

RT25-2016 TECHNICAL SPECIFICATIONS

mSCOA Roadmap (Exclude optional and best practice)			Municipality Name: Saldanha Bay Municipality		Municipal Demarcation Code : WC014				
Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1	ICT Architecture								
1	ICT Architecture for mSCOA to run the required ERP management system								
1		Hardware	As per required specifications	ICT manager	mSCOA Regulation	Completed	2017/07	All ICT related processes are monitored on a regular basis and updates and upgrades are done as and when required	
1		Servers	As per required specifications	ICT manager	mSCOA Regulation	Completed	2017/07	All ICT related processes are monitored on a regular basis and updates and upgrades are done as and when required	
1		Software/Licences	As per required specifications	ICT manager	mSCOA Regulation	Completed	Ongoing	All ICT related processes are monitored on a regular basis and updates and upgrades are done as and when required, licences are renewed on a annually basis	
1	Corporate Governance								
1	Governance is associated with ensuring greater economic and social responsibility within organisations to shareholders and stakeholders. Accountability, transparency and openness in reporting and disclosing information are imperative to the practice of good governance and are non-negotiable. Generally, corporate governance refers to the processes by which municipalities and municipal entities are directed, controlled, and held to account as guided by the Constitution, the Municipal Financial Management Act, 2003 (MFMA) and Municipal Systems Act, 2000 (MSA). The MFMA and MSA complement each other and deal with internal control, risk management, internal audit, and external audit, and financial risk management, compliance to legislation, performance system and reporting mechanisms to enhance accountability and progress. Municipalities' p olicies and procedures need to address these areas to accomplish good corporate governance.								
1			Must support complex user profiles, with segregation of duties, in order to limit user rights beyond the transaction, but to also include content sensitive measures such as organisational structure, payroll, cost centre, project, source of funding, other segmented transactions or other system objects needed to ensure confidentiality of information and transactional integrity.	FMS N Rossouw Network G van Schalkwyk Payroll S Cloete Ignite Q Jordaan IMIS C de Kock Collection wise C Mangiagelli CP3 N Rossouw	Legislation	Completed	Ongoing	All user profiles for FMS, CP3 and Payroll are updated as required with sign off forms. Ignite/IMIS/Collection wise needs to be confirmed by dept	
1			Online approval and authorisation with electronic signature capabilities of transactions via integrated security systems and segregated functionality. This should be provided through application of appropriate security policies and internal service level agreements between various units.	ICT manager	Legislation	In progress	Ongoing	Various ICT policies	
1			Comprehensive on-line audit trail of all transactions at a transaction level must be available. This is in order to identify date, time and the user who initiated, approved or amended any transaction, including workflow. The administrator must be able to customise this for enhanced analysis and reporting.	FMS N Rossouw Network G van Schalkwyk Payroll S Cloete Ignite Q Jordaan IMIS C de Kock Collection wise C Mangiagelli CP3 N Rossouw	Legislation	In progress	Ongoing	Audit reports on FMS and CP3 available when date and time stamped of user. Other modules to provide feedback	
1			Additionally the audit trail on all activities on the system, date, time and responsible user stamped. This must be done to the extent that an activity log can be drawn from the system, outlining a particular user's activities on the system for the entire workday.	FMS N Rossouw Network G van Schalkwyk Payroll S Cloete Ignite Q Jordaan IMIS C de Kock Collection wise C Mangiagelli CP3 N Rossouw	Legislation	In progress	Ongoing	FMS/CP3-User activity can be extracted from the system	
1		Period Control	Monthly period closure and certification within the statutory reporting dates. No back-dating of transactions is allowed.	N Rossouw	mSCOA Regulation	Completed	2017/07	No backdated transactions as month ends are done on the last day of every month and data files are uploaded on the 1st of a month. FMS does not allow backdated transactions.	
1			Balancing of the sub-system with control accounts must be a condition of any period closure.	N Rossouw	mSCOA Regulation	Completed	2017/07	Daily verification is done between sub modules and GL, Part of the day end procedures.	

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1			Year-end closures period 12 as at 30 June (of the current year) result in a transactional transfer of opening balance to period one in the following year.	N Rossouw	mSCOA Regulation	Completed	2018/06	With the Year end and close of period 12 process, the closing balances are migrated to brought forward opening balances, Thereafter all P13 and P14 transactions are via recalculated opening balances. Both opening balances are part of the TB and kep in the system.	
1			Finalisation and submission of annual financial statements (AFS) period 13 results in <i>opening balance transactional transfer</i> of only the transactions of period 13.	Z Korasie/N Rossouw	mSCOA Regulation	Completed	2018/08	Period 13 transactions are automatically transfer to opening balances as recalualted opening balances in the next financial year. (M01 and M02)	
1			Audit periods with allowed audit approved journals occur in period 14 and result in <i>opening balance transactional transfer</i> of only the transactions of period 14.	Z Korasie/N Rossouw	mSCOA Regulation	Completed	2018/11	Period 14 transactions are automatically transfer to opening balances as recalualted opening balances in the next financial year. (M03, M04 and M05)	
1			Accommodate a period 15 for prior period errors (GRAP 3).	Z Korasie/N Rossouw	mSCOA Regulation	Completed	2019/07	Period 15 GL journals can be done up to 2 years prior to the current financial period.	
