-style-type: none"> <li>✓ Away from office for more than 24hours (amount determined by DPSA).</li> <li>✓ Away from office for less than 24hrs.</li> <li>✓ Breakfast R120.00 (must have left your house before 0700am).</li> </ul> </li> </ul>	Salaries State Accountant	<ul style="list-style-type: none"> <li>• S&amp;T claim with Confirmed supporting documents</li> <li>• S&amp;T claim with Confirmed supporting documents and Verified calculations</li> </ul>	1 day

**STEP BY STEP GUIDE  
PERSISTENCE & TRAVEL PROCESS**

Nr	Task Name	Task Procedure	Responsibility	Supporting Documentation	Service Standard
6	Submit S&T claim to pre-Audit unit	<ul style="list-style-type: none"> <li>✓ Lunch R160,00</li> <li>✓ Dinner R160,00 (must have returned to your house after 20H00).</li> </ul> <ul style="list-style-type: none"> <li>• Ensure that the maximum amount to be paid is as determined by DPSA for the case of Fixed Daily Allowance (R435,00 2019/20 financial year).</li> <li>• Ensure that calculations are done accordingly with the usage of correct Tariffs for the case of Petrol.</li> <li>• Ensure that the supporting documents are captured accordingly.</li> </ul>	Salaries State Account	<ul style="list-style-type: none"> <li>• S&amp;T claim with confirmed supporting documents and verified calculations</li> <li>• Proof of submission</li> </ul>	1 day
7	Verify supporting and calculations (Pre-Audit )	<ul style="list-style-type: none"> <li>• Ensure that the following has been done accordingly for the case of Special Daily Allowance:                             <ul style="list-style-type: none"> <li>✓ Away from office for more than 24hours (amount determined by DPSA).</li> <li>✓ Away from office for less than 24hrs.</li> <li>✓ Breakfast R120,00 (must have left your house before 07H00am).</li> <li>✓ Lunch R160,00.</li> <li>✓ Dinner R160,00 (must have returned to your house after 20H00).</li> </ul> </li> </ul>	Pre- Audit State Account	<ul style="list-style-type: none"> <li>• S&amp;T claim with Confirmed supporting documents and Verified calculations</li> <li>• Verified S&amp;T claim with Confirmed supporting documents and calculations</li> </ul>	1 day

**STEP BY STEP GUIDE  
SUBSISTENCE & TRAVEL PROCESS**

ID	Task Name	Task Procedure	Responsibility	Supporting Documentation	Service Standard	
8	Capture the verified claim	<ul style="list-style-type: none"> <li>Receive verified S&amp;T claim documents</li> <li>Open PERSAL</li> <li>Capture all the verified claims on #5.3.11.</li> </ul> <p>If the case of rejected S&amp;T claims documents</p> <ul style="list-style-type: none"> <li>Inform the affected official about the rejected claim.</li> <li>Inform the affected official by e-mail and telephonically, indicating the reason for the claim to be rejected.</li> </ul>	<p>Salaries State Accountant</p>	<ul style="list-style-type: none"> <li>Ensure that the maximum amount to be paid is as determined by DPSA for the case of Fixed Daily Allowance (R435.00 2019/20 financial year).</li> <li>Ensure that calculations are done accordingly with the usage of correct Tariffs for the case of Petrol</li> <li>Ensure that the supporting documents are captured accordingly.</li> <li>Verify SMS Fuel.</li> <li>Submit the verified documents with rejected S&amp;T claims document to Salaries.</li> </ul>	<ul style="list-style-type: none"> <li>Verified S&amp;T claim with Confirmed supporting documents and calculations</li> <li>Captured claim transaction.</li> </ul>	1 day
9	Approve the captured claim transaction	<ul style="list-style-type: none"> <li>Approve the captured claim transaction on #6.8.20.</li> </ul>	<p>Salaries Senior State Accountant</p>	<ul style="list-style-type: none"> <li>Captured claim transaction.</li> <li>Approved claim transaction</li> </ul>	<ul style="list-style-type: none"> <li>Captured claim transaction.</li> <li>Approved claim transaction</li> </ul>	
10	Authorize and pay claim transaction	<ul style="list-style-type: none"> <li>Authorize approved claim transaction on #6.8.30. If Petrol Above R10 000</li> <li>Authorizes approved claim transaction on #6.8.30.</li> </ul>	<p>Salaries: Assistant Manager Salaries: Manager</p>	<ul style="list-style-type: none"> <li>Approved claim transaction</li> <li>Authorized and paid claim transaction</li> </ul>	<ul style="list-style-type: none"> <li>Approved claim transaction</li> <li>Authorized and paid claim transaction</li> </ul>	1 day
11	Compile the S&T claims report	<ul style="list-style-type: none"> <li>Compile the report of captured S&amp;T claims but not approved and approved S&amp;T claims but not authorised after each run.</li> <li>Compile monthly report of all paid S&amp;T claims using PERSAL extracted information.</li> </ul>	<p>Salaries: Manager</p>	<ul style="list-style-type: none"> <li>Monthly report of paid S&amp;T claims</li> </ul>	<ul style="list-style-type: none"> <li>Monthly report of paid S&amp;T claims</li> </ul>	2 days

