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## **PART A: STRATEGIC OVERVIEW**

### **3.1 Statement of policy and commitment by the MEC**

Over the past five years the scenario in Provincial Treasury unfolded in the following manner:

#### **Restoring Fiscal Integrity**

Starting in 1998 financial year, the debt containment challenges seriously influenced the way in which the department structured itself and conducted its core business. This was a conscious decision in an effort to restore good governance. It was done in view of the fact that the debt burden resulted in a decline in administrative confidence and furthermore eroded resources that would otherwise have been used for development. The Provincial Treasury together with the active cooperation of both national and provincial Departments eventually succeeded to substantially restore the fiscal integrity and financial discipline of the Province. This significant result was mainly achieved by centralising financial controls in Provincial Treasury.

#### **Promulgation of PFMA**

During 1999, while the Public Service Regulations and Public Finance Management Act (PFMA) were promulgated, the department was increasingly faced with the imperative to devolve financial management to departments whilst simultaneously guarding against a slip back to the 1998, Section 100 scenario. The PFMA requires that departments through their Accounting Officers ensure inter alia that they have and maintain effective, efficient, and transparent systems of financial management, internal controls, and risk management. The challenge for this department in its emerging new role as a Provincial Treasury in terms of the Act is therefore to oversee fiscal discipline, allocation efficiency, and internal operational efficiency of itself.

#### **Strategic Financial Management**

Continuing through the year 2000, the change in policy direction, saw the Provincial departments mature in their ability to manage their own finances that necessitated a paradigm shift resulting in the Provincial Treasury redefining its core business. This led to a change from micro focus control over finances toward facilitating strategic financial management. In the letter and spirit of the PFMA, the role of Provincial Treasury is to create an enabling environment in which managers must be empowered to be more in control of their own financial and non-financial resources to enable accelerated service delivery.

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### **Three-Year Vision**

A rigorous strategic planning process, which commenced in June 2001, culminated in the Provincial Treasury redefining its overall goal as the maximization of the availability of funds for optimal service delivery.

### **Continuous Improvement**

As a collective the department for 2003/2006 adopted a continuous improvement strategy that focus on promoting service excellence in Provincial Treasury Services to other departments whilst also enhancing its own internal operational efficiencies. A key strategy is the promotion of a culture of service excellence and striving for an increase in service beneficiary satisfaction. The aim is to promote a high quality Provincial Treasury that can be benchmarked against the best in the world.

### **Decentralisation and Appropriate Allocation**

The transformation of the Provincial Treasury is to be judged, rightly, by the practical difference people see in their everyday lives. A lot of effort has been put into decentralisation, and appropriate allocation of responsibility and accountability. The needs of our stakeholders must come first and be satisfied. In line with the spirit of the Public Finance Management Act and the Batho Pele White paper, we want other provincial departments (as our clients) to view and experience the Provincial Treasury in an entirely new way.

Our plans have been thoroughly explored in the department, and it is our aim to critically assess the strategies and our leadership in order to establish whether we are indeed providing the leadership our customers expect.

Such is our commitment to a better life for all, that for the next three years, we will promote sustainable growth and development through service excellence and strategic financial management!!!



**Enoch Godongwana**  
MEC Provincial Treasury

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## 3.2 Overview by the Accounting Officer and the Head of the Department

The province's recovery from its financial administration woes over the past five years has indeed been a challenge resulting in the centralisation of financial management powers with the Provincial Treasury. This decision together with the introduction of the Provincial Tender Board directly affected procurement and service delivery. The significance of this move should however be viewed against the background of previous shortcomings and loop holes in the financial management system. Without apportioning blame, it could be argued that the subsequent centralisation of bank accounts resulted in four departments receiving disclaimers from the Auditor-General for the 2001/02 financial Year. Notwithstanding the above risks, the Province's finances are now stable and all technical shortfalls are being addressed. Overall, it is anticipated not to have major problems in the 2002/03 financial years.

### **Review of the current financial year and further plans of the Department:**

- The budget for 2002/03 was tabled in March 2002 and subsequently passed by the legislature at the beginning of the current year.
- Tender will run over 5 years has been awarded to the Fort Hare University, Public Financial Service Agency (PFSA), for the provision of targeted training over the next five years. The first training programs have been delivered in 2002. PFSA is expected to operate near full strength during 2003/04, and thereafter.
- Through the CFO support program, professional financial management support, aimed at improving compliance with PFMA, has been provided to all provincial departments. The program will run through until March 3003.
- Flowing from the CFO support program, a Financial Management Measurement Instrument was developed and implemented, culminating in significant improvement for all departments.
- The 2001/02 AG audit report reflected major improvement in the financial position of nearly all provincial departments compared to the 2000/01 period as shown below.
- Treasury coordinated the successful closing of books by all departments by the deadline of 30 May 2002, as well as the finalisation of the long outstanding closing of the books from 1998, onwards.
- The BAS system was successful coordination and implementation in eight (8) departments, replacing the FMS accounting system. 176 PCs were also provided to various departments to ensure that BAS could operate effectively.
- The Service Excellence Program, Ikwezi Lomso – based on the South African Excellence Model for Service Excellence - was initiated in pursuit of higher quality service levels. The implementation of the program over the next five years will include regional personnel.
- The new budget format, recommended by National Treasury, was implemented resulting in the successful on-time submission of the 2002/03 Budget.
- The implementation of the Logis inventory control systems, continuous. The project was started in 2000/01 and a further 50 additional sites implemented during 2002/03.
- Two major intervention projects called, Siyanqoba and Siyaphambili - aimed at addressing chronic problems resulting in persistent audit qualifications – has been started in Education and Health, respectively.
- Considerable improvement of own revenue collection during the reporting period.
- Placing an advertisement, calling for the development and implementation of the Provincial Treasury Website.

- 
- Provision of extra resources to fund infrastructure development projects, in respect of Coega and East London IDZ projects.
  - In line with decentralisation of BAS, all departments have maintained separate banking accounts in order to be accountable for their cash flow management.
  - Training undertaken on new cash flow monitoring model for all departments
  - Successful maintenance of both liquidities and cash flow for all departments.
  - Implementation of preferential procurement framework as at Jul 2002, in terms of article 2.17(2) of the Constitution.
  - Encouraging use of the "In-Year" Monitoring Tool as called for by the PFMA.
  - Decentralisation of several Treasury functions to departments will be further accelerated.

**The main functions of the Department, represented in this strategic plan are:**

- Financial Management Services
- Accounting Services
- Information Services, and

The "Executive" and "Corporate Service" branches render support and internal enabling services, and "Corporate" services branches

The **SERVICE DELIVERY MOTTO** by the late *Mahatma Gandhi*) will challenge us: "A customer is the most important visitor to our premises. He is not dependent on us we are dependent on him. He is not an interruption of our work; he is the purpose of it. He is not an outsider in our business - he is part of it. We are not doing him a favour by serving him; he is doing us a favour by giving us an opportunity to do so"



Mr. M. M. P. Tom  
(Head Official of Provincial Treasury)



Dr. M. C. Annandale-de Villiers  
(Accounting Officer)



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### 3.3 Vision

The vision of the Provincial Treasury is:



**“A quality Treasury leading in  
Service Excellence”**

### 3.4 Mission and strategic goals

The mission of the Provincial Treasury is:



**“To provide strategic and technical leadership in the  
allocation and utilisation of resources in order to  
improve quality of life in the province”**

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### 3.4.1 Overall Goal

The Provincial Treasury's overall goal is:  
"Maximization of the availability of funds for optimal service delivery"

### 3.4.2 Strategic Goals

The broad strategic goals of the Provincial Treasury as set out in Table 1 are:

**Table 1: Strategic goals of the Provincial Treasury Department**

<ul style="list-style-type: none"><li>• Providing quality Provincial Treasury services</li><li>• Effective management of finance and assets</li><li>• Relevant management and organisation initiatives (providing efficient operations)</li><li>• Be a knowledge-based organisation</li></ul>
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## 3.5 Values cluster

The set of Provincial Treasury core values (ethos of the department) that inform what the department strives to be and how it seeks to move in that direction through what it does, are set out in Table 2:

**Table 2: Provincial Treasury Core Values**

Values	Value statement
• Leadership	Our Leaders are inspiring and lead by example. Leadership exists at all levels.
• Customers Satisfaction	Our first priority is to satisfy our customers.
• Employees Satisfaction	Our employees care about each other, encourage growth and recognise accomplishments
• Management by Fact	We manage by fact

• Teamwork	Together we make it happen
• Quality	Doing things right the first time
• Measurement	Our performance measures are customer focussed, comprehensive and clear
• Continuous Improvement	We do things even better the next time.
• Integrity	We are committed to the highest standards of ethical behaviour.
• Learning Organisation	We are continually striving to learn and improve ourselves

**Figure 1: Provincial Treasury Values Cluster**



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## 3.6 Legislative and other mandates

The main constitutional, functional and policy mandates that guide Provincial Treasury activities, i.e. what the department does and how it does it, are:

- Public Finance Management Act (PFMA), Treasury Regulations and provincial Directives
- Municipal Finance Management Bill
- Provincial Tender Board Act and State Tender Directives
- Preferential Procurement Policy Framework Act
- Appropriation Acts
- Division of Revenue Act
- Public Service Act and Regulations
- Labour Relations Act and the Employment Equity Act
- Skills Development Act, Skills Development Levies Act and the South African Qualifications Authority Act
- Basic Conditions of Employment Act and the Occupational Health and Safety Act, and
- Promotion of Access to Information Act

Other important documents from a financial management perspective, which are issued each year, are:

- Medium Term Budget Policy Statement, which is issued in April by the Minister of Finance
- Intergovernmental Fiscal Review also issued at the end of October by the Minister of Finance
- Report of the Auditor-General on the Accounts of the Government
- Budget Review Document
- Recommendations of the FFC
- Other National Treasury guidelines

The interpretation of the above major components is as follows

### 3.6.1 Public Finance Management Act & Provincial Treasury Directives

The provisions of the Public Finance Management Act, Act No. 1 of 1999 as amended, are embodied in the purpose of this Act which, is:

*"To regulate financial management in the national government and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected herewith".*

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The object of this Act is to secure accountability and sound management of the revenue, expenditure, assets and liabilities of the institutions to which this Act applies. This is the single most important legislation governing the financial management of national and provincial government departments.

### **3.6.2 Municipal Finance Management Bill**

The Municipal Finance Management Bill is currently in the legislative process. It will provide similar legislation for the local government sphere as the PFMA does for the provincial and national government spheres. The Bill will become an act in April 2003.

The Bill calls for the following aspects:

- The formulation and the implementation of the fiscal policy including the co-ordination of annual budgets
- Drafting the medium term fiscal policy
- Developing and tracking of service delivery indicators
- Putting together a socio-economic database
- Determination of the gap between actual delivered and desired social-economic outcomes
- Determining of spending priorities
- Setting the requirements for efficient, effective and economic management of revenue, expenditure, assets and liabilities of municipalities
- Putting in place a municipal borrowing framework
- Providing of framework for financial emergencies and crises

### **3.6.3 Provincial Tender Board Act and Regulations**

The Provincial Tender Board Act, 1994 (Eastern Cape), Act No. 2 of 1994 (EC) has as its purpose:

*“To provide for the regulation of the procurement of supplies and services for, the disposal of movable property of, and the hiring or letting of anything or the acquisition or granting of any right for, or on behalf of, the Province, and to that end to establish a Provincial Tender Board and to define its functions; and to provide for incidental matters.”*

This Act is supported by the Provincial Tender Board Regulations, 1995 and a variety of guideline documents such as:

- Public Sector Procurement Reform in South Africa, Interim Strategies: A Ten Point Plan, 1995
- Provincial Tender Board: General Conditions and Procedures (EC36), 1995
- Provincial Tender Board: User Manual (EC37), 2000
- Procurement reforms are being made in the national and provincial spheres of government and are expected to result in new legislation

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### 3.6.4 Preferential Procurement Policy Framework Act

The Preferential Procurement Policy Framework Act, Act No. 5 of 2000, is part of the procurement reform process. Its purpose is:

*“To give effect to section 217(3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217(2) of the Constitution; and to provide for matters connected therewith.”*

Section 217(2) of the Constitution provides for:

*“(a) Categories of preference in the allocation of contracts; and  
(b) The protection or advancement of persons, or categories of persons, disadvantaged by unfair discrimination.”*

Accordingly the Act formalises the use of formulas for awarding tenders for:

*“(d)(i) Contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability;  
(ii) Implementing the programs of the Reconstruction and Development Program as published in the Government Gazette No. 16085 dated 23 November 1994”*

Regulations are provided which provide guidance for the application of the points system.

### 3.6.5 Appropriation Acts

Every year the national and provincial treasuries table appropriation acts:

*“To appropriate amounts of money for the requirements of the State”*

It contains the proposals for the government budget for the coming year, which is the first Year of the three-year period covered by the expenditure ceiling and expenditure area frames.

These appropriation act are supported by the:

- Budget Speech
- Budget Statement, referred to as the Estimates of National Expenditure in the case of the Minister of Finance’s Budget

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The National Treasury also publishes:

- Budget Review
- National Expenditure Survey
- Inter-Governmental Fiscal Review

Section 27(2) of the Public Finance Management Act obliges the MEC for finance in a Province to table the provincial annual budget for a financial in the provincial legislature not later than two weeks after the tabling of the national annual budget.