1			Any corrections of prior period error(s) result in opening balance transactions in the subsequent years.	Z Korasie/N Rossouw	mSCOA Regulation	Completed	2019/07	Prior period errors can be done on FMS on 2 years prior to current financial period against opening balance.	
1			Period closing, finalisation and audit period corrections are <i>opening balance transactions</i> in the <u>current open period</u> as well as normal transactions in the <u>audit periods</u> .	Z Korasie/N Rossouw	mSCOA Regulation	Completed	2019/07	P13, P14 and P15 transactions are performed in applicable period with recalculated opening balances in the current open period.	
1			Sub-system(s) or ledgers must, without (manual) intervention or manipulation, integrate and constantly balance with the core financial system.	N Rossouw	mSCOA Regulation	Completed	2022/07	System generated sub module vs General ledger are done at end of working day.Debtors/Cashbook.Creditors/Sundry register	
1			Create workflow and exception reporting mechanisms.	All managers	mSCOA Regulation	Completed	2022/07	SOP's and manuals in place at all financial departments	
1			Enable drill down from the general ledger (GL) to sub-system source transactions to transactional level.	N Rossouw	mSCOA Regulation	Completed	2022/07	Drill down from the general ledger to sub module on debtors, creditors and cashbook can be done, but this cannot be done on the AFS to dthe FMS	
1			Integration and automation of the annual financial statements (AFS) as well as monthly MFMA section 71 reports (financial management statements).	Z Korasie	mSCOA Regulation	Completed	2022/07	Integration can be done via Caseware but option preferred to import TB into caseware	
1			<i>The performance management system should as a minimum produce the following documents:</i>						
1			The municipality's annual report.	C de kock	NT issue	Completed	2024/07	Currently all financial information is hosted on the FMS, which all relevant/required person have access, if it is required to measure performance of each project on the Action assist module as well, it will result in duplication of work and cost, which is not ideal. The principle decision, after considering all the cost versus the benefit will have to be taken by the council/EMT. Performance management custodian to address.	Meeting between Munsoft, Ignite and the client to finalise the process.
1	Municipal Web Site	A municipal website that gives effect to MFMA section 75, the Municipal Budget and Reporting Regulations, 2009; the mSCOA Regulations, 2014 and section 21A of the Municipal Systems Act, 2000	The legislative framework lists the minimum information that should be placed on the municipality's website: Integrate from the core financial budget module; The annual and adjustments budgets and all budget-related documents; All budget-related policies; Annual financial statements (AFS) and Annual reporting tools BI modules; The annual report; Performance management, supply chain and asset management modules; section 57(1)of the Municipal Systems Act, 2000; All quarterly reports tabled in the council in terms of MFMA section 57(4)	C de kock	Legislation	In progress	Ongoing	Website and other eportal options is driven by Munsoft. Not integrated with sub modules but website is hosting all related documents as required by Legislation	Integration was tested succesfully. Functionality exist, but decision was made not to use this option. No further action on this item. Ignite - action assist is currently used as the performance management system.

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.	
1			All performance agreements required in terms of : All service delivery agreements; All long-term borrowing contracts; All supply chain management contracts above a prescribed value; An information statement containing a list of assets over a prescribed value that have been disposed of in terms of MFMA section 14(2) or (4) during the previous quarter; Contracts to which MFMA section 33(1) apply, subject to section 33(3) of that section; Public-private partnership agreements envisaged in MFMA section 120; and Municipal Budget and Reporting Regulations (MBRR) and mSCOA Regulations reporting templates as generated by the Core Financial system.	C de kock	Legislation	Completed	2022/07	Website and other eportal options is driven by Munsoft. Not integrated with sub modules but website is hosting all related documents as required		
			Billing module in addition to integrate: The A&B valuation roll publication as required by the Municipal Property rates Act, 2004; and The customer portal; and should as a minimum (if not hosted on the municipality's web site) be accessible or redirected from the website of the municipality.	Valuations	Legislation	Completed	2022/07	Consumer e portal are available for clients to access accounts, the valuation roll is not part of this portal. The valuation roll is however on the website of the municipality.		
	Document Management	Document Management to ensure that all municipal documents are secured and if possible electronically received to achieve the lowest possible foot print. National Archives of South Africa Act, 1996.	Support secure and reliable document management including, but not limited to: Document sharing; Dedicated registry for document filling; Document tracking; Secure access to documents.	C de kock	Legislation	Completed	2022/07	IMIS is used for document manager as part of the full ERP and administered by the Admin dept to give access and secure documents		
		Document management should originate at the lowest level of transaction. (i.e. invoices should originate from creditors module)	C de kock	Legislation	Not started	2030/07	Only council and portfolio related reports are stored in IMIS and not the documentation relater to invoices and ceditors module			
		Scanned documents and images to be linked to the each enquiry of the system (e.g. Assistance-to-the-Poor application scanned forms to be linked to the customer identification number on the system)	C de kock	Legislation	Not started	2030/07	Documents related to indigent subsidy ets are stored and kept in the Rumas system which handled Indigent system			
		National Treasury Portal and other statutory submissions	Statutory submission to the National Treasury local government Database (LG Database);	Reporting/Budget/N Rossouw	mSCOA Regulation	Completed	2022/07	All Go muni related data strings are directly from the financial system and uploaded on time.		
			mSCOA data extraction and upload to portal submissions with a dashboard configuration to allow the Municipal Manager (accounting officer) to verify the mSCOA data extracts before submitting them:							
			The annual procurement plan - actual versus budget;	SCM - Hermie Meeding	mSCOA Regulation	In progress	Ongoing	The municipality's procurement plan does not integrate with Munsoft as this is a manual document in excell		Procurement plan will be implemented on FMS and link to budget strings. Tests will be done with Opex and Capex projects. SCM to provide feedback after tests are performed. Distinction will be made between SCM contract management and contracts related processes in other disciplines.
