



provincial treasury

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

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PROVINCIAL TREASURY CIRCULAR NO. 47 OF 2020

TO:
DIRECTOR-GENERAL: OFFICE OF THE PREMIER: MS SP XULU
ALL HEADS OF DEPARTMENTS

CC: CHIEF AUDIT EXECUTIVES (CAEs)

CHIEF AUDIT EXECUTIVES' ROLE WITH REGARD TO EXPENDITURE RELATED TO THE COVID-19 PANDEMIC

1. BACKGROUND

South Africa entered into a state of disaster and limited resources were allocated to deal specifically with the COVID-19 pandemic.

2. PURPOSE

The purpose of this Circular is to communicate to all Chief Audit Executives (CAEs) on the role they can pro-actively play with regards to the limited resources earmarked for the procurement of goods and services in relation to the COVID-19 pandemic to ensure that all the expenditure incurred is in line with legislation and prescripts.

3. DISCUSSION

Due to the limited State resources earmarked for COVID-19, taking into consideration the reprioritization of budgets to enable Departments to deal with the impact of the pandemic, it is recommended that these limited resources are utilised for the purposes they are intended for and within the available regulatory frameworks.

The Chief Audit Executives (CAEs) have a significant role to play to ensure that there are proper controls in place in relation to the above expenditure. This includes amongst others:

- a) The review of current controls in place on the procurement of goods and services and provide recommendations in areas where improvements are required.
- b) The review of all procurement processes of significant amounts relating to COVID-19 to ensure that they comply with legislation before they are signed off.
- c) To ensure that all deviations from the normal procurement processes comply with the definitions of deviations as stated by legislation.
- d) To conduct consulting services and assist management in the development of such controls in cases where controls are non-existing or inadequate.
- e) To promptly report any matters requiring attention to management and the Audit Committee and if necessary elevate such to the Provincial Treasury.

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Notwithstanding the fact that the state of disaster necessitates Accounting Officers to utilise emergency procurement procedures, the requirements of the Treasury Regulations, Practice Notes and policies must still be adhered to and Internal Audit as guardians of governance have a significant role to play to ensure compliance.

Regards


MS GUGU MASHITENG
HEAD: PROVINCIAL TREASURY
DATE: 20/10/2020