The Act appropriates amounts of money for the requirements of the province.

Adjustment Appropriation Act

The Public Finance Management Act per Section 31 allows the MEC for finance in a province to table an adjustment budget in the Provincial Legislature.

### **3.6.6 Division of Revenue Acts**

The National Treasury tables an annual Division of Revenue Act in order:

- To provide for the equitable division of revenue raised nationally, to the national, provincial and local spheres of government “ for the next financial year” and for matters connected therewith.
- To promote co-operative governance in the budget allocation and transfer process.
- To promote better co-ordination between policy, planning, budget preparation and execution processes.
- To promote predictability and certainty in respect of all allocations to provincial and local governments to enable such governments to plan their budgets over a multi-year period.

### 3.7 Description of Status Quo

True to the letter and spirit of the PFMA, the role of the Provincial Treasury continues to focus on creating an enabling financial environment in which the various Provincial Departments can control their financial and non-financial responsibilities in pursuit of the highest possible levels of service delivery. The Provincial Treasury continued through 2002/2003 to drive and promote the devolution of financial management to Departments in line with the directives of the PFMA.

**The following are the key achievements and further plans of the Department:**

- A R100 m tender that will run over 5 years has been awarded to the Fort Hare University, Public Financial Service Agency (PFSA), for the provision of targeted training over the next five years. The first training programs have been delivered in 2002. PFSA is expected to operate near full strength during 2003/04, and thereafter.
- Through the CFO support program, professional financial management support, aimed at improving compliance with PFMA, has been provided to all provincial departments. The program will run through until March 2003.
- Flowing from the CFO support program, a Financial Management Measurement Instrument was developed and implemented, culminating in significant improvement for all departments.
- The 2001/02 AG audit report reflected major improvement in the financial position of nearly all provincial departments compared to the 2000/01 period as shown below.

Type of Opinion	20001/02		2000/01	
	Items	%	Items	%
Disclaimer	19	13	89	54
Except for	19	13	38	23
Emphasis matter	104	74	37	23
<b>Total</b>	<b>142</b>	<b>100%</b>	<b>164</b>	<b>100%</b>
Change from previous year	-13%			

- Treasury coordinated the successful closing of books by all departments by the deadline of 30 May 2002, as well as the finalisation of the long outstanding closing of the books from 1998, onwards.
- The BAS system was successful coordination and implementation in eight (8) departments, replacing the FMS accounting system. 176 PCs were also provided to various departments to ensure that BAS could operate effectively.



- 
- The Service Excellence Program, Ikwezi Lomso – based on the South African Excellence Model for Service Excellence - was initiated in pursuit of higher quality service levels. The implementation of the program over the next five years will include regional personnel.
  - The new budget format, recommended by National Treasury, was implemented resulting in the successful on-time submission of the 2002/03 Budget.
  - The implementation of the Logis inventory control systems, continuous. The project was started in 2000/01 and a further 50 additional sites implemented during 2002/03.
  - Two major intervention projects called, Siyanqoba and Siyaphambili - aimed at addressing chronic problems resulting in persistent audit qualifications – has been started in Education and Health, respectively.
  - Own revenue collection improved by 60% in the reporting period.
  - Placing of and advertisement, calling for the development and implementation of the Provincial Treasury Website.
  - EXCO approved a budget amount of close on R1 million from own provincial funding for the Coega and East London IDZ projects.
  - Successful maintenance of both liquidities and cash flow for all departments.
  - Implementation of preferential procurement framework as at Jul 2002, in terms of article 2.17(2) of the Constitution.
  - Encouraging progress has been made with the filling of critical posts.
  - Encouraging use of the “In-Year” Monitoring Tool as called for by the PFMA.
  - Decentralisation of several Treasury functions to departments will be further accelerated.

### **3.7.1 Summary of service delivery environment and challenges (Appendix One)**

The details of all the projected activities and performance measures are captured in the Departmental Operation Plan. As a collective effort for the whole department for 2003/2006, special emphasis will be placed on improvement strategies that will focus on promoting service excellence in Provincial Treasury Services to other Departments – inclusive of enhancing internal efficiency and effectiveness. See Part C, Appendix Two, item 3.17 for a detailed presentation of the “internal environment” and its challenges.

### **3.7.2 Summary of organisational environment and challenges (Appendix Two)**

The organogram adopted in February 2002 continues to form the framework for 2003 / 2006 Strategic Review Cycle. The strategic plans for the six programs, inclusive of Provincial Treasury Reserve, which is a dormant program, culminate into the Provincial Treasury Strategic Plan as elaborated on in the document. See Part C, Appendix One, item 3.16 for a detailed presentation of the “external environment” and its challenges.

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## 3.8 Description of strategic planning process

The 2002/2003 process respectively involved management from all programs. External specialists provided experienced facilitators for the planning and drafting of the Strategic Plan document.

To facilitate the strategic planning event all programs prepared and individually presented detailed strategic scenarios. All scenarios are linked to the Vision, Mission, Core Values as well as the broad strategic goals of the Provincial Treasury Department. Specific areas provided valuable consensus input and alignment of the agreed contextual areas:

Key Focus Areas:

- Decentralisation strategy
- Procurement reforms
- Municipal finance
- PFSA
- Information systems
- Economic analysis
- Accounting reforms
- People Management, and
- Ikwezi Lomso Excellence Model

To facilitate integration and participation by all senior management, the Specialist used a “Knowledge Café” principle that provided contributions from all managers. The following elements and sub-elements were considered in respect of each program:

- Alignment of Program objectives  
Sub-elements: Defining objectives; Linking of objectives to specific sub-programs; Interrogation of objectives; Alignment of objectives to Departmental Goals.
- Key role and responsibilities  
Sub-elements: Identification and agreement on key and support responsibilities for objectives; Practical implications for achieving objectives
- Key project alignment  
Sub-elements: Review project objectives and strategies; Alignment of projects with Department and Program objectives; Identification of strategies to counter challenges
- Internal and external Interfaces  
Sub-elements: Identification and discussion of internal and external priorities; Identification of and recommendations to counter internal and external challenges.

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## Part B: Program and sub-program plans

### 3.9 Strategic Objectives

The Provincial Treasury has formulated four strategic goals, namely:

- Providing quality Provincial Treasury services
- Providing effective management of finance and assets
- Relevant management and organisational initiatives (providing efficient operations)
- Be a knowledge-based organisation.

**Table 3: Strategic objectives of the Eastern Cape Provincial Treasury Department**

**Strategic Goal 1:** PROVIDING QUALITY PROVINCIAL TREASURY SERVICES

STRATEGIC OBJECTIVES:

1. To improve allocation efficiency
2. To adhere to sound accounting and reporting principles
3. To promote the integration of the strategic plan into the budget reporting process
4. To establish prudent credible provincial medium-term baseline allocations to departments
5. To ensure adequate liquidity and arrange provincial government funding

**Strategic Goal 2:** PROVIDING EFFECTIVE MANAGEMENT OF FINANCE AND ASSETS

STRATEGIC OBJECTIVES:

1. To ensure fiscal discipline
2. To implement a payment monitoring mechanism that promotes efficiency in terms of payment standards
3. To determine and review quality accounting processes with a view towards accrual and cost accounting
4. To strengthen a reactive system to ensure a high standard of ethical behaviour in financial management

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**Strategic Goal 3:** RELEVANT MANAGEMENT AND ORGANISATIONAL INITIATIVES (PROVIDING EFFICIENT OPERATIONS)

STRATEGIC OBJECTIVES:

1. To ensure appropriate, modern and effective organisational systems
2. To develop and implement a practical performance management system linked to the operational plan
3. To establish quality mechanisms on managing expenditure levels

**Strategic Goal 4:** KNOWLEDGE-BASED ORGANISATION

STRATEGIC OBJECTIVES:

1. To build a core of various financial management skills within the public service
2. To develop competent and performance-focused employees within the department
3. To make effective use of modern technology to increase productivity.

### **3.10 Measurable objectives, performance measures and performance targets**

The following active Provincial Treasury programs are in place and are each supported by an appropriate set of measurable objectives.

- Executive Management.
- Financial Management.
- Accounting Services.
- Information Services.
- Corporate Services.

Measurable objectives are stated, and relate directly to one or more of the strategic objectives noted in the previous section. The measurable objectives comply with the 'SMART' principle, i.e. they are specific, measurable, achievable, realistic, and time-bound. Each measurable objective has one or more performance measures, and focus on cost, quantity, quality and timeliness of the delivery of the output.

The above information is captured in the Table 4, below.

Table 4: Provincial Treasury Program objectives, strategies, outputs, and measures

Program structure Measurable objectives	Output	Performance Measures			
		Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure
1	2	3	4	5	6
1. Executive Management	Aim: A quality Provincial Treasury leading in Service Excellence				
<ul style="list-style-type: none"> <li>Render quality treasury services</li> </ul>	<ul style="list-style-type: none"> <li>Accountable financial management of the Province</li> </ul>	7 315	<ul style="list-style-type: none"> <li>Monitoring of Provincial Budget</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in accountability</li> </ul>	<ul style="list-style-type: none"> <li>2003 Fiscal year. Improved reporting standard to be achieved</li> </ul>
1.1 MECs Office	Aim: To provide policy direction and executive management leadership with respect to national and provincial financial and fiscal policy and good corporate governance.				
<ul style="list-style-type: none"> <li>Political Head of the Provincial Treasury</li> </ul>	<ul style="list-style-type: none"> <li>Provincial budgets enforcing uniform Treasury norms and standards as prescribed by National Treasury and the PFMA</li> </ul>	3 123	<ul style="list-style-type: none"> <li>All departments and public entities</li> </ul>	<ul style="list-style-type: none"> <li>Credible provincial budget</li> <li>Utilisation of resources</li> </ul>	<ul style="list-style-type: none"> <li>Quality of annual budget speech</li> </ul>
1.2 SG's Office	Aim: To ensure high quality financial management				
<ul style="list-style-type: none"> <li>To provide policy direction with respect to Provincial Treasury services</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with PFMA</li> </ul>	4 192	<ul style="list-style-type: none"> <li>All departments and public entities</li> </ul>	<ul style="list-style-type: none"> <li>High quality consolidated Annual Financial Statements</li> <li>On time Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> </ul>
2. Financial Management	Aim: To manage the Financial Management Branch and ensure that strategic priorities are achieved.				
<ul style="list-style-type: none"> <li>Provide Provincial Financial Management</li> </ul>	<ul style="list-style-type: none"> <li>Manage the Financial Management and Branch</li> </ul>	38 146	<ul style="list-style-type: none"> <li>All departments and public entities</li> </ul>	<ul style="list-style-type: none"> <li>Level of compliance with PFMA</li> <li>Quality of Provincial Budget</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>

Program structure Measurable objectives	Output	Performance Measures			
		Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure
1	2	3	4	5	6
2.1 Management of Financial Management	Aim: To provide strategic management to the program				
<ul style="list-style-type: none"> <li>To promote efficiency, sound public finance and maintain confidence in public finances</li> </ul>	<ul style="list-style-type: none"> <li>Province adhere to PFMA</li> <li>CFO support provided to all departments</li> </ul>	5 560	<ul style="list-style-type: none"> <li>Compliance with budget directives</li> </ul>	<ul style="list-style-type: none"> <li>Sound financial management</li> </ul>	Reporting <ul style="list-style-type: none"> <li>Monthly</li> </ul>
2.2 Budget Office	Aim: To facilitate the allocation of financial and other resources through planning and managing the provincial budgeting and control process				
<ul style="list-style-type: none"> <li>To prepare and monitor provincial revenue and expenditure budgets, provide economic and fiscal policy and also the dispensation service to all provincial departments</li> </ul>	<ul style="list-style-type: none"> <li>Revenue targets are met and tariffs are reviewed regularly</li> <li>Budget statements for tabling in Legislature</li> <li>Approved budgets spent as intended</li> <li>Incentive revenue</li> </ul>	21 453	<ul style="list-style-type: none"> <li>All Provincial departments</li> </ul>	<ul style="list-style-type: none"> <li>Sound expenditure control</li> <li>Realistic and credible revenue budgets</li> <li>Credible and efficient allocation of resources</li> </ul>	Reporting <ul style="list-style-type: none"> <li>Annually</li> <li>Monthly</li> </ul>
2.3 Municipal Finance	Aim: To manage the Municipal Finance responsibilities and to ensure that strategic priorities are achieved				
<ul style="list-style-type: none"> <li>To provide technical support to assist with tight fiscal control</li> </ul>	<ul style="list-style-type: none"> <li>Improved cash and debt management</li> <li>Improved compliance reporting with GAMAP</li> <li>Phased implementation of MTEF budgeting</li> </ul>	5 912	<ul style="list-style-type: none"> <li>At least quarter number of municipalities</li> </ul>	<ul style="list-style-type: none"> <li>Improved service delivery at local level</li> </ul>	Reporting <ul style="list-style-type: none"> <li>Annually</li> <li>Monthly</li> </ul>
2.4 Cash Management Services	Aim: To provide efficient and effective cash management services.				
<ul style="list-style-type: none"> <li>To ensure adequate liquidity and arrange funding and establish financial risk management mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>Financial Risk Management Committee set (ALCO)</li> <li>Maximized interest through prudent investment activities</li> <li>Efficient cash management</li> <li>Production of credible Annual Financial Statements of the Provincial Revenue Fund</li> </ul>	5 221	<ul style="list-style-type: none"> <li>All departments</li> </ul>	<ul style="list-style-type: none"> <li>Absence of bank over-drafts, risk assessment reports</li> </ul>	Reporting <ul style="list-style-type: none"> <li>Annually</li> <li>Monthly</li> </ul>