			The asset maintenance plan - actual versus budget;	Various service dept	mSCOA Regulation	Not started	2030/07	There is no asset maintenance plan in the system currently in use at the municipality. Maintenance operations and provisions are managed under the technical department rather than through the asset management module.		Asset maintenance plans are kept within each service dept, Water/Elec/Sewer/Road on different systems, not integrate with Munsoft/IMIS (IMQS/Excell/IMIS/i-RAMS)

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1			Annual Financial Statements (AFS);	AFS and reporting	mSCOA Regulation	Completed	2022/07	AFS is done on Caseware and uploaded on Go muni on required date and provided to AG as required	
1			Annual report;	AFS and reporting	mSCOA Regulation	Completed	2022/07	Annual report is done outside the system and upload on Go muni on required date	
1			National Energy Regulator SA (Nersa) and Department of Water Affairs and Sanitation (DWS) reports;	AFS and reporting	mSCOA Regulation	Completed	2022/07	Reports and forms are done manually but information is taken from the financial system to compile	
1			VAT returns 201 reconciliations;	VAT	Legislation/NT demo issue	In progress	Ongoing	VAT handling capabilities as it relates to Output and Input VAT are done on MUNSOFT ERP Solutions, however, the VAT reconciliations are performed manually. The VAT 201 Report generation functionality is available on MUNSOFT ERP Solutions. Manual reconciliations are performed to the SARS Statement of Account.	
1			PAYE and 501 reconciliations;	Payroll	Legislation	In progress	Ongoing	Reconciliation is performed manually by information from the payroll system	
1			IRP 5; and	Payroll	Legislation	In progress	Ongoing	Reconciliation is performed manually by information from the payroll system	
1			Unemployment Insurance Fund (UIF) forms.	Payroll	Legislation	In progress	Ongoing	Reconciliation is performed manually by information from the payroll system	
1									
1	Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)								
1	Municipal budgeting and planning business processes are primarily derived from two sets of legislation, namely the Municipal Systems Act, 2000 (MSA) and the Municipal Finance Management Act, 2003 (MFMA). The MSA provides for the setting of the strategic objective whilst the MFMA and Municipal Budget and Reporting Regulations, 2009 (MBRR) provide for the output associated with this business process. This needs to incorporate key processes and procedures such as strategy formulation, integrated development planning (IDP), prioritisation, revenue generation, resource allocation, as well as long term forecasting and modelling of key financial dimensions such as the statement of financial position, cash flow forecasting, funding compliance, asset management and basic service delivery.								
1	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	Must have budgeting capabilities in that the budget are informed from the integrated development plan (IDP) and budget capturing occur across all the mSCOA segments as per the mSCOA Regulations, 2014.	Budget Office	mSCOA Regulation	Not started	2026/07	Software provider testing and demonstration performed on the following integration between the planning and financial core system: 1. New Projects / IDP created within the planning module - integrated to the Budget module via API 2. Budget allocated within the planning module - integrated to the Budget module via API 3. Transactions and adjustment budget within the Financial core system and integrated to the planning module via API 4. Budget captured on all mSCOA segments in the core financial system In progress of being tested.	Prioritisation of IDP is done outside of the system through community engagement and participation and the Munsoft system does not have the capability to prioritise the IDP projects
1			System must support budgeting cycles across the medium term revenue and expenditure framework (MTREF) (3-year budget) of the municipality.	Budget Office	mSCOA Regulation	Completed	2022/07	MTREF can be done in the core financial system. A/B/C schedules is done in Castway, seamless integrate with Munsoft	
1			The system should be able to link budgeting to final integrated development plan (IDP) priorities.	Budget Office	NT demo issue	Not started	2030/07	Budget do not integrate with IDP as IDP is set up outside the system, Capex is done through the CP3 module where IDP parameters can be linked	There are certain CP3 limitations/challenges as per issues logged with vendor.