STEP BY STEP GUIDE

SUBSISTENCE & TRAVEL PROCESS

№	Task Name	Task Procedure	Responsibility	Supporting Documentation	Service Standard
12	Submit file to HR Registry	<ul style="list-style-type: none"> <li>• Hand deliver paid S&amp;T claim to HR registry for filing.</li> <li>• Complete outgoing register with the file information as follows:                             <ul style="list-style-type: none"> <li>✓ Claim month.</li> <li>✓ Paid date.</li> <li>✓ Official Name.</li> </ul> </li> </ul>	Services State Accountant	<ul style="list-style-type: none"> <li>• Paid claim document</li> <li>• Proof of submission</li> </ul>	1 day

PROCESS RISKS

Name of the Risk	Risk Description	Probability (H/M/L)	Impact (H/M/L)	Control Description	System / Manual
Budget	Budget for subsistence and travel claims	H	H	Departmental Directors should make budget available	Manual
Co-ordination Role	Co-ordination for S&T policy implementation	H	H	Head of Department shall be responsible for the continuous administration and monitoring of the S&T policy Salary Administration must ensure that all claims submitted conform to the provisions of the S&T policy.	Manual
Manual nature of S&T Process	The S&T process is currently manual leading to slow and data integrity, inaccurate payments and reporting.	L	L	Salary Administration must ensure that all claims captured S&T claims are verified on approval and on authorisation stage.	system

**LEGISLATION, POLICES, PROCEDURE, & OTHER DOCUMENTATION (i.e. SOPs)**

Document Name	ACT OR SECTION DESCRIPTION	Effective Date (if applicable)
Draft S&T Policy	Provide clear guidelines and framework on traveling and subsistence allowance which will therefore bridge the gap and curb these inconsistencies, as supervisors and/or line managers will be required to follow the guidelines and processes as stipulated in this policy. Therefore, this policy will ensure that there are no unnecessary delays regarding the reimbursement of expenses incurred by the relevant official who in terms of their operations are required to perform duties away from their normal place of work.	
Public Service Regulations	<p>Chapter 1/Part V controls the compensation of Employees with the following principles:</p> <p>A.1 Remuneration in the public service shall aim, within fiscal constraints, to support-</p> <ul style="list-style-type: none"> <li>(a) efficient and effective service delivery and provide appropriate incentives for employees; and</li> <li>(b) equal pay for work of equal value and other labour standards.</li> </ul> <p>A.2 In determining an employee's salary, an executing authority shall take into account-</p> <ul style="list-style-type: none"> <li>(a) relevant collective agreements;</li> <li>(b) available funding;</li> <li>(c) the results of job evaluation, if available;</li> <li>(d) the employee's performance; and</li> <li>(e) the need to recruit and retain personnel with appropriate competencies</li> </ul>	2001
PSCBC Resolutions	<p>PSCBC Resolution 3 of 1999, 7 of 2000 Part XII and XIII states the following:</p> <p><b>XII. Accommodation while on official journeys</b></p> <ol style="list-style-type: none"> <li>1. Aim If an employee must take an official journey, the employer shall meet her or his accommodation costs.</li> <li>2. Scope This agreement shall not apply to an employee who receives compensation under the agreements on camping staff or seasonal employees.</li> <li>3. Compensation for accommodation during an official journey</li> </ol> <ol style="list-style-type: none"> <li>3.1. If an employee must take an official journey lasting under 24 hours, the employer shall meet reasonable actual accommodation costs, if any.</li> <li>3.2. If an employee must take an official journey that lasts for 24 hours or longer, for each day or part of a day on the journey she or he may claim either:</li> </ol>	1999