Program structure Measurable objectives	Output	Performance Measures			
		Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure
1	2	3	4	5	6
3. Accounting Services	Aim: Develop an effective, efficient and transparent financial management system in the Province				
<ul style="list-style-type: none"> <li>Provide Provincial Accounting Services Support</li> </ul>	<ul style="list-style-type: none"> <li>Maintenance and improvement of sound accounting environment which is conducive to confident reporting</li> </ul>	34 329	<ul style="list-style-type: none"> <li>All departments</li> <li>Performance targets per sub-program</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in the Provincial Audit General annual audit opinion</li> </ul>	<ul style="list-style-type: none"> <li>Reporting</li> <li>Annually</li> <li>Monthly</li> </ul>
3.1 Management Accounting Services	Aim: Provide policy direction and leadership with respect to provincial financial management systems				
<ul style="list-style-type: none"> <li>To provide strategic management for the program and maintain sound accounting environment</li> </ul>	<ul style="list-style-type: none"> <li>Develop and communicate branch strategic plan</li> <li>Facilitate the compilation of annual financial statements and audit reports</li> <li>Facilitate the transfer of computer skills to employees</li> </ul>	777	<ul style="list-style-type: none"> <li>All departments</li> </ul>	<ul style="list-style-type: none"> <li>Audit opinion of the Provincial AG</li> <li>Employee pass rate of literacy test</li> </ul>	<ul style="list-style-type: none"> <li>Reporting</li> <li>Annually</li> <li>Monthly</li> </ul>
3.2 Financial Administration	Aim: Improve and maintain a sound accounting environment which is conducive to confident reporting				
<ul style="list-style-type: none"> <li>To provide bookkeeping and suspense account services, maintaining and controlling the accounting systems</li> </ul>	<ul style="list-style-type: none"> <li>All departments adhering to financial and accounting reporting standards</li> <li>Consolidated departmental financial statements</li> </ul>	11 814	<ul style="list-style-type: none"> <li>All departments</li> </ul>	<ul style="list-style-type: none"> <li>At least 75% of departments should receive unqualified audit reports</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> </ul>
3.3 Procurement Management	Aim: Ensuring efficient, effective, equitable, competitive and cost effective procurement services				
<ul style="list-style-type: none"> <li>To ensure that the provincial government procures its goods and services in a manner that is equitable, transparent, competitive and cost effective</li> </ul>	<ul style="list-style-type: none"> <li>Department's adherence to the legislative framework</li> <li>Improvement of service delivery and optimal utilisation of resources by departments</li> </ul>	6 567	<ul style="list-style-type: none"> <li>All departments</li> </ul>	<ul style="list-style-type: none"> <li>Decrease in irregular expenditure and turn around times from needs identification to procurement and utilisation</li> </ul>	<ul style="list-style-type: none"> <li>Monthly</li> <li>June 2003</li> <li>September 2003</li> </ul>

Program structure Measurable objectives	Output	Performance Measures			
		Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure
1	2	3	4	5	6
3.4 Payment Monitoring and District Services	Aim: Provide, effective, efficient payment and monitoring system				
<ul style="list-style-type: none"> <li>The payment of suppliers and personnel within the legislative time frames</li> </ul>	<ul style="list-style-type: none"> <li>Client satisfaction</li> </ul>	11 903	All departments	<ul style="list-style-type: none"> <li>Reduction of litigation and interest</li> <li>30 day payment cycle</li> </ul>	<ul style="list-style-type: none"> <li>Within 30 working days</li> </ul>
3.5 Forensic Investigation Services	Aim: Provide of forensic audit and investigation services				
<ul style="list-style-type: none"> <li>To provide quality forensic audit and investigation services to all provincial departments</li> </ul>	<ul style="list-style-type: none"> <li>Accurate &amp; reliable financial misconduct register</li> <li>Reduction of financial misconduct incidents</li> </ul>	3 898	<ul style="list-style-type: none"> <li>All departments</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of turn around times</li> <li>Increase in recovery and percentage of losses</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
4. Information Services	Aim: Manage and support financial information systems and financial training services to all provincial government departments				
<ul style="list-style-type: none"> <li>To provide provincial Financial Information System Support</li> </ul>	<ul style="list-style-type: none"> <li>To manage information services and ensure that strategic priorities are achieved</li> </ul>	60 516	<ul style="list-style-type: none"> <li>All sub programs</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in information in order to achieve effect</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
4.1 Management: Information Services	Aim: Provide strategic management for the program				
<ul style="list-style-type: none"> <li>To become a knowledge based organisation focused on increased information quality and productivity</li> </ul>	<ul style="list-style-type: none"> <li>Leading by example and creating of sound and knowledge-based information services environment</li> </ul>	649	<ul style="list-style-type: none"> <li>Establishment of cost effective ICT system</li> </ul>	<ul style="list-style-type: none"> <li>80% satisfaction ration with ICT services</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
4.2 Financial Management Training	Aim: Provide strategic management to the program				
<ul style="list-style-type: none"> <li>To provide financial management training services to all departments</li> </ul>	<ul style="list-style-type: none"> <li>Optimal usage of financial management skills training levy</li> <li>Internal consulting projects facilitation by PFSA</li> </ul>	17 339	<ul style="list-style-type: none"> <li>Full program</li> </ul>	<ul style="list-style-type: none"> <li>Departments 80% satisfaction level (min) with programs</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>



Program structure Measurable objectives	Output	Performance Measures			
		Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure
1	2	3	4	5	6
4.3 Financial Information Systems	Aim: Manage and support financial information systems to the Provincial Treasury and financial information systems to all provincial government departments				
<ul style="list-style-type: none"> <li>To provide a cost effective ICT infrastructure, transversal financial information and telecommunication services</li> </ul>	<ul style="list-style-type: none"> <li>Reliable and effective processing of financial transactions</li> <li>Implementation of LOGIS</li> <li>BAS services</li> <li>EFIS services</li> <li>Provincial Treasury Website</li> </ul>	42 528	<ul style="list-style-type: none"> <li>All programs</li> </ul>	<ul style="list-style-type: none"> <li>Departments 80% satisfaction level (min) with financial information</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
5. Corporate Services	Aim: Render sound corporate services				
<ul style="list-style-type: none"> <li>Provide Corporate Services in support of the Transversal Functions</li> </ul>	<ul style="list-style-type: none"> <li>To promote good governance and service excellence</li> </ul>	35 294	<ul style="list-style-type: none"> <li>All sub-programs</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in the annual report</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
5.1 Management of Support Services	Aim: Manage the corporate service for the Provincial Treasury department				
<ul style="list-style-type: none"> <li>To provide quality corporate services to the Provincial Treasury</li> </ul>	<ul style="list-style-type: none"> <li>Create and maintain an enabling environment in support of the achievement of strategic objectives</li> </ul>	1 462	<ul style="list-style-type: none"> <li>All programs</li> </ul>	<ul style="list-style-type: none"> <li>Level of PFMA compliance</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
5.2 Human Resource Management	Aim: Provide human resource management to the department				
<ul style="list-style-type: none"> <li>To provide HR services aligned with Provincial Treasury needs</li> </ul>	<ul style="list-style-type: none"> <li>Work force that is aligned with the requirements of the Department Strategic Plan</li> </ul>	18 126	<ul style="list-style-type: none"> <li>All programs</li> </ul>	<ul style="list-style-type: none"> <li>Motivated and skilled employees</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing - 2003</li> </ul>
5.3 Departmental Financial Management	Aim: Provide financial management to the department				
<ul style="list-style-type: none"> <li>To manage the finances of the Provincial Treasury department</li> </ul>	<ul style="list-style-type: none"> <li>Sound financial management evident in the department</li> </ul>	15 168	<ul style="list-style-type: none"> <li>All programs</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in PFMA compliance</li> <li>Improvement in quality of annual financial statements</li> <li>Improvement in Audit opinion</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing -2003</li> </ul>

Program structure Measurable objectives	Output	Performance Measures			
		Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure
1	2	3	4	5	6
5.4 Quality Management	Aim: Improve the quality of service delivery and internal controls of the department				
<ul style="list-style-type: none"> <li>To ensure a high standard of Treasury support services</li> </ul>	<ul style="list-style-type: none"> <li>Service delivery improvement plan in place</li> <li>Fraud prevention plan implemented</li> <li>Risk management plan and controls in place</li> </ul>	538	<ul style="list-style-type: none"> <li>All programs</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in the SAEF external assessment results</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing -2003</li> </ul>

### 3.11 Performance targets

This section reflects the specific performance targets for each measurable objective for each year of the strategic plan. In order to enable legislators and the public to gauge whether the proposed targets, the historic data, performance information for each program and sub-program objective for the period 2003 – 2006, is provided.

**Table 5: Template for reporting performance targets and monitoring mechanisms**

Objective	Output	Performance Measure	Monitoring Mechanism	2001/02 Actual R000's	2002/03 Estimated R000's	2003/04 Target R000's	2004/05 Target R000's	2005/06 Target R000's	% Change over MTEF
1. Executive Management	Aim: A quality Provincial Treasury leading in Service Excellence								
<ul style="list-style-type: none"> <li>Render quality treasury services</li> </ul>	<ul style="list-style-type: none"> <li>Accountable financial management of the Province</li> </ul>	<ul style="list-style-type: none"> <li>Unqualified AG reports</li> </ul>	<ul style="list-style-type: none"> <li>Monthly in year monitoring reports</li> </ul>	3 679	10 064	7 315	8 180	8 597	-14.6

Objective	Output	Performance Measure	Monitoring Mechanism	2001/02 Actual R000's	2002/03 Estimated R000's	2003/04 Target R000's	2004/05 Target R000's	2005/06 Target R000's	% Change over MTEF
1.1 MEC's Office	Aim: Provide policy direction and executive management leadership with respect to national and provincial financial and fiscal policy and good corporate governance.								
<ul style="list-style-type: none"> <li>Provincial Head of the Provincial Treasury</li> </ul>	<ul style="list-style-type: none"> <li>Provincial budgets enforcing uniform Treasury norms and standards as prescribed by National Treasury and the PFMA</li> </ul>	<ul style="list-style-type: none"> <li>Credible provincial budget</li> <li>Utilisation of resources</li> </ul>	<ul style="list-style-type: none"> <li>Budget committee hearings</li> </ul>	1 466	1 813	3 123	3 758	3 953	118.0
1.2 SGs Office	Aim: To ensure high quality financial management								
<ul style="list-style-type: none"> <li>To provide policy direction with respect to Provincial Treasury financial management services and issues</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with PFMA as well as all other relevant legislation</li> </ul>	<ul style="list-style-type: none"> <li>High quality consolidated Annual Financial Statements</li> <li>On time Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>Budget committee hearings</li> </ul>	2 213	8 251	4 192	4 422	4 644	-43.7
2. Management of Financial Management	Aim: Manage the Provincial Treasury Financial Management responsibilities and ensure that strategic priorities are achieved.								
<ul style="list-style-type: none"> <li>Provide Provincial Financial Management Support</li> </ul>	<ul style="list-style-type: none"> <li>To manage the Provincial Treasury Financial Program responsibilities and ensure that strategic priorities are achieved</li> </ul>	<ul style="list-style-type: none"> <li>Ensure compliance with PFMA standards and other legislative frameworks</li> </ul>	<ul style="list-style-type: none"> <li>Monthly in year monitoring reports</li> </ul>	16 315	19 730	38 146	40 302	42 379	114.8
2.1 Management of Financial Management	Aim: Provide strategic management to the program								
<ul style="list-style-type: none"> <li>To provide policy direction and leadership with respect to provincial financial management services and issues</li> </ul>	<ul style="list-style-type: none"> <li>Province adhere to PFMA</li> <li>CFO support provided to all departments</li> </ul>	<ul style="list-style-type: none"> <li>Sound financial management</li> </ul>	<ul style="list-style-type: none"> <li>CFO monthly tool</li> </ul>	2 484	1 229	5 560	5 889	6 208	405.1

