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## **PROVINCIAL TREASURY CIRCULAR NO. 69 OF 2024**

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**TO:**  
**ACTING DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA**  
**HEADS OF DEPARTMENTS**  
**CHIEF FINANCIAL OFFICERS OF DEPARTMENTS**

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**SUBJECT: TRANSVERSAL SYSTEM GUIDELINES FOR MERGING DEPARTMENTS**

### **1. PURPOSE**

The Purpose of this circular is to inform all Mpumalanga Provincial Departments about the process for merging and transferring functions between departments, for the transversal systems. (BAS, LOGIS AND PERSAL).

### **2. BACKGROUND**

National Treasury has issued guidelines to assist department that are merging focusing on BAS, LOGIS and PERSAL Transversal Systems. Provincial Treasury is therefore bringing this guidelines to the attention of all Provincial Departments in Mpumalanga.

### **3. GUIDELINE PER TRANSVERSAL SYSTEM**

#### **a) BASIC ACCOUNTING SYSTEM (BAS)**

Once departments decide to embark on the process of merging the following must be adhered to:

- Both departments merging should decide on which BAS database to use.
- A formal communication should be send to BAS Logik Centre signed by the Chief Financial officer confirming the merger, BAS database to be used, BAS database to be discontinued and the new name that will be used by both merged departments as one department.
- The merging departments must coordinate to ensure alignment of BAS codes tables and chart of accounts.

- All payments should be authorized and disburse before the merge date to ensure accurate financial records.
- Clearing all Suspense Accounts to avoid conversion of unnecessary balances.
- Clear all outstanding transactions to avoid the conversion of unnecessary transactions.
- Conversion of Balance: balances are converted after the old department's bank account is closed and the audit is completed.
- Entities must be manually captured into the new department's database.
- And future dated transactions should be cancelled.

The Discontinued department will still have access to the old database for reporting purposes and will be archived for the period of 15 years.

#### **b) PERSAL**

Once departments decide to embark on the process of merging the following must be adhered to:

- PERSAL Logik needs to be made aware of the departments that are intending to merge and the organization (department) that will be used as the merged organization and the organization that will be discontinued.
- The chosen merged organization must be the same as the one decided upon in BAS as the merged database.
- All PERSAL exceptions should be resolved to avoid any disruption.
- The new code structure which was captured on BAS for Responsibilities and Objectives must be captured in table 805 and 806 in Persal in the merged organization.
- The organization to be discontinued must transfer their employees to the merged organization.
- The merged organization must accept the employees transferred from the discontinued organization
- Transfer is mandatory when departments are merging and must be done before the merged date.

#### **c) LOGIS**

In terms of LOGIS, there are guidelines that must be followed to ensure seamless transition, the following steps.

- Merging departments should use one store that will be a selection from the BAS system.
- Communication should be sent to Logik signed by the Chief Financial Officer confirming the merger.
- The merging departments must coordinate the process of aligning LOGIS functionalities:-
  - LOGIS security access
  - Assets Management
  - Warehouse management
  - Supply Chain Management
  - System Controller Functions
  - Report Management
- The merged department should appoint one LOGIS system controller.
- The LOGIS system controller of the merged department should restructure the Access control for users.

- Any discrepancies in the process must be reported to the National Treasury and MPT for guidance.

**Recommendation**

It is recommended that:

- Department should contact the National Treasury and Provincial Treasury for assistance in these cases.
- Department to look at the attached detailed guidelines named **Annexure A and B**



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**MS. GUGU MASHITENG**  
**HEAD: PROVINCIAL TREASURY**  
**DATE: 28-11-2024**