Document Name	ACT OR SECTION DESCRIPTION	Effective Date (if applicable)
	<p>a. reasonable actual expenditure on accommodation plus an allowance of R37,00 a day, or b. an allowance of R121,50 a day.</p> <p><b>XIII. Camping</b></p> <ol style="list-style-type: none"> <li>1 When camping staff perform duties away from their regular place of work, the employer may pay them a daily allowance of up to R45,00. If a department provides rations in kind, it shall deduct the cost from the daily allowance.</li> <li>2 Where camping staff work away from headquarters on a regular and continuous basis, the employer may pay a fixed monthly amount to compensate them for accommodation costs.</li> <li>3 Departments shall provide the necessary camping equipment and facilities for camping staff and for their immediate families, if their families normally stay with them.</li> <li>4 The employer may refund expenditure on parking fees as well as the reasonable cost of fuel and water used in the camp.</li> </ol>	
Financial Manual	Document with adjustments of the allowances and tariffs for the purposes of calculation and application of allowances and benefits	
Provincial Treasury Directives	The document that guide the Department Financial activities is means what the Department must do and how.	
Treasury Regulations	<p>2005 as amended, Part 4 chapter 8; Part 7 chapter 17.1.1 states Expenditure management as follows:</p> <p><b>8.1 Responsibility of the accounting officer [Section 76(4)(b) of the PFMA]</b></p> <p>8.1.1 The accounting officer of an institution must ensure that internal procedures and internal control measures are in place for payment approval and processing. These internal controls should provide reasonable assurance that all expenditure is necessary, appropriate, paid promptly and is adequately recorded and reported.</p> <p><b>8.2 Approval of expenditure [Section 39(1)(f) and 76(4)(b) of the PFMA]</b></p> <p>8.2.1 An official of an institution may not spend or commit public money except with the approval (either in writing or by duly authorised electronic means) of the accounting officer or a properly delegated or authorised officer.</p> <p>8.2.2 Before approving expenditure or incurring a commitment to spend, the delegated or authorised official must ensure compliance with any limitations or conditions attached to the delegation or authorization.</p> <p>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 the case of civil claims, from the date of settlement or court judgement.</p> <p><b>8.3 [Personnel costs] Compensation of employees [Section 76(4)(b) of the PFMA]</b></p> <p>8.3.1 Activities relating to the authorization of appointments, the authorization of payments and the recording of those payments may not be performed by the same person.</p> <p>8.3.2 The accounting officer of an institution must ensure that the [personnel] costs related to</p>	2005

Document Name	ACT OR SECTION DESCRIPTION	Effective Date (if applicable)
	<p>compensation of employees [of all appointees], as well as promotion and salary increases, can be met within the budgetary allocation of the institution.</p> <p>8.3.3 Unless otherwise determined by the National Treasury, personnel are divided into the following groups for the payment of salaries –</p> <p>(a) <i>Group A:</i> Persons who must be paid on the 15th day of the month, or if it is not a working day, on the last working day preceding the 15th. These include –</p> <p>(i) persons appointed permanently on the fixed establishment and employed in terms of the Public Service Act, 1994; and</p> <p>(ii) persons appointed on contract in terms of section 8(1)(c) of the Public Service Act, 1994 and other similar legislation.</p> <p>(b) <i>Group B:</i> This group represents personnel paid on the last working day of the month and includes temporary and part-time staff, and persons appointed on probation.</p> <p>8.3.4 For all employees, the person in charge at the respective pay-points must certify on the date of payment that all persons listed on the payroll report are entitled to payment. Employees paid by cheque must sign the payroll report when collecting their cheques.</p> <p><i>Part 4: Revenue and expenditure management 23</i></p> <p>8.3.5 Within ten days of being certified, the payroll report must be returned to the chief financial officer. The accounting officer must ensure that all pay-point certificates have been received on a monthly basis.</p> <p><b>8.4 Transfers [payments] and subsidies (excluding Division of Revenue grants and other allocations to municipalities) (Section 38(1)(D) of the PFMA)</b></p> <p>8.4.1 An accounting officer must maintain appropriate measures to ensure that transfers and subsidies [payments] to entities are applied for their intended purposes. Such measures may include-</p> <p>(a) regular reporting procedures;</p> <p>(b) internal and external audit requirements and, where appropriate, submission of audited statements;</p> <p>(c) regular monitoring procedures;</p> <p>(d) scheduled or unscheduled inspection visits or reviews of performance; and</p> <p>(e) any other control measures deemed necessary.</p> <p>8.4.2 An accounting officer may withhold [a] transfers and subsidies [payment] to an entity if he or she is satisfied that-</p> <p>(a) conditions attached to the transfer and subsidy [payment] have not been complied with;</p> <p>(b) financial assistance is no longer required;</p> <p>(c) the agreed objectives have not been attained; and</p> <p>(d) the transfer and subsidy [payment] does not provide value for money in relation to</p>	