Objective	Output	Performance Measure	Monitoring Mechanism	2001/02 Actual R000's	2002/03 Estimated R000's	2003/04 Target R000's	2004/05 Target R000's	2005/06 Target R000's	% Change over MTEF
<b>2.2 Budget Office</b>									
Aim: Facilitate the allocation of financial and other resources through planning and managing the provincial budgeting and control process									
<ul style="list-style-type: none"> <li>To prepare budgets, monitor expenditure, co-ordinate and provide economic and fiscal analysis</li> </ul>	<ul style="list-style-type: none"> <li>Revenue targets are met and tariffs are reviewed regularly</li> <li>Budget statements for tabling in Legislature</li> <li>Approved budgets spent as intended</li> <li>Incentive revenue</li> </ul>	<ul style="list-style-type: none"> <li>Sound expenditure control</li> <li>Realistic and credible revenue budgets</li> <li>Credible and efficient allocation of resources</li> </ul>	<ul style="list-style-type: none"> <li>Bench-marking tool</li> <li>In-year monitoring tool</li> <li>Budget hearing reviews</li> </ul>	11 099	15 912	21 453	22 641	23 781	49.5
<b>2.3 Municipal Finance</b>									
Aim: Manage the Municipal Finance responsibilities and to ensure that strategic priorities are achieved									
<ul style="list-style-type: none"> <li>To provide technical support in order to assist with tight fiscal control</li> </ul>	<ul style="list-style-type: none"> <li>Improved cash and debt management</li> <li>Improved compliance reporting with GAMAP</li> <li>Phased implementation of MTEF budgeting</li> </ul>	<ul style="list-style-type: none"> <li>Improved service delivery at local level</li> </ul>	<ul style="list-style-type: none"> <li>Combined budget process</li> <li>In-year monitoring tool</li> </ul>	0	487	5 912	6 244	6 564	1 247.8
<b>2.4 Cash Management Services</b>									
Aim: Provide efficient and effective cash management services.									
<ul style="list-style-type: none"> <li>To ensure adequate liquidity and arrange funding and establish financial risk management mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>Financial Risk Management Committee set (ALCO)</li> <li>Maximized interest through prudent investment activities</li> <li>Efficient cash management</li> <li>Production of credible Annual Financial Statements of the Provincial Revenue Fund</li> </ul>	<ul style="list-style-type: none"> <li>Absence of bank overdrafts, risk assessment reports</li> </ul>	<ul style="list-style-type: none"> <li>In-year monitoring tool</li> <li>CAMS</li> </ul>	2 732	2 102	5 221	5 528	5 826	177.2
<b>3. Accounting Services</b>									
Aim: Develop an effective, efficient and transparent financial management system in the Province									
<ul style="list-style-type: none"> <li>Provide Accounting Services support</li> </ul>	<ul style="list-style-type: none"> <li>To maintain and improve a sound accounting environment which is conducive to confident reporting</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in the Provincial Audit General annual audit opinion</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in the Provincial Audit General annual audit opinion</li> </ul>	25 453	33 540	34 329	36 287	38 176	13.8

Objective	Output	Performance Measure	Monitoring Mechanism	2001/02 Actual R000's	2002/03 Estimated R000's	2003/04 Target R000's	2004/05 Target R000's	2005/06 Target R000's	% Change over MTEF
<b>3.1 Management Accounting Services</b>									
Aim: Provide policy direction and leadership with respect to provincial financial management systems									
<ul style="list-style-type: none"> <li>To provide strategic management for the program and maintain sound accounting environment</li> </ul>	<ul style="list-style-type: none"> <li>Develop and communicate branch strategic plan</li> <li>Facilitate the compilation of annual financial statements and audit reports</li> <li>Facilitate the transfer of computer skills to employees</li> </ul>	<ul style="list-style-type: none"> <li>Audit opinion of the Provincial AG</li> <li>Employee pass rate of literacy test</li> </ul>	<ul style="list-style-type: none"> <li>6-months performance reviews</li> </ul>	136	768	777	822	866	12.8
<b>3.2 Financial Administration</b>									
Aim: Improve and maintain a sound accounting environment which is conducive to confident reporting									
<ul style="list-style-type: none"> <li>To provide bookkeeping and suspense account services, maintaining and controlling the accounting systems</li> </ul>	<ul style="list-style-type: none"> <li>All departments adhering to financial and accounting reporting standards</li> <li>Consolidated departmental financial statements</li> </ul>	<ul style="list-style-type: none"> <li>At least 75% of departments should receive unqualified audit reports</li> </ul>	<ul style="list-style-type: none"> <li>BAS monitor reports</li> <li>PERSAL monitor reports</li> <li>Bank reconciliation monitor reports</li> </ul>	8 935	8 634	11 184	11 802	12 395	43.6
<b>3.3 Procurement Management</b>									
Aim: Ensuring efficient, effective, equitable, competitive and cost effective procurement services									
<ul style="list-style-type: none"> <li>To ensure that the provincial government procures its goods and services in a manner that is equitable, transparent, competitive and cost effective</li> </ul>	<ul style="list-style-type: none"> <li>Department's adherence to the legislative framework</li> <li>Improvement of service delivery and optimal utilisation of resources by departments</li> </ul>	<ul style="list-style-type: none"> <li>Decrease in irregular expenditure and turn around times from needs identification to procurement and utilisation</li> </ul>	<ul style="list-style-type: none"> <li>Inspection reports</li> <li>Reports to Tender Board</li> <li>Balanced Score-card</li> </ul>	3 841	8 103	6 567	6 939	7 297	-9.9
<b>3.4 Payment Monitoring and District Services</b>									
Aim: Provide effective, efficient payment and monitoring system									
<ul style="list-style-type: none"> <li>The payment of suppliers and personnel within the legislative time frames</li> </ul>	<ul style="list-style-type: none"> <li>Client satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of litigation and interest</li> <li>30 day payment cycle</li> </ul>	<ul style="list-style-type: none"> <li>Payment cycle reports from BAS</li> <li>PERSAL exception reports</li> </ul>	12 541	13 273	11 903	12 612	13 300	0.2

Objective	Output	Performance Measure	Monitoring Mechanism	2001/02 Actual R000's	2002/03 Estimated R000's	2003/04 Target R000's	2004/05 Target R000's	2005/06 Target R000's	% Change over MTEF
3.5 Forensic Investigation Services	Aim: Provide forensic audit and investigation services								
<ul style="list-style-type: none"> <li>To provide quality forensic audit and investigation services to all provincial departments</li> </ul>	<ul style="list-style-type: none"> <li>Accurate &amp; reliable financial misconduct register</li> <li>Reduction of financial misconduct incidents</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of turn around times</li> <li>Increase in recovery and percentage of losses</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly fraud report</li> </ul>	0	2 762	3 898	4 112	4 318	56.3
3.6 Financial Management Training	<ul style="list-style-type: none"> <li>Sub-programme transferred to Program 4</li> </ul>	<ul style="list-style-type: none"> <li>See Program 4</li> </ul>		0	0	0	0	0	0
3.5 Forensic Investigation Services	<ul style="list-style-type: none"> <li>Sub-programme transferred to Program 4</li> </ul>	<ul style="list-style-type: none"> <li>See program 4</li> </ul>		0	0	0	0	0	0
4. Information Services	Aim: Manage and support financial information systems and financial training services to all provincial government departments								
<ul style="list-style-type: none"> <li>Provide provincial Financial Information System Support</li> </ul>	<ul style="list-style-type: none"> <li>To manage information services and ensure that strategic priorities are achieved</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in reporting of standards in order to achieve effect</li> </ul>		45 239	71 037	60 516	63 765	66 625	-6.2
4.1 Management: Information Services	Aim: Provide strategic management for the program								
<ul style="list-style-type: none"> <li>To become a knowledge based organisation focused on increased information quality and productivity</li> </ul>	<ul style="list-style-type: none"> <li>Leading by example and creating of sound and knowledge-based information services environment</li> </ul>	<ul style="list-style-type: none"> <li>80% satisfaction ration with ICT services</li> </ul>		0	83	649	686	724	772.3
4.2 Financial Management Training	Aim: Provide quality, relevant, theoretical and practical financial training and internal financial consulting, to all levels of provincial staff across all Departments								
<ul style="list-style-type: none"> <li>To provide financial management training services to all departments</li> </ul>	<ul style="list-style-type: none"> <li>Optimal usage of financial management skills training levy</li> <li>Internal consulting projects facilitation by PFSA</li> </ul>	<ul style="list-style-type: none"> <li>80% satisfaction level (min)</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly reports</li> <li>Attendance reports</li> <li>Client satisfaction survey</li> <li>Ongoing contact with PFSA</li> </ul>	4 902	8 723	17 339	18 260	19 140	119.4

Objective	Output	Performance Measure	Monitoring Mechanism	2001/02 Actual R000's	2002/03 Estimated R000's	2003/04 Target R000's	2004/05 Target R000's	2005/06 Target R000's	% Change over MTEF
4.3 Financial Information Systems	Aim: Manage and support financial information systems to the Provincial Treasury and financial information systems to all provincial government departments								
<ul style="list-style-type: none"> <li>To provide a cost effective ICT infrastructure, transversal financial information and telecommunication services</li> </ul>	<ul style="list-style-type: none"> <li>Reliable and effective processing of financial transactions</li> <li>Implementation of LOGIS</li> <li>BAS services</li> <li>EFIS services</li> <li>Provincial Treasury Website</li> </ul>	<ul style="list-style-type: none"> <li>Departments 80% satisfaction level (min) with financial information</li> </ul>	<ul style="list-style-type: none"> <li>Expend versus budget</li> <li>Asset register</li> <li>Client satisfaction survey</li> </ul>	40 337	62 231	42 528	44 818	46 762	24.9
5. Corporate Services	Aim: Render sound corporate services								
<ul style="list-style-type: none"> <li>Provide Corporate Services in Support of the Transversal Functions</li> </ul>	<ul style="list-style-type: none"> <li>To promote good governance and service excellence</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in the annual report</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly reviews and</li> <li>Annual Audits</li> </ul>	26 837	28 438	35 294	36 066	37 320	31.2
5.1 Management of Corporate Services	Aim: Manage the corporate service for the Provincial Treasury department								
<ul style="list-style-type: none"> <li>To provide quality corporate services to the Provincial Treasury department</li> </ul>	<ul style="list-style-type: none"> <li>Sound financial management implemented in the department</li> </ul>	<ul style="list-style-type: none"> <li>Level of PFMA compliance</li> </ul>	<ul style="list-style-type: none"> <li>Interim and annual audits</li> </ul>	1 100	2 077	1 462	2 250	2 368	14.0
5.2 Departmental Financial Management	Aim: Provide financial management to the department								
<ul style="list-style-type: none"> <li>To manage the finances of the Provincial Treasury department</li> </ul>	<ul style="list-style-type: none"> <li>Sound financial management evident in the department</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in PFMA compliance</li> <li>Improvement in quality of financial statements</li> <li>Improvement in Audit opinion</li> </ul>	<ul style="list-style-type: none"> <li>Monthly In-year report monitoring report</li> </ul>	19 038	6 455	15 168	15 540	16 332	153.0
5.3 Human Resource Management	Aim: Provide human resource management to the department								
<ul style="list-style-type: none"> <li>To provide HR services aligned with Provincial Treasury needs</li> </ul>	<ul style="list-style-type: none"> <li>Work force that is aligned with the requirements of the Department Strategic Plan</li> </ul>	<ul style="list-style-type: none"> <li>Motivated and skilled employees</li> </ul>	<ul style="list-style-type: none"> <li>PERSAL reports</li> </ul>	6 699	5 475	18 126	17 706	18 019	171.2

Objective	Output	Performance Measure	Monitoring Mechanism	2001/02 Actual R000's	2002/03 Estimated R000's	2003/04 Target R000's	2004/05 Target R000's	2005/06 Target R000's	% Change over MTEF
5.4 Quality Management				Aim: Improve service delivery and internal controls of the department					
<ul style="list-style-type: none"> <li>To ensure a high standard of Treasury support services</li> </ul>	<ul style="list-style-type: none"> <li>Service delivery improvement plan in place</li> <li>Fraud prevention plan implemented</li> <li>Risk management plan and controls in place</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in the baseline SAEF assessment result</li> </ul>	<ul style="list-style-type: none"> <li>Performance Self assessment according to SAEF Model</li> </ul>	0	222	538	570	602	171.2
5.5 Policy & Labour Law Advisory Services	<ul style="list-style-type: none"> <li>This sub-program merged with sub-program 5.3 above</li> </ul>	0	0	0	130	0	0	0	0
5.6 Corporate Planning and Budgeting	<ul style="list-style-type: none"> <li>This sub-program merged with sub-program 5.1 above</li> </ul>	0	0	0	261	0	0	0	0
5.7 Information and Communication Management	<ul style="list-style-type: none"> <li>This sub-program merged with sub-program 5.2 above</li> </ul>	0	0	0	5 508	0	0	0	0
5.8 Logistics Management	<ul style="list-style-type: none"> <li>This sub-program merged with sub-program 5.2 above</li> </ul>	0	0	0	6 655	0	0	0	0
5.9 Transformation Unit	<ul style="list-style-type: none"> <li>This sub-program merged with sub-program 5.3 above</li> </ul>	0	0	0	1 655	0	0	0	0

### 3.12 Reconciliation of budget with plan by program

The changes of expenditure by overall budget program and sub-program is reflected showing rate of change in spending over the past years compared with that projected for the MTEF period (see table on next page).



**Table 6: Evolution of expenditure by budget program and sub-program (R million) 1**

1. Separate tables indicate expenditure in nominal and real terms.
2. Average annual change between year (-2) and base year.
3. Projected average annual change between base year and year (3).

