



Enquiries :
Ref : Mr R Masambo X4231
MPT 14/6/1

PROVINCIAL TREASURY CIRCULAR NO. 47 OF 2018

TO:

ACTING DIRECTOR GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA: VOTE 1 (MR KM MOHLASEDI)
HEAD: VOTE 3: PROVINCIAL TREASURY (MS NZ NKAMBA)
HEAD: VOTE 4: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR TP NYONI)
ACTING HEAD: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (MR LS MONARENG)
ACTING HEAD: VOTE 6: ECONOMIC DEVELOPMENT AND TOURISM (MR NM SEBITSO)
HEAD: VOTE 7: EDUCATION (MS MOC MHLABANE)
ACTING HEAD: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT (MS SP XULU)
HEAD: VOTE 9: COMMUNITY SAFETY, SECURITY AND LIAISON (MR W. MTHOMBOHI)
HEAD: VOTE 10: HEALTH (DR S MOHANGI)
HEAD: VOTE 11: CULTURE, SPORT AND RECREATION (MR GS NTOMBELA)
HEAD: VOTE 12: SOCIAL DEVELOPMENT (MR MV MAHLALELA)
HEAD: VOTE 13: HUMAN SETTLEMENTS (MR K MASANGE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR SS SHONGWE)
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR MA KHOZA)
THE CHIEF FINANCIAL OFFICER: VOTE 4: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR SEB MATSEBULA)
THE CHIEF FINANCIAL OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (MR MA LETSWALO)
THE CHIEF FINANCIAL OFFICER: VOTE 6: ECONOMIC DEVELOPMENT AND TOURISM (ACTING) (MS H THRUSH)
THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MS G MASHITENG)
THE CHIEF FINANCIAL OFFICER: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT (MS HN MDAKA)
THE CHIEF FINANCIAL OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY AND LIAISON (MS SA SEFALA)
THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MR PP MAMOGALE)
THE CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE, SPORT AND RECREATION (ACTING) (MR M THOBELA)
THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MR JB MBATHA)
THE CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENTS (MR SB NYOKA)

THE CHIEF FINANCIAL OFFICER: MPUMALANGA TOURISM AND PARKS AGENCY (ACTING) (MS G MILAZI)
THE CHIEF FINANCIAL OFFICER: MPUMALANGA ECONOMIC GROWTH AGENCY (MR E POTGIETER)
THE CHIEF FINANCIAL OFFICER: MPUMALANGA ECONOMIC REGULATOR (MR BL MASEKO)
THE CHIEF FINANCIAL OFFICER: MPUMALANGA REGIONAL TRAINING TRUST (MR MG JAFTA)

THE CHIEF DIRECTORATE: SUSTAINABLE RESOURCE MANAGEMENT
THE CHIEF DIRECTORATE: ASSETS AND LIABILITIES MANAGEMENT
THE CHIEF DIRECTORATE: FINANCIAL GOVERNANCE

PFMA CONTRACTS MANAGEMENT INFORMATION FOR 2018/2019

1. PURPOSE

Accounting officers of departments and public entities listed in Schedules 3A and 3C to the Public Finance Management Act (PFMA), 1999 are hereby requested to submit contract registers on existing contracts.

2. BACKGROUND

The Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) promotes economy, efficiency, effectiveness and transparency in the use of state resources and one of its key objectives is to eliminate waste and corruption in the use of public assets. Accounting Officers need to prioritize the importance of contract management to enhance compliance on procurement processes and improve audit outcomes.

3. DISCUSSION

Contracts and contract management are of significance to ensure completeness of all contractual agreements. Accounting Officer must, take all reasonable steps to prevent abuse of the supply chain management system through the following:

- a) take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy is properly enforced;
- b) after the contract has been signed by the Accounting Officer, it should be captured into the contract register, the register should at least be monitored on a regular basis or monthly basis;
- c) monitor on a monthly basis the performance of the contractor under the contract or agreement;
- d) a periodic review of the contract on a regular basis or once every three years in the case of a contract or agreement for longer than three years;
- e) and any other matters that may be prescribed.

4. SUBMISSION OF REQUESTED SCM INFORMATION

Institutions are requested to submit their updated Contract registers, to the Provincial Treasury to ensure uniformity on contract management as per SCM requirements and enable the Provincial Treasury to monitor the processes for compliance purposes **on or before 31 August 2018**.

Information requested should be submitted in the format that includes the following:

- a) Contract Number
- b) Name of the contractor
- c) Brief description of the goods or services to be provided
- d) Duration of the contract (start date to end date)
- e) Variation order under the contract
- f) Payments made to date

- g) Penalties paid by the PFMA Institutions or contractors
- h) Amendment to the contract
- i) Remarks/Comments

5. **DISSEMINATION OF THE INFORMATION**

Accounting Officers should disseminate the contents of this Circular to their respective Chief Financial Officers and Supply Chain Management Units in order to accelerate the submission process.

All submissions should be forwarded to: Ms Zanele Magagula at 013 766 4189 or at email address: zcmagagule@mpg.gov.za or Ms Thuli Gumede at 013 766 4452 or at email address: ptgumede@mpg.gov.za.

Kind regards



MS NZ NKAMBA
HEAD: PROVINCIAL TREASURY
DATE: 17/08/2018