<p><b>Personal/BAS Notices</b></p>	<p><b>its purpose or objectives.</b></p> <p><b>8.4.3</b> Treasury Regulations 8.4.1 and 8.4.2 do not apply to transfers and subsidies to other countries, international bodies, [and] to other bodies in terms of economic and financial agreements and to levies and taxes imposed by other levels of government and which are classified as transfers and subsidies in the budgets of departments. Transfers and subsidies in respect of levies and taxes imposed by other levels and entities of government are governed by section 38(1)(e) of the Act.</p> <p><b>8.4.4</b> Transfers and subsidies to other countries, international bodies, [and] other bodies in terms of economic and financial agreements and transfers and subsidies to other levels and entities of government for purposes of paying levies and taxes imposed by legislation are exempt from the written assurance, as required by section 38(1)(d) of the Act.</p> <p><b>8.5</b> Division of Revenue Grants [Section 38(1)(f) of the PFMA]</p> <p><b>8.5.1</b> Accounting officers of departments transferring funds to other spheres of government in terms of the annual Division of Revenue Act must comply with the provisions of that Act.</p> <p><b>8.6</b> Other allocations to municipalities</p> <p><b>8.6.1</b> A provincial accounting officer transferring a grant from the provincial revenue fund to a municipality in accordance with an assignment in terms of section 156(4) of The Constitution, 1996 (Act No. 108 of 1996) or a delegation in terms of section 238 of The Constitution, 1996 other than an agency payment in terms of section 238 of The Constitution, 1996 must comply with the relevant provisions of the annual Division of Revenue Act, the Local Government Municipal Finance Management Act (MFMFA), Treasury Regulations: PFMA 24 2003 (Act No. 56 of 2003), sections 9 and 10 of the Municipal Systems Act, 2000 (Act 32 of 2000) and other relevant legislation.</p> <p><b>8.7</b> Changing of expenditure against a particular vote or main division of a vote [Section 76(2)(b) of the PFMA]</p> <p><b>8.7.1</b> Should a dispute arise over which vote or main division of a vote should be charged with any particular expenditure, the relevant treasury must settle the dispute and determine the vote or main division against which the expenditure must be charged.</p> <p><b>8.8</b> Recovery, disallowance and adjustment of payments</p> <p><b>8.8.1</b> Amounts charged to voted funds, which are recovered in the financial year in which 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.</p> <p><b>8.8.2</b> Such 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 a clearing or suspense account during the financial year in which payment was made.</p>	
<p><b>Personal/BAS Notices</b></p>	<p>The document that prescribe the month end closure procedures for the Department to meet the expenditure reporting requirement.</p>	

Document Name	ACT OR SECTION DESCRIPTION	Effective Date (if applicable)
Public Finance Management	<p>Act not of 1999 Section 38(1)(a)(b)(c); 45(a)(b)(c)(d) states General responsibilities of accounting officers as follows:</p> <p>38. (1) The accounting officer for a department, trading entity or constitutional institution—</p> <p>(a) must ensure that that department, trading entity or constitutional institution has and maintains—</p> <ul style="list-style-type: none"> <li>(i) effective, efficient and transparent systems of financial and risk management and internal control;</li> <li>(ii) a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77;</li> <li>(iii) an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective;</li> <li>(iv) a system for properly evaluating all major capital projects prior to a final decision on the project;</li> </ul> <p>(b) is responsible for the effective, efficient, economical and transparent use of the resources of the department, trading entity or constitutional institution;</p> <p>(c) must take effective and appropriate steps:</p> <ul style="list-style-type: none"> <li>(i) collect all money due to the department, trading entity or constitutional institution;</li> <li>(ii) prevent unauthorized, irregular and fruitless and wasteful expenditure and losses resulting from criminal conduct; and</li> <li>(iii) manage available working capital efficiently and economically;</li> </ul> <p>Responsibilities of other officials are stated as follows:</p> <p>45. An official in a department, trading entity or constitutional institution—</p> <ul style="list-style-type: none"> <li>(a) must ensure that the system of financial management and internal control established for that department, trading entity or constitutional institution is carried out within the area of responsibility of that official; 5</li> <li>(b) is responsible for the effective, efficient, economical and transparent use of financial and other resources within that official's area of responsibility;</li> <li>(c) must take effective and appropriate steps to prevent, within that official's area of responsibility, any unauthorized expenditure, irregular expenditure and fruitless and wasteful expenditure and any under collection of revenue due; 10</li> <li>(d) must comply with the provisions of this Act to the extent applicable to that official, including any delegations and instructions in terms of section 44.</li> </ul>	1999

**AUTHORIZATION**

Authorization:	Name:	Comments:	Signature:	Date:
Quality Checked by: Director: Management Information Services	N.A. Mezzi	Quality checked. The process and GSE must be reviewed annually to maintain relevance and for compliance.		03/09/2019
Recommended by: Acting Chief Information Officer:	M. Gezi			04/09/2019
Recommended by: Director: Expenditure Management	L. Adams			10/09/2015
Recommended by: Acting Chief Financial Officer	N. Ntshingwana	Supplementary		18/09/2019
Approved by: HOD	N. Beart	QUESTIONS AND ANSWERS INVESTIGATION + MONITORING RECOMMEND EFFECTIVE		02/10/2018
Distribution and Use of SOP	District Directors, Service Office Managers, Area Managers, Assistant Directors and all staff members			