<b>Provincial Treasury Department</b>								
Sub-program	Year – 2 2000/01 (Actual)	Year - 1 2001/02 (Actual)	Base year 2002/03 (Estimate)	<b>Average Annual change (%)<sup>2</sup></b>	Year 1 2003/04 (Budget)	Year 2 2004/05 (MTEF projection)	Year 3 2005/06 (MTEF projection)	<b>Average annual change (%)<sup>3</sup></b>
A	b	c	d	e	f	g	h	i
1. Exécutive Management	1.6	3.7	10.0	<b>525.0</b>	7.3	8.2	8.6	<b>-14.0</b>
2. Financial Management	7.1	16.3	19.7	<b>177.5</b>	38.1	40.3	42.4	<b>115.2</b>
3. Accounting Services	20.9	70.7	33.5	<b>60.3</b>	34.3	36.3	38.2	<b>14.0</b>
4. Information Services	49.8	0	71.0	<b>42.6</b>	60.5	63.8	66.6	<b>-6.2</b>
5 Corporate Services	37.2	26.8	28.4	<b>-23.7</b>	35.3	36.1	37.3	<b>31.3</b>
<b>Sub-Total</b>	116.6	117.5	162.5	<b>39.4</b>	175.5	184.7	193.1	<b>18.8</b>
6. Provincial Treasury Réserve	363.0	0	24.9	<b>-93.1</b>	0	0	0	<b>-100.0</b>
<b>Total Treasury Department</b>	479.6	117.5	187.4	<b>-60.9</b>	175.5	184.7	193.1	<b>3.0</b>

<b>Program 1: Exécutive Management</b>								
Sub-program	Year – 2 2000/01 (Actual)	Year - 1 2001/02 (Actual)	Base year 2002/03 (Estimate)	<b>Average Annual change (%)<sup>2</sup></b>	Year 1 2003/04 (Budget)	Year 2 2004/05 (MTEF projection)	Year 3 2005/06 (MTEF projection)	<b>Average annual change (%)<sup>3</sup></b>
A	b	c	d	e	f	g	h	i
1.1. MEC Office	1.6	1.5	1.8	<b>12.5</b>	3.1	3.8	4.0	<b>122.2</b>
1.2. SG Office	0	2.2	8.3	<b>100.0</b>	4.2	4.4	4.6	<b>-44.6</b>
Total program	1.6	3.7	10.1	<b>531.3</b>	7.3	8.2	8.6	<b>-14.9</b>

**Program 2: Financial Management**

Sub-program	Year – 2 2000/01 (Actual)	Year - 1 2001/02 (Actual)	Base year 2002/03 (Estimate)	Average Annual change (%) <sup>2</sup>	Year 1 2003/04 (Budget)	Year 2 2004/05 (MTEF projection)	Year 3 2005/06 (MTEF projection)	Average annual change (%) <sup>3</sup>
a	b	c	d	e	f	g	h	i
2.1. SG Manager	0	2.5	1.3	<b>100.0</b>	5.6	5.9	6.2	<b>376.9</b>
2.2. Budget Office	6.7	11.1	15.9	<b>137.3</b>	21.5	22.6	23.8	<b>51.6</b>
2.3. Municipal Financial	0	0	.5	<b>100.0</b>	5.9	6.2	6.6	<b>1 220.0</b>
2.4. Cash Management Services	.4	2.7	2.1	<b>425.0</b>	5.2	5.5	5.8	<b>176.2</b>
Total program	7.1	16.3	19.8	<b>178.9</b>	38.2	40.2	42.4	<b>114.1</b>

**Program 3: Accounting Services**

Sub-program	Year – 2 2000/01 (Actual)	Year - 1 2001/02 (Actual)	Base year 2002/03 (Estimate)	Average Annual change (%) <sup>2</sup>	Year 1 2003/04 (Budget)	Year 2 2004/05 (MTEF projection)	Year 3 2005/06 (MTEF projection)	Average annual change (%) <sup>3</sup>
a	b	c	d	e	f	g	h	i
3.1 Management : Accounting Services	0	.1	.8	<b>100.0</b>	.8	.8	.9	<b>28.6</b>
3.2 Financial Administration	11.0	8.9	8.6	<b>-21.8</b>	11.2	11.8	12.4	<b>44.2</b>
3.3 Procurement Management	2.3	3.8	8.1	<b>252.2</b>	6.6	6.9	7.3	<b>-9.9</b>
3.4 Payment Monitoring and District Services	7.7	12.6	13.3	<b>72.7</b>	11.9	12.6	13.3	<b>0.0</b>
3.5 Forensic Audit and Investigation	0	0	2.8	<b>100.0</b>	3.9	4.1	4.3	<b>53.6</b>
3.6 Financial Management Training	0	0	0	<b>0</b>	0	0	0	<b>0</b>
3.7 Financial Managment	0	0	0	<b>0</b>	0	0	0	<b>0</b>

**Program 3: Accounting Services**

Sub-program	Year – 2 2000/01 (Actual)	Year - 1 2001/02 (Actual)	Base year 2002/03 (Estimate)	Average Annual change (%) <sup>2</sup>	Year 1 2003/04 (Budget)	Year 2 2004/05 (MTEF projection)	Year 3 2005/06 (MTEF projection)	Average annual change (%) <sup>3</sup>
System								
Total program	21	25.4	33.6	<b>37.5</b>	34.4	36.2	38.2	<b>13.7</b>

**Program 4: Information Services**

Sub-program	Year – 2 2000/01 (Actual)	Year - 1 2001/02 (Actual)	Base year 2002/03 (Estimate)	Average Annual change (%) <sup>2</sup>	Year 1 2003/04 (Budget)	Year 2 2004/05 (MTEF projection)	Year 3 2005/06 (MTEF projection)	Average annual change (%) <sup>3</sup>
a	b	c	d	E	f	g	h	I
4.1 Management Information Services	0	0	.1	<b>100.0</b>	0.7	.7	.7	<b>-30.0</b>
4.2 Financial Management Training	.7	4.9	8.7	<b>1 142.9</b>	17.3	18.3	19.1	<b>119.5</b>
4.3 Financial Information Services	49.1	40.3	62.2	<b>26.7</b>	42.5	44.8	46.8	<b>-24.8</b>
Total program	49.8	45.2	71.0	<b>42.6</b>	60.5	63.8	66.6	<b>-6.2</b>

**Program 5: Corporate Services**

Sub-program	Year – 2 2000/01 (Actual)	Year - 1 2001/02 (Actual)	Base year 2002/03 (Estimate)	Average Annual change (%) <sup>2</sup>	Year 1 2003/04 (Budget)	Year 2 2004/05 (MTEF projection)	Year 3 2005/06 (MTEF projection)	Average annual change (%) <sup>3</sup>
A	b	c	d	e	f	g	h	i
5.1. Management : Support Services	37.2	1.1	2.1	<b>-94.4</b>	1.5	2.3	2.4	<b>14.3</b>

5.2. HR Management	0	6.7	5.4	100.0	18.1	17.7	18.0	233.3
5.3. Dept Finance Management	0	19.0	6.5	100.0	15.2	15.5	16.3	150.8
5.4. Quality management	0	0	.2	100.0	.5	.6	.6	35.1
5.5 Policy & Labour Law Advisory Services	0	0	.1	100.0	0	0	0	0
5.6 Corporate Planning and Budgeting	0	0	.3	100.0	0	0	0	0
5.7 Information and Communication Management	0	0	5.5	100.0	0	0	0	0
5.8 Logistics Management	0	0	6.7	100.0	0	0	0	0
5.9 Transformation Unit	0	0	1.7	100.0	0	0	0	0
<b>Total Program</b>	<b>37.2</b>	<b>26.8</b>	<b>28.5</b>	<b>-23.4</b>	<b>35.3</b>	<b>36.1</b>	<b>37.3</b>	<b>30.9</b>

<b>Program 6: Provincial Treasury Reserve</b>								
Sub-program	Year – 2 2000/01 (Actual)	Year - 1 2001/02 (Actual)	Base year 2002/03 (Estimate)	Average Annual change (%) <sup>2</sup>	Year 1 2003/04 (Budget)	Year 2 2004/05 (MTEF projection)	Year 3 2005/06 (MTEF projection)	Average annual change (%) <sup>3</sup>
A	b	c	d	e	f	g	h	i
1. Treasury Reserve	363.0	0	24.9	-93.1	0	0	0	-100.0
<b>Total program</b>	<b>363.0</b>	<b>0</b>	<b>24.9</b>	<b>-93.1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-100.0</b>

The Treasury Reserve is essentially provided for to administer the Provincial Finances in terms of which contingency reserve are held in case of unforeseen and unavoidable expenditure. Unless the need arise the amount may not be spent. For the same reason no projection is made for the 2003/ 06 period. The Treasury Reserve information will distort the level of under or over expenditure and should therefore not be taken into consideration with other programs.

### 3.13 Medium-term revenues

This section provides an overview of the medium term revenues and expenditures of the Provincial Treasury Department.

#### 3.13.1 Summary of revenue

The medium term revenues of the Provincial Treasury Department are examined here.

**Table 7: Summary of revenue: Provincial Treasury Department**

R 000	2000/2001 Actual	2001/02 Actual	2002/03 Estimate	2003/04 MTEF	2004/05 MTEF	2005/06 MTEF
<b>Revenue</b>						
Equitable share	550 656	448 412	-4 674	-19 250	-13 263	-13 586
Conditional grants	8 067	0	0	0	0	0
Finance supplementary	0	0	0	0	0	0
Own revenue	189 267	331 675	257 822	221 601	226 032	236 203
<b>Total Revenue</b>	<b>747 990</b>	<b>780 087</b>	<b>253 148</b>	<b>202 351</b>	<b>212 769</b>	<b>222 617</b>
<b>Expenditure</b>						
Personnel expenditure	34 847	41 270	47 411	65 923	68 877	71 706
Non-personnel expenditure	452 761	76 253	140 306	109 677	115 723	121 391
<b>Total Expenditure</b>	<b>487 608</b>	<b>117 523</b>	<b>187 717</b>	<b>175 600</b>	<b>184 600</b>	<b>193 097</b>
<b>Net Revenue</b>	<b>260 382</b>	<b>662 564</b>	<b>65 431</b>	<b>26 751</b>	<b>28 169</b>	<b>29 520</b>
Less: contingencies			-1 691		626	653

<b>Surplus/(Deficit)</b>	<b>260 382</b>	<b>662 564</b>	<b>67 122</b>	<b>26 751</b>	<b>27 543</b>	<b>28 867</b>
Role Overs	51 611	2 273	5 907	0	0	0
Reallocated Treasury Reserve	0	12 193	-46 669	0	0	0
<b>Surplus/(Deficit) after</b>	<b>311 993</b>	<b>677 030</b>	<b>26 360</b>	<b>26 751</b>	<b>27 543</b>	<b>28 867</b>

### 3.13.2 Departmental revenue collection (Own revenue)

The table below provides a summary of the revenue the Provincial Treasury Department is responsible for collecting.

The main forms of revenue are interest, which is earned on Treasury balances, and commission on salary deductions on behalf of insurance companies. The latter revenue is expected to completely stop in 2003/04 due to phasing out of salary deductions on PERSAL.

**Table 8: Departmental revenue collection (Non-Tax Revenue): Provincial Treasury Department**

R 000	2000/2001 Actual	2001/02 Actual	2002/03 Estimate	2003/04 MTEF	2004/05 MTEF	2005/06 MTEF
Interest	117 537	298 844	187 667	221 520	225 731	235 713
Commission	31 326	27 255	0	81	81	90
Vehicle revenues	58	8	0	0	0	0
Rental income	17	3	0	0	0	0
Prescribed by law/order other	128	0	0	0	0	0
Refunds: previous year	2 483	357	210	0	220	0
Stale cheques	9 597	4 565	800	0	0	0
Investments	27 478	0	0	0	0	0
Other	643	643	69 145	0	0	400
<b>Total revenue</b>	<b>189 267</b>	<b>331 675</b>	<b>257 822</b>	<b>221 601</b>	<b>226 032</b>	<b>236 203</b>

### 3.13.3 Conditional grants

The provincial Treasury department receives a conditional grant for provincial infrastructure, and flood rehabilitation. In line with provincial strategy of coordinated infrastructure plan the grant is voted (reallocated) to the Departments of Roads and Public Works. The expenditure of the conditional grant is reported under Vote 5 with Provincial Treasury accountable for the expenditure in terms of the related approved conditions.

### 3.13.4 Departmental Ratios to Expenditure

Table 9 below provides a summary of the Ratios for the Department expenditure.

**Table 9: Ratios to total Departmental Expenditure - Provincial Treasury Department**

(%)	2000/2001 Actual	2001/02 Actual	2002/03 Estimate	2003/04 MTEF	2004/05 MTEF	2005/06 MTEF
Personnel	7.1	35.1	25.3	37.5	37.3	37.1
Conditional grants	1.7	0	0	0	0	0
Other non-personnel	91.2	64.9	74.7	62.5	62.7	62.9
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 3.14 Co-ordination, co-operation and outsourcing plans

### 3.14.1 Interdepartmental linkages

Table 10 provides details of the areas where the Provincial Treasury Department is jointly interfaced with stakeholders.