1			Budgeting on the factual elements of typical work streams.	Budget Office	mSCOA Regulation	Completed	2022/07	Typical workstreams used in budget and actual transacting	
1			Budgeting on the factual elements of municipal operational and running cost.	Budget Office	mSCOA Regulation	Completed	2022/07	Projects are used in budget and actual transacting	
1			Enable users with budget and management information to determine funding adequacy of the budget to ensure the budget is funded. (Municipal Budget and Reporting Regulations, 2009 (MBRR)).	Budget Office	Legislation	Not started	2026/07	The financial system does not have functionality to check if budget is funded, this is done via the schedules update	

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1			Planning of secondary costing i.e.. Departmental charges, internal recoveries and activity based charges.	Budget Office	mSCOA Regulation	Completed	2022/07	Costing is done on the core financial system on all related costing segments applicable to SBM	Costing are done on string level, such as dept charges and internal billing. (SBM never implemented ACB costing and with implementation of mSCOA decided due to cost vs benefit not to implement this)
1			The system should be able to link Expenditure and Revenue to All segments of mSCOA.	Budget Office	mSCOA Regulation	Completed	2022/07	Budget can be done in all operating budget items	
1			Track, compare and report on budget versus actual amounts for year 1 of the medium term revenue and expenditure framework (MTREF) as per mSCOA Regulation requirement.	Budget Office	mSCOA Regulation	Completed	2022/07	Budget versus actuals can be done via string upload and TB	
1			Ensure that the policies referred to in MFMA section 17 and the Municipal Budget and Reporting Regulation 7 are, via formal work flow, reviewed by the relevant municipality departments/ sections. Any amendments must be incorporated into the budget submission. These reviews, as a minimum, must include:						
1			The tariff policy referred to in section 74 of the Municipal Systems Act, 2000;	Budget Office	Legislation	Completed	2022/07	Tariif policy in place and annually reviewed No formal workflow, but manually	
1			The rates policy as required in terms of the Municipal Property Rates Act, 2004;	Rates	Legislation	Completed	2022/07	Rates policy in place and annually reviewed No formal workflow, but manually	
1			The credit control and debt collection policy referred to in section 96 of the Municipal Systems Act, 2000;	Credit control	Legislation	Completed	2022/07	Credit control and debt collection policy in place and annually reviewed No formal workflow, but manually	
1			The supply chain management policy referred to in Chapter 11 of the MFMA, 2003;	SCM	Legislation	Completed	2022/07	SCM policy in place and annually reviewed No formal workflow, but manually	
1			The statutory budget submission to the National Treasury local government Database (LG Database);	Reporting/Budget/ N Rossouw	Legislation	Completed	2022/07	Budget submissions done in time as required	
1			The annual procurement plan;	SCM	Legislation	Not started	2026/07	Procurement plan will be implemented on FMS and link to budget strings. Tests will be done with Opex and Capex projects. SCM to provide feedback after tests are performed. Distinction will be made between SCM contract management and contracts related processes in other disciplines.	The municipality's procurement plan is not integrated with Munsoft. Currently as an excell document
1			The asset maintenance plan;	All	Legislation	Not started	2030/07	There is no asset maintenance plan in the system currently in use at the municipality. Maintenance operations and provisions are managed under the technical department rather than through the asset management module.	Asset maintenance plans are kept within each service dept, Water/Elec/Sewer/Road on different systems, not integrate with Munsoft/IMIS (IMQS/Excell/IMIS/i-RAMS) Currently the system does not provide for and integrated asset manangement maintenance module.
1			Any amendments made/ proposed to the municipality's policies or By-laws;	All	Legislation	Completed	Ongoing	Changes to policies or by lawes are annually approved by council	
1			The rates and tariffs promulgation;	Budget Office	Legislation	Completed	Ongoing	Annually	
1			The general tariff advertisement;	Budget Office	Legislation	Completed	Ongoing	Budget advertisement are published in newspapers and website	
1			Data extraction from the mandatory six (6) segments on the mSCOA classification framework and upload to the National Treasury local government Database (LG Database) portal.	Budget Office	mSCOA Regulation	Completed	Ongoing	Data strings can be extracted directly from the system and uploaded to the LG datavase	
1	Human Resources (HR) /Payroll	A Human Resource (HR) budget/ payroll module that as a minimum:	Allow the municipality to budget for its full organogram (organisational structure).	HR	mSCOA Regulation	Not started	2026/07	Budget are done in Payday and integrate to FMS for budget purposes, however integration is file transfer as per decided by SBM to perform data quality checks	

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1			Incorporate the ability to apply costing allocation to projects and percentage (%) based allocation of administration costs to trading service departments (if not allocated) using direct calculation methods.	Budget Office	mSCOA Regulation	Completed	2022/07	Costing applied as per working papers Budget office	It was noted that some of the processes were done manually or modules not fully implemented
1			Integration of payroll to FMS	Payroll/N Rossouw	NT issue	Completed	2022/07	Data quality checks are performed before data is transmitted from payday tot FMS to ensure that the information is accurate and complete before the FMS is updated. Segregation of duties are considered. Payday created defined control alignment using defined quickcodes as provided by SBM. No further action required. Sequal integration in process by Munsoft.	
1			Provision to calculate new notch values within grades either as a percentage increase or by minimum value. These notch values are to be held on a temporary file and the user must be able to perform Various "what if" scenarios without affecting the live data.	Budget Office	NT demo issue	Not started	2026/07	The what if scenario planning functionality processes are managed manually outside the system	
1			Ensure that the planned positions is budgeted for pro-rata to when the expected appointment can be done.	Budget Office	mSCOA Regulation	In progress	Ongoing	Vacant funded positions are budgeted for in the payroll system for the full financial year	
1			Supply the general ledger's main budget module with counts of the actual and planned positions (organogram) budgets for the full mSCOA segments as a budget line. The functionality should be able to provide this for both expenditure and balance sheet items.	Budget Office	mSCOA Regulation	In progress	Ongoing	Functionality is on the payroll system and the financial system do not have the organogram/post. Integration needs to be reviewed before update on the financial system.	
