Strengthened Internal Control Mechanisms with Respect to Travel and Accommodation Bookings

Background

1. This circular must be read in conjunction with Finance Circular No. 5 of 2012 on Irregular, Fruitless and wasteful expenditure refers.

2. The Circular confirms that all invoices that fall in the category of Irregular, Fruitless and Wasteful expenditure, be submitted to the Office of the HOD for investigation by the Internal Control Directorate and as such this applies to invoices with respect to Travel and Accommodation Bookings.

Discussion

3. The process of travel booking follows the route of completion of a booking form by the booking officer/traveler. The relevant signatures from the Manager, General Manager and Senior General Manager are obtained whereby they approve the travel with the relevant supporting letters of invitation for valid meetings.
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4. In addition, the above signatories also sign an EF72 form that is compiled for approval by the Chief Financial Officer in order to approve the request for an order to be processed. A provisional booking will be issued from the travel agency detailing the provisional cost for attachment to the signed documents for submission to the Budget Directorate for the approval of funds available in the Directorate to allow the travel to be approved. The approved order once issued by the Demand and Acquisition Directorate will be forwarded to the travel agency to confirm the booking for the intended travel booker and issue the appropriate vouchers.

5. The travel agency will only confirm a booking once an order has been issued by the Department to confirm the booking.

6. The Departmental Booking Form that is approved by the Manager, General Manager and Senior General Manager in the line function concerned, has the notation on the bottom of the form listed for compliance in terms of the PFMA Regulation S45 which deals with the responsibilities of officials as detailed in point 5 of Finance Circular No. 5 of 2012.

7. If any of the above processes is not followed, irregular expenditure will arise. Further to that, if the invoices have disallowed items then this matter must also be visited, in terms of discrepancies of bookings, costs from the institutions utilised and fees for items not allowed by the Department, such as newspapers, usage of the telephone, hire of movies and purchase of alcohol.

8. On detection of any of the activities or costs mentioned in 6 above, copies of the invoices will be forwarded immediately to the Responsibility Manager, General Manager and the Senior General Manager, to which will be attached a submission indicating the matter requiring attention.

9. It is incumbent on the Responsibility Manager to ensure that the said invoices and submissions are handed over to the Acting Manager: Internal Control – Mr. PB Ngubane in the Office of the Head of Department who will then refer all cases reported to the Internal Control Unit of the Department to investigate such cases and make recommendations for the condonation / non condonation thereof to the Accounting Officer who will make a final decision on the relevant sanctions.
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10. As part of re-enforcing controls on these matters, should such matters not be dealt with within a month from the date of a Manager receiving such notification in 8 above, the account will be blocked and no further bookings will be made until all outstanding issues are cleared.

11. If there is any queries in this regard, kindly contact the Office of the Chief Financial Officer, do not hesitate to contact Robert Makulube or Sandile Shange. Contact details: 033 – 392 1093 / 1084 and fax number : 033 – 392 1209

Yours sincerely,

[Signature]

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