**Table 10: Interdepartmental linkages**

	Stakeholder	Mandate in terms of the departmental program	Relationship and role	Impact (high, low, medium)	Classification into daily operations primary or secondary stakeholder
1)	National Treasury	Constitution PFMA Treasury regulations Division of revenue Act	Support to Provincial Treasury to report to the National Treasury in terms of its legal oversight mandates concerning fiscal policy, monitoring provincial budgets, adjustments and revenue.	High impact.	Primary stakeholder
2)	Department of	Public Service Act & Regulations	Report to DPSA in terms of its legal oversight mandate	High impact.	Secondary stakeholder

	Stakeholder	Mandate in terms of the departmental program	Relationship and role	Impact (high, low, medium)	Classification into daily operations primary or secondary stakeholder
	Public Service & Administration.	PSCBC resolutions	concerning the Public Service Act, regulations, PSCBC resolutions and implementation of transformation agenda.		
3)	Department of Labour.	Labour relations Act PSCBC resolutions Employment Equity Act Basic Conditions of Employment Act Skills Development Act Workman's Compensation Act Health & Safety Act	Report to Department of Labour in terms of its legal oversight mandate concerning the Labour relations Act, Sectoral Bargaining Council, Dispute and conflict resolution, Employment Equity Plan, Skills Development Plan, Skills development Levy, Public Service Training & Education Authority, and BCOEA. Implement Workman's Compensation Act (Injury on Duty). Establish Health & Safety Committee in terms of Health & Safety Act	High impact.	Secondary stakeholder
4)	Provincial Public Service Commission	Public Service Amendment Act	Report to the Provincial Public Service Commission on all matters pertaining to its oversight mandate of public service administration.	High impact.	Secondary
5)	Suppliers of Goods & Services (Creditors)	PFMA Tender Board Regulations Treasury Regulations Procurement Bill	Ensure cost effective procurement of goods and services for the department. Management of departmental Procurement Office.	High Impact	Primary stakeholder
6)	Governance Cluster.	White Paper on transformation Batho Pele White paper Public Service Act & Regulations PGDS	Implementation of transformation agenda of the Province.	High impact.	Primary stakeholder
7)	Internal employees & Employee Representative Organisations.	Basic conditions of employment Act Public Service Regulations Collective Agreements. Labour relations Act.	Ensure good governance and harmonious labour relations.	High Impact	Primary Stakeholder
8)	Office of the Premier	Constitution PGDS Integrated Sustainable Rural Development Strategy. Urban Renewal Strategy. Poverty Alleviation Strategy. PFMA	Support the Provincial Growth and development strategy. Support Coordinated Service Delivery Approach in the Province. The Office of the Premier render shared services to Provincial Treasury through legal services and internal audit. The Office of the Premier manages the Human Resource Information System (currently PERSAL) however budget is in Provincial Treasury. Report to the Provincial Audit Committee. Report to the Provincial Transformation Committee.	High Impact	Primary Stakeholder
9)	Legislature	Constitution	Ensure public accountability through the Standing committee on Public Accounts.	High Impact	Secondary Stakeholder
10.	Auditor General's Office	PFMA	Support to ensure auditing of departmental performance and annual financial statements.	High Impact	Secondary Stakeholder
11.	Other Provincial departments, Accounting Officers and Chief Financial Officers	PFMA	Support to Provincial Treasury to render high quality services in terms of its legal mandate to all Accounting Officers in Provincial departments. Support through appointment of Chief Financial Officers.	High Impact	Primary Stakeholder
12.	Department of Public Works	Constitution	Renders building maintenance services, access control services and physical security services to this department. Provide Office Space and pay for Water & Electricity.	High Impact	Primary Stakeholder



	Stakeholder	Mandate in terms of the departmental program	Relationship and role	Impact (high, low, medium)	Classification into daily operations primary or secondary stakeholder
13.	Department of Transport	Constitution	Renders fleet management services to this department	High Impact	Primary Stakeholder
14.	Municipality	Constitution	Provides Water, Electricity and wastage removal services.	High Impact	Secondary Stakeholder

### 3.14.2 Local government linkages

There are no service delivery agreements or arrangements with local authorities at this stage.

### 3.14.3 Public entities

The Provincial Treasury department is not responsible for any public entities.

### 3.14.4 Public, Private Partnerships (PPP), Outsourcing etc

The following major services had been outsourced:

**Table 11: Major outsourced services**

Item	Service	Service Provider	Expenditure 2002/03
1	Recruitment	PAG	280 000
2	CFO Support	KPMG Consortium	8 429 000
3	PERSAL Support	Comparex	6 594 370
4	BAS Support	Accenture	7 509 048
5	Financial Management Training	PFSA	8 510 682
6	Payment Monitoring	Executive Decisions	3 303 745
7	Financial Management System Support	Dimension Data	4 524 002
8	Logistical Information System (LOGIS)	Accenture Consortium	2 364 695
9	IT Network Back-up	SITA	27 862 274
	Total		69 377 816

## 3.15 Financial Management

### 3.15.1 Strategies to address audit queries

A Provincial Audit Steering Committee in cooperation with the Provincial Auditor General and Internal Audit had been established to improve communication and resolution of queries (transversal issues) on an operational level.

Assistance will be provided to HODs during the final phase of audit to clarify audit and accounting matters.

The Provincial Treasury as a Department instituted the following actions to address queries:

- Audit Steering Committee established
- Helpdesk to assist with all queries

### 3.15.2 Implementation of PFMA

Training programs and mechanisms for implementing the PFMA are ongoing. The PFMA compliance profile of the Provincial Treasury is reflected in Table 12:

**Table 12: PFMA compliance progress report for the months of June 2002 – February 2003**

Key Reporting Focus Areas	Example Section of the PFMA	June	July	August	September	October	November	December	January	February
<b>1 Monitoring &amp; Reporting</b>										
a Was the previous months in-year report signed and submitted in time to meet deadline?	S40(4) , TR18	100	0	100	100	100	100	100	100	100
b Were the previous months general practice note 13 reports signed and submitted in time to meet deadline?		100	100	0	100	100	100	100	100	100

Key Reporting Focus Areas		Example Section of the PFMA	June	July	August	September	October	November	December	January	February
c	Are PFMA statutory reports submitted in time to meet deadlines?	S40(4) , TR18	100	80	100	100	100	100	100	100	100
d	Are all tax, levy, duty, pension and audit commitments reports submitted and payovers made by the deadline date?	S38(1)e	100	100	100	100	100	100	100	100	100
e	Have all Auditor General queries that resulted in a qualification been resolved?		0	0	80	50	50	50	70	80	80
f	Were all transactions on BAS suspense accounts cleared within 30 days after transaction date?		80	80	100	80	80	80	80	80	80
g	Have non-financial performance reporting procedures been implemented?		80	80	80	80	80	80	80	80	80
h	Are financial management reports discussed at all departmental management meetings?	S40(4) , TR18	80	80	80	80	80	80	80	80	80
i	Do the programme managers report the level of service delivery on a monthly basis?		70	70	80	50	50	50	50	50	50
<b>2 Internal Control &amp; Corporate Governance</b>											
a	To what extent have control measures been designed and implemented?	S38(1)a	70	70	70	70	70	70	70	70	70
b	Were the bank reconciliation's complete and printed by BAS before the system was closed?	S38(1)a	100	100	100	100	100	100	100	100	100
c	Were all exceptions on BAS timeously cleared to ensure the system was not forced closed?	S38(1)a	100	100	100	100	100	100	100	100	100
d	What is the progress of implementing controls to identify fruitless, wasteful expenditure?	S38(1)g	70	70	70	70	70	70	70	70	70
e	What is the progress with the execution of the internal audit plan?	TR 3.2.3	0	0	0	0	0	0	0	0	0
f	What is the progress of the department's central filing and internal control documentation?	S38(1)a	50	50	70	70	70	70	80	80	80
g	To what extent has the shared internal audit been functioning?	TR 3.2.3	0	0	25	25	25	25	25	25	25
<b>3 REAL Management</b>											
a	To what extent is actual revenue collection in terms of the own revenue budget?	S39(2b)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
b	What is the status of the implementation of revenue management plans?	S39(2b)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Key Reporting Focus Areas		Example Section of the PFMA	June	July	August	September	October	November	December	January	February
c	What percentage of revenue collected was transferred to the revenue fund?	S21(1)(a)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
d	To what extent have procurement risks and PPP arrangements/outsourcing been effectively managed?		50	50	50	50	50	50	50	50	50
e	Have fixed asset registers been prepared and updated regularly?	S38(1)d & S40(1)a	80	80	80	80	80	80	80	80	80
f	Are key creditors reconciled to statements monthly?	S38(1)d	70	50	70	70	70	70	80	80	80
g	To what extent are creditors being paid within 30 days?	S38(1)f	50	70	70	70	70	80	80	80	80
h	Have debtors' age analysis schedules been prepared and maintained?	S38(1)ci	0	0	0	0	0	0	0	25	25
<b>4 Accounting Reforms</b>											
a	What is the progress with the implementation of accrual accounting in terms of creditors?		25	25	25	25	25	25	25	25	25
b	What is the progress with the implementation of accrual accounting in terms of debtors?		0	0	0	0	0	0	0	0	0
c	What is the progress with the implementation of accrual accounting in terms of fixed assets?		0	0	0	0	0	0	0	25	25
<b>5 Delegations &amp; Organisational Design</b>											
a	Have financial delegations of authority been done to the CFO?	TR 2.1.1	100	100	100	100	100	100	100	100	100
b	Have financial delegations of authority been done to all other managers?	TR 2.1.1	50	50	70	70	70	70	70	70	70
c	Is performance of management measured in terms of the performance agreement?	S36(5)	80	80	80	80	80	80	80	80	80
d	Have delegations been linked to the performance agreements?		50	50	50	50	50	50	50	50	50
e	Have financial management organograms been restructured in terms of the PFMA?	TR 2.1.1	100	100	100	100	100	100	100	100	100
<b>6 Oversight Arrangements: Public Entities / Other Transfer Payments</b>											
a	To what extent has there been a review of Public Entities/beneficiaries for relevance and completeness?	S38(1)(j) , S63(2)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Key Reporting Focus Areas		Example Section of the PFMA	June	July	August	September	October	November	December	January	February
b	Have written assurance of capacity and control compliance been received?	S38(1)(j) , TR 26.1.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
c	Is there regular review of the entities/beneficiaries activities?	S38(1)(j) , TR 26.1.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
d	Are audit reports received and evaluated?	S40(1)(d)(i) , S55(1)(d)(i)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>7 Risk Management and Fraud Prevention Implementation Plans</b>											
a	Do you have a risk management plan for the key risks identified?	TR 3.2.1	100	100	100	100	100	100	100	100	100
b	Is the effectiveness of fraud prevention monitored?	TR 3.2.1	0	0	0	0	0	0	0	0	0
c	Have all disciplinary actions resulting from financial misconduct been finalised within 30 days?		100	100	100	70	70	70	70	70	70
<b>8 Statutory appointments</b>											
a	Has an accounting or acting accounting officer been in office during the month under review?		100	100	100	100	100	100	100	100	100
b	Has a CFO or acting CFO been in office during the month under review?	TR 2.1.1	100	100	100	100	100	100	100	100	100
c	To what extent have critical finance posts been filled?	TR 2.1.1	0	0	0	25	25	25	25	25	25
<b>9 Strategic Planning and Budgeting and Cash Flow Forecasting</b>											
a	Has a strategic plan been prepared and aligned to the budget?	S38(2)	100	100	100	50	50	80	80	100	100
b	To what extent have you met the budget milestones in the budget calendar?		100	100	100	50	70	80	80	80	80
c	Were the liquidity risks of the department managed by submitting a weekly cash flow forecast to cash management?	S38(1)(a) ii	100	100	100	100	100	100	100	100	100
d	Were the monthly cash flow forecast submitted to the cash management section?	TR15.10 S21.3	50	100	100	100	100	100	100	100	100
<b>10 Resource Management</b>											
a	To what extent have financial skills been assessed in the department?		100	100	100	100	100	100	100	100	100

Key Reporting Focus Areas		Example Section of the PFMA	June	July	August	September	October	November	December	January	February
b	To what extent has PFMA training improved operational performance?		n/a	n/a	n/a	n/a	n/a	n/a	n/a	25	25
c	To what extent does performance management address service delivery in terms of the PFMA?		80	80	80	80	80	80	80	80	80
			2 685	2 615	2 830	2 745	2 765	2 815	2 855	2 960	2 960

Not Started	0%	0
Initial Stages	25%	25
In Progress	50%	50
Advanced Stages	70%	70
Almost Complete	80%	80
Completed	100%	100

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## **Part C: Background information**

### **3.16 Appendix one: Analysis of service delivery environment**

The details of all the projected activities and performance measures are captured in the Departmental Operation Plan. As a collective effort for the whole department for 2003/2006, special emphasis will be placed on improvement and decentralisation strategies that will focus on promoting service excellence in Provincial Treasury Services to other Departments – inclusive of enhancing internal efficiency and effectiveness. Section 3.7.1 "Summary of service delivery environment and challenges" is based on the analysis in this appendix.

In addition to the ongoing key initiatives that have been launched over the past number of years the Provincial Treasury will be embarking on the decentralisation of certain financial and fiscal responsibilities to the various provincial departments. The project objectives identified are:

- Adoption of identified Provincial Treasury functions to be centralised.
- Identification of key risks to be considered by the line departments.
- Informed assessment of Provincial Treasury state of readiness.