1									
1	Financial Accounting								
1	<i>Financial accounting incorporates a host of policies, processes and procedures in order to operationalise the effective and efficient recording and accounting of daily financial transactions as well as month and year end closure procedures and transactions. The MFMA provides a platform for the prescription of norms and standards such as the Standards of Generally Recognised Accounting Practices (GRAP) which have been designed and formulated based on unique South African circumstances (such as the VAT requirements which must be accommodated by the financial system) and leading international practices. Municipalities and municipal entities are therefore required to operationalise daily business processes and procedures that incorporate at the very least regular reconciliations, correct and accurate allocation and classification of transactions based on the SCOA classification framework. These processes and procedures must give rise to monthly performance represented by among others, the Statement of Financial Performance, Capital and Grant Performance, Statement of Financial Position, movement in net assets and cash flow in the Section 71 in-year reporting formats. It is important to keep in mind that outputs needs to be reported and must at all times be measurable so that progressive achievements can benefit communities. Processes should be focussed at clean and accountable operations and the outcome must be reported in terms of by all roll players.</i>								
1	General Ledger (Core Financials)	General Ledger (GL) that as a minimum	Contains all the accounts for recording transactions relating to municipalities assets, liabilities and net assets as per mSCOA segments.	All/N Rossouw	mSCOA Regulation	In progress	Ongoing	The General Ledger configuration and parameters are functionally linked to the mSCOA chart. Balance sheet budgeting and accrual accounting has not been applied appropriately and the VAT cannot be transacted at the lowest posting level. The system parameters need to be reviewed and re-aligned in terms of the mSCOA chart and the Project Summary Document (PSD).	There are still various Balance sheet and cashflow budgeting issues identified in the tabled budget process and are logged as issues with the system vendor.
1			Is a central repository for accounting data transferred from all sub-ledgers e.g. supply chain, revenue, cash management, fixed assets, purchasing, debt control, billing, prepaid, and projects etc.	All	mSCOA Regulation	Completed	2022/07	All sub modules postings ends in the GL after day end postings are done.	
1			Reflect transactions posted in the sub-ledgers immediately in the main ledger thereby ensuring the financial integrity of the entire system without the need for manual reconciliations between main and sub-ledgers.	N Rossouw	mSCOA Regulation	Completed	2022/07	Posting/update not in real time from sub module to GL, but is done at the end of each day, but posting can be done more than once a day to update the GL	
1			Non withstanding the above and due to probable packet loss a routine, is required to ensure that the general ledger and sub-ledger is in balance. This must be done by enforcing daily closing routines with subsequent blocking of opening routines if out of balance occurrence with control accounts is observed.	N Rossouw	mSCOA Regulation	Completed	2022/07	Daily closing routines are in place and ensure all sub modules are in balance with GL	
1			Drill down to transactions from the general ledger (GL) to the sub-ledger or 3 rd party systems for an audit trail.	N Rossouw	mSCOA Regulation	Completed	2022/07	Audit trails and drill downs available on the core financial system for debtors, creditors, SCM. There cannot be drilled down in GL to other 3rd party systems.	

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1 1 1 1 1 1		Accounts Receivable Transactions in debtors must reflect in the AR in mSCOA segmentation	Journal capturing capabilities (including reversible and recurring journals) including electronic approval.	N Rossouw	mSCOA Regulation	Completed	2022/07	Journals can be done in GL, reversible journals can be done on system but SBM do not use the recurring jnl option.	
			Reporting functionality for all financial reports in the full mSCOA segmented transactions .	N Rossouw	mSCOA Regulation	Completed	2022/07	Financial reports can be extracted in mSCOA segments from the financial system.	
			Provide a debtor master record containing at least but not limited to:						
			Debtor classes and discount categories to ensure correct billing and rebates;	Debtors	mSCOA Regulation	Completed	2022/07	All information available in the sub module where each consumer is linked to category on all services	
			Trade, sundry and other debtor types to comply with mSCOA requirements;	Debtors	mSCOA Regulation	Completed	2022/07	All information available in the sub module	
			Debtor levies in mSCOA segmentation to the Accounts Receivable;	Debtors	mSCOA Regulation	Completed	2022/07	All information available in the sub module where a drill down can be done to the posting in the GL.	
			Receipt allocation to AR in the correct mSCOA segmentation;	Debtors	mSCOA Regulation	Completed	2022/07	All information available in the sub module, cashier receipting is done to the quickcode which is a combination of all mSCOA segment	
1 1			Month-end and year-end procedures to ensure correct disclosure of cash on hand and age analysis.	N Rossouw	Legislation	Completed	2022/07	Month end on debtors are done with the billing run, all transaction should be included by month end. The municipality can generate reports such as the Debtors Age Analysis.	
