

MPUMALANGA PROVINCIAL GOVERNMENT

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Department of Finance

Litiko LeteTimali	UmNyango weZeemali	Departement van Finansies	Kgoro ya Matlotlo
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PROVINCIAL TREASURY CIRCULAR 37 OF 2011

TO:

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 ACTING ACCOUNTING OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS NL MLANGENI)
THE ACCOUNTING OFFICER: VOTE 13: HUMAN SETTLEMENT (MR D DUBE)

THE ACTING CHIEF FINANCIAL OFFICER: VOTE 1: OFFICE OF THE PREMIER (MS P NGWENYA)
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR S SANYANE)
THE ACTING CHIEF FINANCIAL OFFICER: VOTE 3: FINANCE (MS P SEMENYANE)
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 LAURENCE)
THE CHIEF FINANCIAL OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MS JP HLATSWAYO)
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 ACTING CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MS G MILAZI)
THE CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE SPORTS AND RECREATION (MR M KHOZA)
THE ACTING CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS P MORGAN)
THE CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENT (MR CT DLAMINI)

PRACTICE NOTE NO 1 OF 2010/11: RESTRICTING OF OFFICIALS AND ENTITIES AS PER SCOPA RESOLUTION OF 24 AUGUST 2010

The subject-matter and on which ALL Provincial Departments appeared before SCOPA refers.

You will recall that All Departments were instructed to implement SCOPA resolutions as per the 2008/09 Audit Findings as they relate to the Provincial picture on the state of Government Officials who are members of Entities that are doing business with Government whether within their own Departments or at any other Department or Entities.

Provincial Treasury has since requested Departments to forward the names of Officials and Entities/Companies for blacklisting/restricting purposes.

As such some Departments responded and submitted as requested. Those that have not submitted it is mandatory that those responses are received for good governance purposes. Therefore the following approach in executing the mandate of SCOPA will be followed;

1. That all Departments, Municipalities and Public Entities are presented with the names of officials and their companies as per the attachment;
2. The same information including that is still to be submitted by Departments will be uploaded in the website for the Department of Finance and will be updated on a regular basis;
3. That Accounting Officers, Municipal Managers, Chief Executive Officers, Chief Financial Officers and Heads of Supply Chain Management will circulate the names of officials and their companies to all officials dealing with supply chain management in their respective institutions;
4. All the above officials referred to in paragraph 2 will verify the involvement of these officials and their companies before the award including through quotation system;
5. Bid committees will also be presented with such information which they will use to check and verify against bids submitted to avoid these officials and their companies from receiving any awards;
6. Any award to these companies and officials will constitute a breach and is punitive measures will be instituted;
7. In order to avoid similar incidences from occurring with new companies, Supply Chain Management and Internal Audit Units in Departments are required to collaborate in this regard. In their collaboration, amongst other related things to be done will include verifying company ownership against the PERSAL System;

8. All departments are required to include as part of its risk portfolio companies of officials doing business with departments, develop mitigating strategies as well as reporting on regular intervals to the Accounting Officers of their respective Departments. In this regard we strongly recommend that for such reporting to occur at such regular intervals, the issue of officials doing business with Government be a standing item in Departmental Risk Committee meetings;
9. The Accounting Officers, Chief Executive Officers and Municipal Managers are assigned with the responsibility to ensure that the content of this circular is upheld; and
10. Part of the resolution is that these officials and their companies should pay back amounts received and therefore as such the lists of names are transferred as well to the Legal Unit for further processing and action.

Any appeals by officials and their companies should be directed as follows;

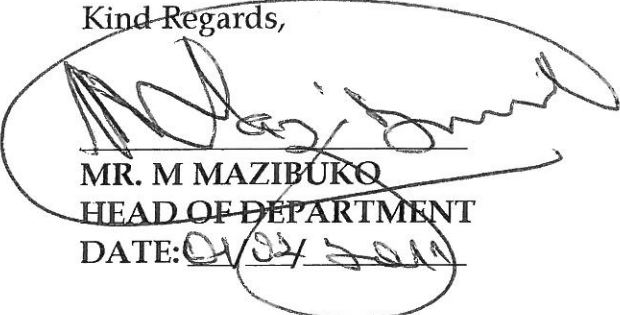
Mr. M. Mazibuko
Head of Treasury
Private Bag X 11205
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1200

Alternatively hand delivered to;

No. 7 Government Boulevard
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Nelspruit

Your co-operation in this regard is much appreciated and we hope and trust that you will find this in order.

Kind Regards,



MR. M MAZIBUKO
HEAD OF DEPARTMENT
DATE: 01/04/2011