#### **3.16.1 Policy changes and trends**

The ongoing building of adequate financial management capacity is critical to the success of the provincial government. Therefore, more emphasis is placed on service delivery, even though there are many other important aspects of reform that the Provincial Treasury is engaged in.

Extensive administrative reforms are also being undertaken in order to bring the Provincial Treasury into line with best practices in terms of the Service Excellence model to which the provincial government has subscribed. With this strategic perspective we now state our vision, mission, strategic goals and values. What policy changes have been made and how they are likely to impact on what the department does, and the way it does.

As part of the continued focus on the stabilisation of Provincial finances, the following respective decentralised roles and responsibilities of the Provincial Treasury and Line Departments, were clarified at a special strategic workshop on 30 January 2003:

- Provincial Treasury to ensure that the "limited financial resources" are appropriately allocated and utilised in alignment with the departmental strategic and operational plan

- 
- Departments to ensure that their Strategic Plans are aligned to the Provincial Growth & Development Plan (PGDP) and also have implement able Operational Plans
  - Ensure complying with:
    - Legislation
    - Improve service delivery
    - Effective, efficient and economical utilisation of resources
    - Meet stakeholder expectations, and
    - Improve financial management
  
  - The Provincial Treasury embarked upon a process of introspection as a strategic thrust to determine its priorities in respect of:
  - Functions that must be decentralisation to departments
  - Functions that must be strategically retained, and
  - Core functions that must be retained

### 3.16.2 Environmental factors and emerging challenges

To ensuring the achievement of excellence in service delivery the Provincial Treasury department has used its Ikwezi Lomso Excellence Plan as a basis upon which to continuously benchmark its service delivery efficiency and effectiveness. Similarly, the Ikwezi Lomso Excellence Model as shown in the diagram below facilitated the identification of the major decentralisation sub processes, i.e.:

- **Budgeting:** activities up to the loading of the budget
- **Procurement:** activities up to the provision and disposal
- **Accounting:** activities up to depositing of funds into the Paymaster General account
- **Cash Flow:** activities up to depositing funds into service providers accounts
- **Information Management:** activities up to auditing / archiving

The major challenges of the decentralised project are expected to be:

- Monitoring the decentralisation and implementation
- Provision of resources for implementation
- Staff participation in the change process
- Success in closing the reality gaps

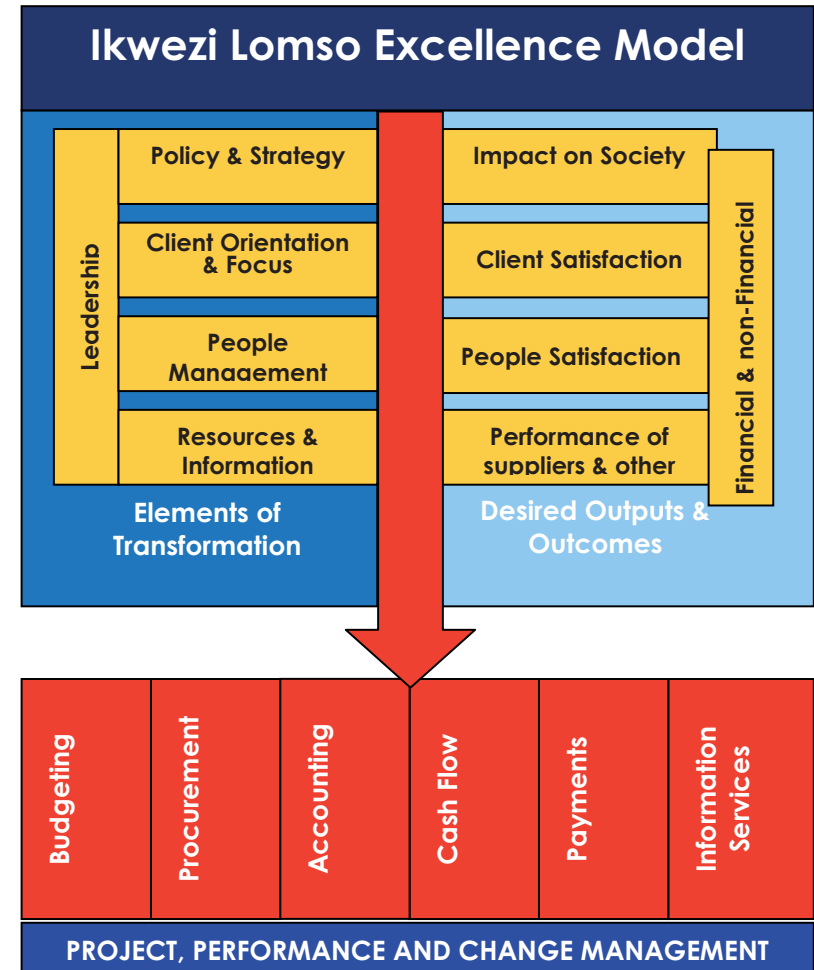


Figure 2: Ikwezi Lomso Excellence Model

The Key Success Factors that will be monitored are:

- The detailed action plans of Treasury
- The effectiveness of internal monitoring
- Readiness of departments to handle the additional responsibility
- The acceptance of the risks that Departments will be exposed to in some of the functions
- The managing of overt and covert resistance
- Adhering to agreed scheduled of implementation
- Adhering to action steps and recording the results
- Effective communication of the project status

It is anticipated that the decentralisation project will start in 2003 and will continue through to 2004 and 2006.



### 3.16.2.1 Demographic profile of the province

The total population of the Province was estimated at around 6.7 million in 1999<sup>1</sup> (1996 Census: 6.3 million). The distribution of the population across District and Metro Municipalities is indicated in Table 13 and 14.

**Table 13: Distribution of Population: 1999 (Urban/Non-Urban)**

Municipality	Urban	%	Non-Urban	%	Total	%	% Urban
Metro: Nelson Mandela	950 049	42	19 389	1	969 438	14	97.9
District: Western	127 460	6	340 161	7	467 621	7	27.2
District: Amatole	687 169	31	1 074 802	24	1 761 971	26	39.0
District: Ukwahlamba	121 666	5	198 508	4	320 174	5	37.9
District: O R Tambo	115 445	5	1 167 279	26	1 282 724	19	8.9
District: Alfred Nzo	28 322	1	1 387 753	31	1 416 075	21	2.0
District: Chris Hani	214 889	10	336 108	7	550 997	8	39.0
Total	2 245 000	100	4 524 000	100	6 769 000	100	

**Table 14: Distribution of Population: 1999 (by Area and Density)**

Municipality	Population	Area (sq km)	Density/sq km
Metro: Nelson Mandela	969 438	1 969	492.3
District: Western	467 621	58 266	8.0
District: Amatole	1 761 971	23 645	74.5
District: Ukwahlamba	320 174	25 376	12.6
District: O R Tambo	1 282 724	15 853	80.9
District: Alfred Nzo	1 416 075	7 976	177.5

<sup>1</sup> Based on Municipal estimates and the 1999 October Household Survey.

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Municipality	Population	Area (sq km)	Density/sq km
District: Chris Hani	550 997	36 956	14.9
Total	6 769 000	170 041	39.8

Whilst the overall population density in the Province is relatively low, at around 40 persons per sq km, there are considerable variations in the distribution, particularly in the Nelson Mandela Metro area where the density is almost 500 persons per sq km in a predominantly urban environment (97.9% urban). Note, however, that in the Alfred Nzo and O R Tambo Districts, the population density is also well above the provincial average (177.5 and 80.9 persons/sq km, respectively), and that these constitute predominantly non-urban settlement environments (only 2.0 and 8.9% of population, respectively, are urbanised).

The significant proportion of people who live in the Nelson Mandela Metro and the Amatole District further evidences this spatial discontinuity in the distribution of the population. Over 70% of the provincial urban population are in these two areas, where they reside in Port Elizabeth/Uitenhage and Buffalo City, respectively. Concomitantly, nearly 60% of the provincial non-urban population live in the Alfred Nzo and O R Tambo Districts.

More than half of the province's total population is under 20 years of age and the overall total fertility rate (TFR) is almost 3.0. Very broadly, this reflects a dynamic demographic structure, with a substantial growth potential, although it should be noted that this is likely to vary from one area to another, probably with a stronger growth potential in rural areas. For example, the TFR in portions of the previous Transkei Bantustan area (substantially the Alfred Nzo and O R Tambo Districts) was estimated at around 6.0 in 1994, and there is little to indicate that this has changed significantly since then. In general, therefore, the conclusion that key demographic indicators provide "a compelling basis for according a higher priority to the previous Bantustan areas in the Province in terms of development planning and budget allocations"<sup>2</sup> remains valid.

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Provincial Budget Statement: 2001/02.

### 3.16.2.2 Employment, income and [other relevant information]

**Table 15: Occupational categories as at October 2002**

Types of Occupation	Number	Percent of total
Administrative related	17	5.18
All Artisans in the building metal machinery, etc.	2	0.61
Bus & heavy vehicle drivers	1	0.3
Client inform clerks	9	2.74
Communication and information related	1	0.3
Conservation labourers	2	0.61
Engineering sciences related	1	0.3
Finance & economic related	21	6.4
Financial and related professionals	84	25.61
Financial clerks and credit controllers	30	9.15
Food services aids and waiters	12	3.66
HR and organisation development related professionals	6	1.83
HR Clerks	5	1.52
HR resources related	1	0.3
Library mail and related clerks	8	2.44

Types of Occupation	Number	Percent of total
Light vehicle drivers	3	0.91
Logistical support personnel	4	1.22
Material recording and transportation clerks	8	2.44
Messengers, porters and deliverers	1	0.3
Other related administration & related clerks and organisers	10	3.05
Other administrative policy and related officers	8	2.44
Other occupations	34	10.37
Secretaries and other keyboard operating clerks	30	9.15
Senior managers	16	4.88
Social sciences supplementary workers	1	0.3
Trade labourers	12	3.66
(blank)	1	0.3
Total	328	100%

**Table 16: Income distribution for the Treasury Department**

Income per month	Percent of total (%)
None	
R1 - R500	0
R501 - R1 000	0
R1 001 - R2 500	0
R2 501 - R6 000	34
R6 001 -R11 000	47
> R11 001	19
Unspecified	0
<b>Total</b>	<b>100</b>

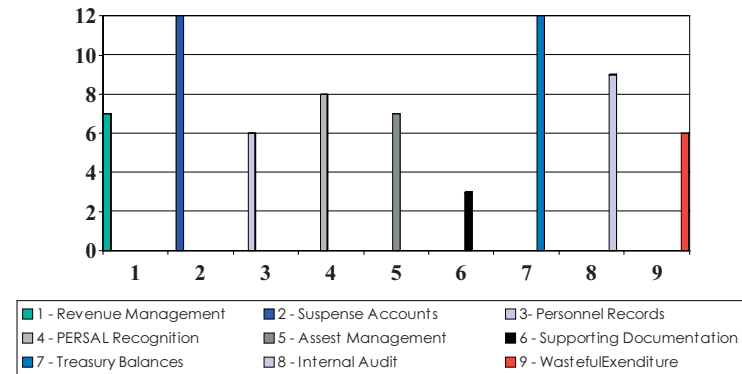
**3.16.2.3 Health, education, welfare profile of people in the province**

Provincial Treasury Department views itself as a support services provider to the other departments as indicated in Table 10 above.

**3.16.3 Evaluation of current implementation performance**

Performance in terms of the Auditor General reports over the past three years, has not met with expectations. However, great improvement has been made during 2001/2002 resulting in areas that were previously qualifications, to be moved to emphasis of matter.

**Transversal Audit Issues 2001 / 2002**



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The following graph, published by the Office of the Auditor General sites the number of departments listed versus the major audit issues:

**Figure 3: Transversal Audit Issues 2001/ 2002**



## **3.17 Appendix two: Organisational information and the institutional environment**

### **3.17.1 Organisational design**

Figure 4, page 53, reflect the current Provincial Treasury Department organogram.

### **3.17.2 Delegations**

The delegations are made up to the responsibility manager level, and controlled through the eFIS system.

### **3.17.3 Capital investment, maintenance and asset management plan**

The detailed list of assets versus asst value, under the Treasury's control, is reflected in the next Table.

**Table 17: Current Asset List**

No of Items	Description	Value / Amount (Rands)
304	<b>Equipment</b>	370 843
2395	<b>Furniture</b>	1 847 145
	<b>Motor Vehicles</b>	2 187 735
16	Government vehicles	959 646
15	Subsidised vehicle	1 228 088
	<b>Computers</b>	6 453 700
449	Monitors	1 152 000
116	Printers	741 700
379	Computers	4 560 000
	<b>Total</b>	<b>10 859 424</b>

**3.17.3.1 Capital investment plan**

The Provincial Treasury capital investment Plan currently only consists of the Office accommodation plan – which is administered by Public Works.

**3.17.4 Personnel**

The Provincial Treasury department had 319 staff in March 2001, which is expected to have increased to 324 by March 2002. Based on the budget allocated this number cannot be increased very much. Additional funding in the amount of R16 million has been secured for the filling of critical posts.



Although the process for filling critical posts has been slowed down, employment figures are expected to increase in the coming year as shown in Table 18.