			Drill down to transactions from the general ledger (GL) to the sub-ledger or 3rd party systems.	N Rossouw	mSCOA Regulation	Completed	2022/07	Drill down form the GL to initial transaction in the debtors module only, but not to 3rd party eg receipts by Payat	
1 1 1	Accounts Payable	Supplier maintenance	Creating a supplier database.	SCM	Legislation	Completed	2022/07	FMS integrate with the CSD and sync with new and current suppliers	
			Post supplier invoices, credit- and debit notes. Select documents to pay with payment dates.	Creditors	Legislation	Completed	2022/07	Mandatory field for invoice number input on the payment module in the FMS	
			Make payments and part payments. Allow for future and scheduled payments.	Creditors	Legislation	Completed	2022/07	Part payments can be done, SBM do not do future payments.	
1 1 1 1 1 1		Accounts Payable (AP)	AP must include, at a bare minimum but not limited to:						
			Goods received notes for full or partial deliveries aligned to authorised issued purchase orders. Goods return notes with debit and credit orders;	Creditors	Legislation	Completed	2022/07	GRN can be captured on the FMS, linked to PO	
			Invoicing for goods received notes as partial or multiples invoice payments. Settlement discounts as allowed by suppliers;	Creditors	Legislation	Completed	2022/07	Invoicing can be done with multiple invoices but not same invoice ref. Settlement discounts are done via credit note which decrease the expenditure.	
			Selection of invoice payments on varied platforms. Bulk payment of invoices including direct linking to the banking sector. Producing of electronic remittance statements with automated distribution;	Creditors	Legislation	Not started	2026/07	Electronic remittance not curently in place, still under testing as SBM needs to setup security on mailserver settings. ICT to assist	
			Direct invoice payment such as Eskom;	Creditors	Legislation	Completed	2022/07	Direct invoices can be done via Standard expenses	
			Sundry payments generated from payroll, billing or manual S&T transactions;	Creditors	Legislation	Completed	2022/07	Such payments can be done via cashbook/ Standard expenses/payroll	
			Re-occurring and scheduled payment such as lease amounts or quarterly loan repayments;	Creditors	Legislation	Not started	2026/07	SBM do not do scheduled payments, are paid on due date. Schedule payments are done via Payroll for salaries	
1 1			Age analysis of creditors with supporting reports;	Creditors	Legislation	Completed	2022/07	Age analysis available on creditors module	
			Must be able to calculate accounts payable VAT reconciliations (including calculations on returns and discounts);	Creditors	Legislation	Not started	2026/07	No automation on VAT cacls, done outside the system, but information from the FMS is used.	

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1		Tax & VAT	Fully integrated and approved VAT handling capabilities incorporating all statutory required documentation.	VAT	Legislation	Not started	2026/07	No interface with SARS via the payroll of FMS, all calculations done are manually but information from the system are used	
			Interface to SARS eFiling for automated reconciliations and submissions of disclosures.	VAT	Legislation	Not started	2026/07	No interface with SARS via the payroll of FMS, all calculations done are manually but information from the system are used	
1		Fixed Asset Management	Trace all financial asset transactions to the asset level.	Assets	Legislation	Completed	2022/07	Within the asset module	
			Ensure that all asset transactions are aligned with mSCOA Regulations.	Assets	mSCOA Regulation	Completed	2022/07	As per CIDMS	
1		Insurance Claims	Provide an insurance claims register with direct linking to the assets module.	Insurance	NT issue	Not started	2026/07	Insurance register currently performed in excel. The financial system to be developed to provide for Insurance register as per specifications provided by SBM. This is an outstanding call on sys-aid to be addressed by service provider. Further engagements to be arranged once insurance module / register is ready for UAT by SBM. Service provider will use the specification as a recommended guideline.	Meeting held , where the client provided further guidance to the process and specification, which Munsoft welcomes and will amend accordingly. Will provide date of draft release. GAP analysis required between current insurance claim register and spec. Specifications and GAP analysis in progress
Costing and Reporting									
Costing or management accounting is concerned with financial and management information internal to the municipality and municipal entity which provides the basis for sound and informed business decision making. In contrast to financial accounting, management accounting is primarily forward looking instead of historically focused and informs planning and budget processes by applying forecasting and prediction models. Determining the full cost of tariff services including primary and secondary costing to inform tariffs and pricing of services in order to achieve cost reflective tariffs, reporting thereon and measuring performance of services based on financial and non-financial information.									
1	Cost Planning	Incorporate a costing module	A full costing module aligned to the mSCOA costing segment to assist in calculation of tariffs and real costs. Charges must have a direct effect on tariffs. Therefore it will be necessary to ensure direct link to Provisioning and payroll modules exist etc. through the application of internal billing departmental charges or activity based recoveries.	Budget office	mSCOA Regulation	Completed	2022/07	Secondary costing was implemented. It was a EMT decision that Vehicle costing (log books) and labour (timesheets) not be implemented as SBM never had a costing department to ful fill this fuctions and the costs to implement these are too high and does not justify the benefits. Thus only secondary costing has been implemented. No further action required.	Secondary costing was implemented. It was a EMT decision that Vehicle costing (log books) and labour (timesheets) not be implemented as SBM never had a costing department to ful fill this fuctions and the costs to implement these are too high and does not justify the benefits. Thus only secondary costing has been implemented. No further action required.
			Management reporting on all charges should be available for reports as well as dashboard information.	Budget office	mSCOA Regulation	Completed	2022/07	All transactions are in the sub module for internal billing and other in the TB under the applicable costing segment.	
