

MPUMALANGA PROVINCIAL GOVERNMENT

No. 7 Government Boulevard
Building No. 4
Riverside Park Extension 2
Nelspruit
1201



Private Bag X 11205
Nelspruit
1200
Tel: (013) 766 4564
Fax: (013) 766 9417
E-mail : nznkamba@mpg.gov.za

Department of Finance

Litiko LeteTimali

UmNyango weZeemali

Departement van Finansies

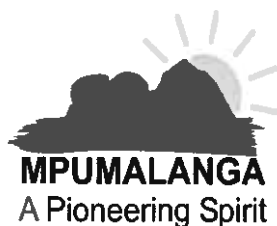
Kgoro ya Matlotlo

Enquiries: Mr M Madike
Extension: 4281/4293

TREASURY CIRCULAR NO.26 OF 2010

THE ACCOUNTING OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR JM RABODILA)
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR RM MOROPA)
THE ACCOUNTING OFFICER: VOTE 3: FINANCE (MR M MAZIBUKO)
THE ACCOUNTING OFFICER: VOTE 4: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR D MAHLOBO)
THE ACCOUNTING OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION (MS NL SITHOLE)
THE ACCOUNTING OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MR RS TSHUKUDU)
THE ACCOUNTING OFFICER: VOTE 7: EDUCATION (MS MOC MHLABANE)
THE ACCOUNTING OFFICER: VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MR KM MOHLASEDI)
THE ACCOUNTING OFFICER: VOTE 9: SAFETY, SECURITY & LIAISON (MR IN KHOZA)
THE ACCOUNTING OFFICER: VOTE 10: HEALTH (DR JJ MAHLANGU)
THE ACCOUNTING OFFICER: VOTE 11: CULTURE SPORTS AND RECREATION (MS SP MJWARA)
THE ACCOUNTING OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS NL MLANGENI) ACTING
THE ACCOUNTING OFFICER: VOTE 13: HUMAN SETTLEMENT (MR D DUBE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: OFFICE OF THE PREMIER (MS P NGWENYA) ACTING
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR S SANYANE)
THE CHIEF FINANCIAL OFFICER: VOTE 3: FINANCE (MS PA SEMENYA)
THE CHIEF FINANCIAL OFFICER: VOTE 4: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR MD SHIPALANA)
THE CHIEF FINANCIAL OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION (MS B LAWRENCE)
THE CHIEF FINANCIAL OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MS PJ HLATSHWAYO)
THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MR C MNISI)
THE CHIEF FINANCIAL OFFICER: VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MS PN MOJAPELO)
THE CHIEF FINANCIAL OFFICER: VOTE 9: SAFETY, SECURITY & LIAISON (MR BH NGOMA)
THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MS G MILAZI) ACTING
THE CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE SPORTS AND RECREATION (MR M KHOZA)
THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS PMORGAN) ACTING
THE CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENT (MR CT DLAMINI)



2010/11 FINANCIAL YEAR ADJUSTMENT BUDGET

PURPOSE

1. The purpose of this circular, issued in terms of Sections 31 of the Public Finance Management Act, 1999 (No 1 of 1999) (PFMA), is to :
 - a) Inform Accounting Officers of the departure points, guiding statutory limitations, principles and process, and
 - b) Provide Accounting Officers with the programme and formats for submission of requests regarding 2010/11 adjustments.

GUIDING STATUTORY LIMITATIONS

2. Section 31 of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) as amended by Act 29 of 1999 stipulates that the MEC for Finance may table an adjustments budget in the Provincial Legislature.
3. An adjustments budget of a province may only provide for-
 - a) The appropriation of funds that have become available to the Province;
 - b) Unforeseeable and unavoidable expenditure;
 - c) Any expenditure in terms of Section 25 (emergency situation);
 - d) Money to be appropriated for expenditure already announced by the MEC for Finance during the tabling of the annual budget;
 - e) The shifting of funds between and within votes or to follow the transfer of functions in terms of Section 42;
 - f) The utilisation of savings under a main division/program within a vote for defrayment of excess expenditure under another main division/program within the same vote in terms of Section 43;
 - g) The roll-over of unspent funds from the preceding financial year

PRINCIPLES

4. All requests for adjustments of budgets will be considered in terms of the following principles:
 - a) That the In-Year-Monitoring report for September 2010 reflects the need for those requests, in other words, funds will not be shifted from a program that is over-spending or funds added to a program that does not show any pressure.

- b) That the guidelines and limitations in Treasury Regulation 6 be strictly applied.
- c) Departments whose requests for roll-over have been approved will be evaluated on the performance on those funds before inclusion in the adjustment budget.
- d) Departments that had over-spent on their budget and reported under-spending on their conditional grant should make a reduction on their equitable share as a first charge to cover-up for the conditional amounts that were utilised to cater for the equitable share expenditure.

PROCESS

- 5. Departments must submit their requests for adjustment budgets **on or before the 19th October 2010**.
- 6. The Provincial Treasury will consider the requests in terms of the statutory requirements and the principles as set out above.

FORMATS

- 7. Attached hereto is the format which departments should use. The formats will be provided to the Chief Financial Officers electronically.
- 8. Any problems experienced with the completion of the Annexures must be taken up with the relevant Provincial Government Financial budget analyst.

PROGRAMME

- 9. The for the rollover and revenue retention process is as follows:

Action	Date
Distribute Treasury Circular for submission of requests.	01 October 2010
Accounting Officers to submit their requests for adjustment budgets	19 October 2010
Discussion on the adjustment chapter during MTEC sessions	26-29 October 2010
Tabling of adjustments budgets in the Provincial Legislature	30 November 2010

TREASURY CIRCULAR NO.26 OF 2010

10. The timely submission of departmental requests as per the programme (paragraph 9), under cover of a letter signed by both Accounting Officer and Chief Financial Officer, will be much appreciated.

Kind regards



MR M MAZIBUKO
HEAD OF DEPARTMENT

DATE: 14 / 10 / 2010