**Table 18: Personnel numbers and estimates for the Provincial Treasury**

Program	At 31 March 2001	At 31 March 2002	At 31 March 2003	At 31 March 2004
1: Executive Management	7	7	7	7
2: Financial Management	51	45	50	50
3: Accounting Services	141	164	170	170
4: Information Services	0	13	15	15
5: Corporate Services	120	95	100	168
Total	319	324	342	410

### **3.17.5 IT systems**

The Provincial Treasury will continue take initiatives in procuring new financial information systems in order to comply with the requirements of the PFMA to work toward accrual accounting. This move will not be possible without appropriate systems.

### **3.17.6 Total Quality Management System**

One of the quality improvement processes involves customisation of the provincial performance management system and implementing of a departmental performance management system, linked to individual performance. Following intensive training in the SA Excellence Model, Provincial Treasury launched the Provincial Treasury Ikwezi Lomso Service Excellence Model as reflected in Figure 2 above.

The aim of the Model is to strengthen and support the development of a customized departmental performance management system. Management and the MEC have approved a Draft Performance Management System. Through Ikwezi Lomso Performance Assessment Framework the department will be able to deal with the issue of non-performance on an individual level and thereby further improve the quality of its performance and Service Delivery.

### **3.17.7 Financial management**

The results in respect of Financial Management, for the period 1999 – 2002, are set out in Table 15, confirming a significant reduction over the three-year period.

**Table 19: Financial Management Results 1999 – 2002**

<b>Period</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Variance</b>
(a)	(b)	(c)	(d)
1999 – 2000	495 798	60 721	435 077
2000 – 2001	558 723	479 541	791 182
2001 - 2002	448 412	117 523	330 889

### **3.17.8 Audit queries**

The following audit queries are currently receiving attention:

- Non availability of records, both personnel and financial
- Non clearance of suspense accounts
- Treasury balances
- Non reconciliation of personnel expenditure on PERSAL, FMS and BAS systems

### **3.17.9 Internal audit**

Internal audit services are a shared service emanating from the Office of the Premier.

### **3.17.10 Implementation of PFMA**

The following two projects are aimed at successful implementation of the PFMA as elaborated on in item 3.15.2.

- PFSA integrated financial management training project
- CFO support program

### 3.18 Appendix three: Analysis of changes to programs

The analysis underpins the development of the Provincial Treasury departments' MTEFs and will be used in cluster negotiations to affect service delivery. Maximising trade-offs between departments, but also between different programs within departments.

The notes in Table 20 explain the revised structure and components of the changes.

**Table 20: Organisation changes to Programs**

Note	Description
1	Internal Audit was transferred to the Office of the Premier as function shift during 1999
2	Central Stores was budgeted for in 1999/2000 but was never implemented
3	Financial Dispensation moved from program 4: State Purchases to program 2.3: expenditure Control 2001/02
4	Provincial Revenue Collection has been included in Program 2.5: Provincial Treasury Services from 2001/02
5	Financial Systems Training was split into program 2.6: Financial Information Systems and program 3.3: Financial Management Training in 2000/01
6	In 2002/03 expenditure Control and Capital Budgeting & Control are included in program 2.2 Budget Office
7	Municipal Finance Management has been budgeted for in 2002/03 for the first time In 2002/03 compared to 2001/02 the following name changes were effected: <ul style="list-style-type: none"> <li>• Provincial Treasury Services changed to Cash Management Services</li> <li>• Financial Control changed to Financial Administration</li> <li>• State Purchases changed to Procurement Management</li> <li>• Pre-Audit &amp; Salary Administration changed to Procurement</li> <li>• Management &amp; District Services</li> </ul>
8	Forensic Audit Investigation became a separate sub-program in 2002/2003, where it had been part of program 3.4: Financial Control in 2001/2002

Note	Description
9	Information Services was created in 2002/03 comprising of Financial Management Training and Financial Information Systems
10	<p>In 2002/03 Support Services was restructured into eight sub-programs, with the following new sub-programs:</p> <ul style="list-style-type: none"> <li>• Quality Improvement</li> <li>• Labour Law &amp; Contract Service</li> <li>• Corporate Planning &amp; Budgeting</li> <li>• Information and Communication Services</li> <li>• Departmental Logistical Support Services</li> <li>• Transformation Unit</li> </ul>
11	<p>In 2003/2004 Support Services was renamed Corporate Services and restructured into the following new sub-programs:</p> <ul style="list-style-type: none"> <li>• Management of Corporate Services</li> <li>• Human Resource Management</li> <li>• Departmental Finance Management</li> <li>• Quality Management</li> </ul>

Figure 4: Eastern Cape Provincial Treasury Organogram

Provincial Treasury

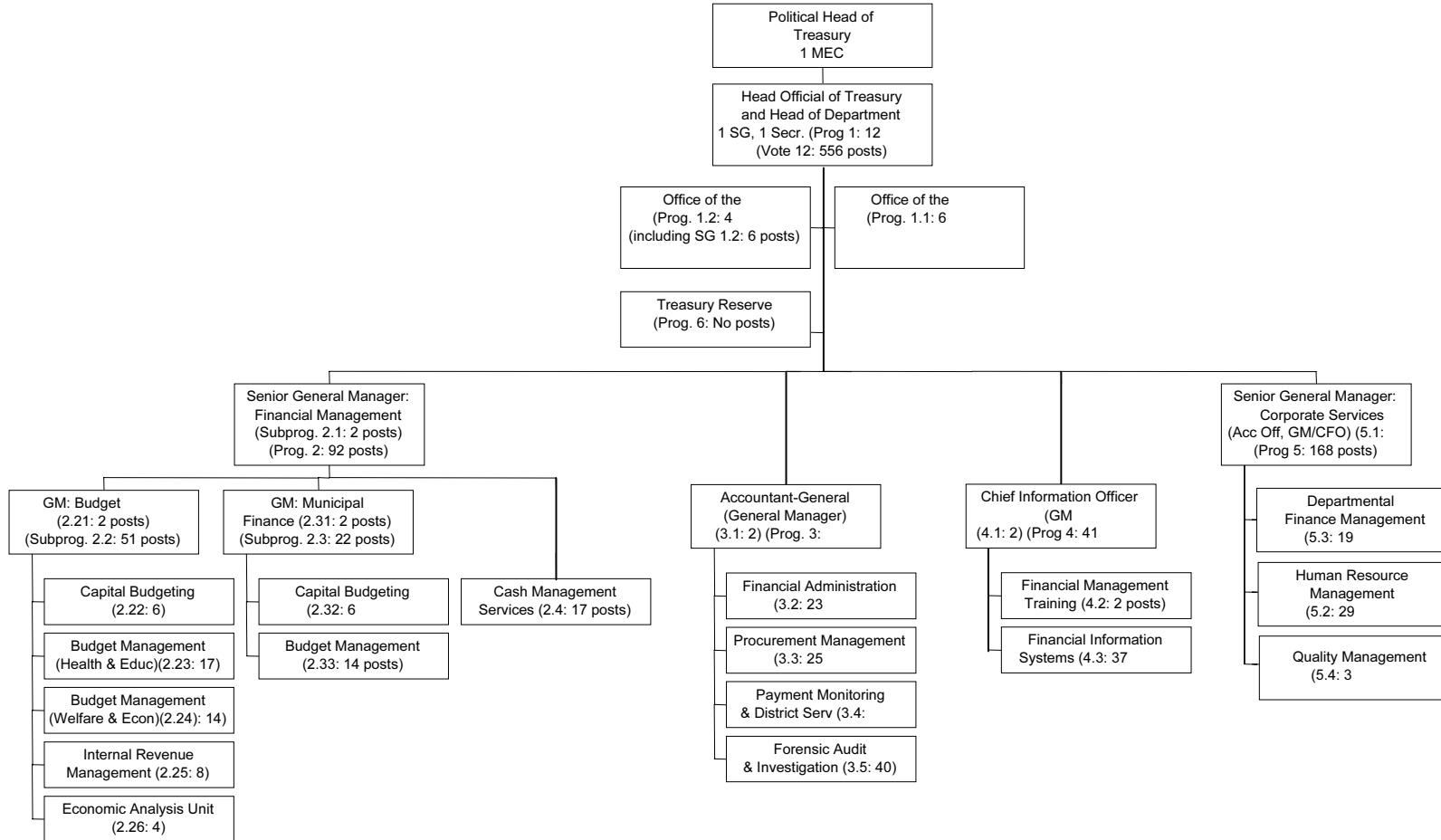


Figure 5: Changes in Programmes from 2000/01 to 2003/04

VOTE 12: PROVINCIAL TREASURY

Programs for 2000/01			Programs for 2001 / 2002			Programs for 2002 / 2003			Programs for 2003 / 2004		
	2003/04 Equivalent			2003/04 Equivalent			2003/04 Equivalent			2003/04 Equivalent	
	Prog	Sub-prog		Prog	Sub-prog		Prog	Sub-prog		Prog	Sub-prog
<b>1. Administration</b>	1	0	<b>1. Exec Management</b>	1	0	<b>1. Exec Management</b>	1	0	<b>1. Exec Management</b>	1	0
						1.1 MEC's Office	1	1	1.2 MEC's Office	1	1
						1.2 SG's Office	1	2		1	2
			<b>2. Treasury</b>	2	0	<b>2. Financial Management</b>	2		2 Financial Management	2	
			2.1 Management of Treasury			2.1 Management FM	2	1	2.1 Snr Gen Manager	2	1
<b>2. Budget Office</b>	2	2	2.2 Budget Office			2.2 Budget Office	2	2	2.2 Budget Office	2	2
<b>3. Expenditure Control</b>	2	2	2.3 Expenditure Control			2.3 Expenditure	2	2			
			2.4 Capital Planning and Control			2.4 Capital Planning and Control	2	2			
4.4 Financial Dispensation	2	2									
<b>9. Provincial Revenue Services</b>	2	2	<b>7. Provincial Revenue Collection</b>	2	2						
									2.3 Municipal Finance Management	2	3
			2.5 Provincial Revenue Fund	2	4	2.5 Treasury Services	2	4	2.4 Cash Management Services	2	4
						<b>3. Accounting Services</b>	3	0	<b>3. Accounting Services</b>	3	0
			<b>1. Executive Management</b>	1	1	3.1 Management Accounting Services	3	1	3.1 Management Accounting Services	3	1
<b>8. Financial Control</b>	3	2	<b>5. Financial Control</b>	3	2	3.4 Financial Control	3	2	3.2 Financial Administration	3	2
<b>4. State Purchases</b>	3	3	<b>3. State Purchases</b>			3.2 State Purchases	3	3	3.3 Procurement Management	3	3
4.1 Management of Directorate	3	3									
4.2 State Tendering & Contracts	3	3									
4.3 Logistics	3										
4.4 Central Stores	Nil										
<b>6. Financial Management</b>	3	5	<b>6. Pre Audit &amp; Salary Admin</b>	3	5	3.5 Pre Audit & Salary Admin	3	0	3.4 Payment Monitoring & District Services	3	4
						3.4 Financial Control	3	5	3.5 Forensic Audit & Investigation	3	5
									<b>4. Information Services</b>	4	
									4.1 Management Information Services	4	1
<b>7. Financial Systems &amp; Training</b>	4	2	<b>4. Financial Management Training</b>	4	2	3.3 Financial Management Training	4	2	4.2 Financial Management Training	4	2

Programs for 2000/01			Programs for 2001 / 2002			Programs for 2002 / 2003			Programs for 2003 / 2004		
	2003/04 Equivalent			2003/04 Equivalent			2003/04 Equivalent			2003/04 Equivalent	
	Prog	Sub-prog		Prog	Sub-prog		Prog	Sub-prog		Prog	Sub-prog
<b>7. Financial Systems &amp; Training</b>	4	3	2.5 Financial Information Systems	4	3	2.6 Financial Information Systems	4	3	4.3 Financial Information Systems	4	3
<b>5. Management Services</b>	4	0	<b>8. Departmental Administration</b>	5	0	<b>4. Support Services</b>	5	0	<b>5. Corporate Services</b>	5	0
			8.1 Management of Department	5	1	4.1 Management Support Services	5	1	5.1 Management Support Services	5	1
			8.4 Departmental HR Services	5	2	4.3 Human Resource Management	5	2	5.2 Human Resource Management	5	2
			8.5 Additional Staff	5	2						
			8.2 Departmental Financial Services	5	3	4.2 Finance & Auxiliary Services	5	3	5.3 Departmental Finance Management	5	3
			8.3 Departmental Auxiliary Services	5	3						
									5.4 Quality Management	5	4
			8.4 Department HR Services	5	5	4.3 Human Resource Management	5	5			
			8.2 Departmental Financial Services	5	6	4.2 Finance & Auxiliary Services	5	6			
			8.3 Departmental Auxiliary Services	5	7	4.2 Finance & Auxiliary Services	5	7			
			8.3 Departmental Auxiliary Services	5	8	4.2 Finance & Auxiliary Services	5	8			
						4.1 Management Support Services	5	9			
<b>10. Treasury Reserve</b>	6		<b>9. Treasury Reserve</b>	6		<b>5. Treasury Reserve</b>	6				
<b>11. Internal Audit</b>	OTP										