Project Accounting									
Project Accounting refers to the capability to account for individual project costs and ensure that these settle as assets under construction (AUC's) where applicable. The project accounting functionality should be extendable to provide project management capabilities in order to track physical project progress against predetermined milestones in addition to tracking the financial performance of the project or portfolio of projects.									
Treasury and Cash Management									
Treasury and cash management refers to investing, financing activities and operational cash management. The following processes must be considered relevant to this cycle –									
(a) Investing activities comprises the acquisition, disposal and management of tangible assets, including land, buildings, plant and machinery, motor vehicles, furniture and equipment, computer hardware, software and communication networks. Also included are acquisition, disposal and management of intangible assets such as research and development expenditure, patents and trademarks, scientific and technical know-how, intellectual property rights such as copyrights and licences. Municipalities and municipal entities must introduce accounting policies for depreciation, impairment, revaluation, asset retirement, etc.;									
(b) Financing activities are the means by which the municipality or municipal entity obtains its funding. This may be in the form of funds obtained from borrowing (external loans) or transfers and subsidies to the municipality or municipal entity. Financing activities also include finance and operating leases entered into by the municipality or municipal entity. Included are related transactions such as security and guarantees granted to a lender, accounts receivables pledged to a discount house, interest charges, finance charges on leases, foreign exchange gains and losses, hedging gains and losses and commitments for capital expenditure;									
(c) Investment may take the form of fixed interest, long-term or short-term debt, investments or loans; secured or un-secured. Procedures must be implemented to control the purchase and sale of investments, the movement of scrip or recording of dematerialised securities and the resulting cash received and paid including income from investments, and									
(d) Cash and bank refers to transactions occurring daily in all municipalities and municipal entities represented by a high volume of transactions in payments and receipts. Procedures must provide for expenses and reimbursements of “suspense accounts and floats” including regular surprise counts; cash handling procedures for unbanked receipts and money in transit; control over the opening of bank accounts and obtaining access to electronic banking signatures, regular reconciliations of bank accounts and timely follow-up of reconciling items by management.									

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1	Cash Management	Bank Reconciliation	A fully integrated and automated cashbook module that links to the banking sector and allows for at least:						
1			Automated receipting of debtor payments and other monies received;	Debtors	mSCOA Regulation	Completed	2022/07	Receipting of debtor payments and other payments are done from the module available in MUNSOFT. Day-end and month-end closures are performed.	
1			Automated passing of journals for interest and other bank charges;	Debtors/Creditors	mSCOA Regulation	In progress	Ongoing	Interest transactions are done via manual journal entry when bank statements are received.	
1			Automated clearing of system generated transactions such as payments; and	Debtors/Creditors	mSCOA Regulation	Completed	2022/07	All applicable transactions are cleared out when doing payments	
1			Automated clearing of cash received in the general ledger (GL) to the bank account;	Bankrecon	mSCOA Regulation	Completed	2022/07	Cash received entries vir cash book in the GL and daily verified against cashbook and GL and daily bank recon	
1			Support mSCOA segmentation in the cashbook module.	Bankrecon	mSCOA Regulation	Completed	2022/07	All transactions in the cashbook is done on all mSCOA segments and validated	
1		Petty cash	A petty cash module that would allow for accounting for petty cash transactions and subsequent budget allocations and control as per mSCOA.	Creditors	mSCOA Regulation	Completed	2022/07	Petty cash module implemented and currently transacting on this module	
1			Internal cash receipt with drawdown of petty cash.	Creditors	mSCOA Regulation	Completed	2022/07	Petty cash module implemented and currently transacting on this module	
1		Ad hoc: The Cash Management System must at least accommodate, but not be limited to:	Loan liability register.	Borrowings	NT issue	In progress	Ongoing	The borrowing module is in process of being tested and results will be provided to the service provider. The setup of the borrowings postings are currently in UAT stage.	The loan repayment transaction document capture has been amended to split the payment between capital and interest repayment for the sake of cash flow recording. No further action required.
1			Investment Management and Register recognition	Investments	NT demo issue	Completed	2022/07	Investment recognition, transfers, deposits, withdrawals and interest capitalisation are performed using the MUNSOFT Investment Module. The municipality can generate the investment reconciliation, which reflected all financial institutions.	
1			Interest Received and interest expense reconciliation.	Interest	mSCOA Regulation/NT demo issue	Not started	2026/07	System reconciliation needs to be implemented. Service provider will investigate on a interest integrity check, sub module vs GL. Enhancement is under specification. Release allocated will be communicated.The investment module cannot calculate the interest amount on the module.	Reconciliations of interest received and expenses are not reconciled in the system. Done manually and not automated. Jnl's are processed for interest received/expenses.
