



PROVINCIAL TREASURY CIRCULAR NO. 5 OF 2019

TO:

**ACTING DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA: VOTE 1:
(MR K MOHLASEDI)**

SECRETARY: PROVINCIAL LEGISLATURE OF MPUMALANGA: VOTE 2: (MR L MWALE)

ACTING HEAD: PROVINCIAL TREASURY: VOTE 3: (MS GUGU MASHITENG)

**HEAD: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: VOTE 4:
(MR P NYONI)**

**ACTING HEAD: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL
AFFAIRS: VOTE 5: (MR LS MONARENG)**

ACTING HEAD: ECONOMIC DEVELOPMENT AND TOURISM: VOTE 6: (MR NM SEBITSO)

HEAD: EDUCATION: VOTE 7: (MS MOC MHLABANE)

ACTING HEAD: PUBLIC WORKS, ROADS AND TRANSPORT: VOTE 8: (MS SP XULU)

HEAD: COMMUNITY SAFETY, SECURITY AND LIAISON: VOTE 9: (MR W MTHOMBOTHI)

HEAD: HEALTH: VOTE 10: (DR S MOHANGI)

HEAD: CULTURE, SPORT AND RECREATION: VOTE 11: (MR GS NTOMBELA)

HEAD: SOCIAL DEVELOPMENT: VOTE 12: (MR MV MAHLALELA)

HEAD: HUMAN SETTLEMENTS: VOTE 13: (MR K MASANGE)

**THE CHIEF EXECUTIVE OFFICER: MPUMALANGA ECONOMIC GROWTH AGENCY
(MR XGS SITHOLE)**

**THE CHIEF EXECUTIVE OFFICER: MPUMALANGA GAMBLING BOARD
(MR BJ MLAMBO)**

**THE CHIEF EXECUTIVE OFFICER: MPUMALANGA TOURISM AND PARKS AGENCY
(MR BJ NOBUNGA)**

**THE CHIEF EXECUTIVE OFFICER: MPUMALANGA REGIONAL TRAINING TRUST
(MR R OOSTHUIZEN)**

SUBMISSION OF DRAFT INTERNAL AUDIT PLANS FOR THE 2019/20 FINANCIAL YEAR

This Circular is issued to request all Departments and Public Entities to submit their draft Internal Audit Rolling Three Year Strategic and Annual Operational Plans to the Provincial Treasury on or before **28 February 2019** for evaluation. The evaluations are performed to enhance the quality of the Internal Audit Operational Plans and to ensure that the Internal Audit Function adds value in the achievement of management's objectives.

The purpose of the exercise is to evaluate the submitted Draft Internal Audit Plans to provide recommendations working towards a standardized Internal Audit methodology in the Province.

LEGAL MANDATES AND THE RESPONSIBILITIES AND EXPECTATIONS OF ACCOUNTING OFFICERS WITH REGARD TO INTERNAL AUDIT

Treasury Regulation 3.2.7 and 27.2.7 requires that an internal audit unit must prepare, in consultation with and for approval by the audit committee: –

- a) A rolling three-year strategic internal audit plan based on its assessment of key areas of risk for the institution, having regard to its current operations, those proposed in its strategic plan and its risk management strategy;
- b) An annual internal audit plan for the first year of the rolling three-year strategic internal audit plan;
- c) Plans indicating the proposed scope of each audit in the annual internal audit plan;
- d) Operating procedures, with management inputs, to guide the audit relationship; and
- e) A quarterly report to the audit committee detailing its performance against the annual internal audit plan, to allow effective monitoring and possible intervention.

The Provincial Treasury is mandated in terms of section 18 of the Public Finance Management Act, No. 1 of 1999, to monitor and assist Provincial Departments and Public Entities in capacity building where needed

THE PROCEDURE FOR EVALUATION OF THE INTERNAL AUDIT OPERATIONAL PLANS

The Provincial Treasury has developed a checklist for the evaluation of submitted Internal Audit Plans, which will be evaluated and feedback reports will be issued to Accounting Officers with recommendations for implementations prior approval.

It will be appreciated if Internal Audit Plans for 2019/20 could be submitted on or before **28 February 2019** to: kbletsoalo@mpg.gov.za or mdseale@mpg.gov.za, alternatively delivered to the following office: Provincial Treasury, Nokuthula Simelane Building, Upper Ground, Provincial Internal Audit Unit.

Your co-operation in this regard is appreciated.

Regards



MS GUGU MASHITENG
ACTING HEAD: PROVINCIAL TREASURY
DATE: 04/02 /2019