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable									
Supply Chain Management, Expenditure Management and Accounts Payable (Creditors) needs to incorporate as a minimum the following –									
(a) Supply chain management is the management of a network of interconnected business processes involved in the provision of goods and services required by the municipality. It integrates the management of supply, demand, acquisition, logistics and disposal by implementing a supply chain management policy in compliance with the MFMA and Municipal Supply Chain Management Regulations in a fair, equitable, transparent, competitive and cost effective way;									
(b) Expenditure management follows the SCM processes that should ensure an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds. These expenditures should be monitored against the approved budget, and reasons for variances must be explained and corrective action must be implemented to keep expenditure in line with budget estimates;									
(c) Accounts payable results from any monies owed in respect of goods and services purchased and must be settled within thirty days of date of invoice or statement unless it is prescribed otherwise. The payment of creditors or accounts payable must be reconciled monthly according to the statements received from service providers;									
(d) Material and inventory management deals with the maintenance of inventory catalogues classified according to the high-level categories provided for in the Standard Chart of Accounts. Business processes need to incorporate at a minimum, ordering; issuing and management of inventory levels; preferred suppliers linked to inventory categories; flagging of stock levels with limited movements for substantial periods; regular physical counts and reconciliation to system stock records; exception reporting and enhanced controls on stock items susceptible to misuse such as illegal stock-pilling; and all sub stores to be activated on the system;									
(e) Contract management entails the management of contracts through the entire Contract Life Cycle so as to maximise value for money that includes procedures for planning; contract creation; collaboration; execution; administration; and close-out. Contracts should be listed in a contract register embedded into the financial application that automates all the activities necessary to manage the contract as informed and dependant on the nature of the work, the type of contract, the legal aspects and delivery timeframes. It also entails the activities carried out to determine whether the service provider and the municipality are performing adequately to meet the requirements in listed contracts that had been awarded through the procurement process and the prescriptions in the MFMA; and									
(f) Vendor management entails managing a supplier database in support of various strategic procurement objectives.									

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	<i>The supply chain module should as a minimum have the following functionality:</i>						
1			Align requisition to be project based;	SCM	mSCOA Regulation	Completed	2022/07	Requisitions issued against combination of mSCOA segments	Electronic tenders submission by bidders not permitted in legislation. Where business prosses can be streamlined with automation to track the tender process and progress from start to end it will be addressed. This is in testing phase.
1			Supplier rotation management (parameter driven);	SCM	Legislation	Completed	2022/07	Rotations on the FMS in the SCM module	
1			Supply Chain Deviation Management Facility in terms of legislation;	SCM	Legislation	Not started	2026/07	Deviations are performed manually and codes needs to be selected on the FMS when capturing requisition.	
1			Adhere to the municipality's delegation of duties and authority levels;	SCM	Legislation	In progress	2022/07	Delegations are set up in the FMS, but not at lowest level as per SBM delegations. Delegations functionality is on function level and R limit and connot accommodate multiple R values.	
1			Electronically validate against the National Treasury database for prohibited, employees of state and related parties and invite tenders based preferential procurement principals;	SCM	Legislation	Completed	2022/07	Suppliers are in sync with CSD and are put on hold if CSD is correctly updated	
1			Electronically manage the invitation, bid closure and adjudication process with a full document management server unpinning the cycle;	SCM	NT issue	Not started	2026/07	Electronic tenders submission by bidders not permitted in legislation. Where business prosses can be streamlined with automation to track the tender process and progress from start to end it will be addressed.	
1			Tender management	SCM	NT demo issue	Not started	2030/07	Tender management are manually performed outside of the system. Below R30 000 process currentlty on the FMS.	
1			Ensure tax clearance management for the duration of the contract;	SCM	Legislation	Completed	2022/07	Tax clearance due date do sync to CSD if correctly updated on CSD, but whith every order issued this is checked at SCM dept	
1			Integrate with the asset management system;	SCM	Legislation	In progress	Ongoing	When doing requisitions, a blocked can be ticked to indicate if this is an asset mSCOA segment, but not fully integrate with asset module	
1			Ensure that all payments are made within 30 days of receipt of an invoice therefore; and	SCM	Legislation	Completed	2022/07	Creditors dept ensure withn 30 days payment, but this is a manuall exercise where age analysis are used to check this	
1			Ensure that full accrual is done at month-end and year-end cut-off periods.	SCM	Legislation	Completed	2022/07	Accruals are done only on invoices received for month end, but all other accruals are done at year end.	
1		Contract Management that gives effect to MFMA section 116.	Contract management through workflow and audit trail.	SCM	NT demo issue	Not started	2026/07	Manually contract register is in place, Munsoft contract management module is currently in prograss for being tested,	
1			Project based requisition forms.	SCM	mSCOA Regulation	Completed	2022/07	Requisitions issued against combination of mSCOA segments	
1			mSCOA segmented capturing.	SCM	mSCOA Regulation	Completed	2022/07	Requisitions issued against combination of mSCOA segments	
1			Commodities setup in financial system to CSD	SCM	NT demo issue	In progress	Ongoing	Commodities not properly set up in the financial system which impact the CSD.	SCM decided not to sync with commodities of CSD. Manually set up
1			Processing of partial order deliveries with automated reminders of outstanding items.	Creditors	NT demo issue	Not started	2026/07	GRN's are processed on Munsfot but manually matched with the PO and invoices, no auomated reminders on outstanding PO's	

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1 <									

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1 1 1 1 1 1 1 1			Link to debtors system for collection of rent.	Property services/Revenue/Exp enditure/Assets	NT audit issues	Not started	2026/07	Contract management module to be implemented per project category or type of contract. (That is Revenue leases and expenditure leases) The contract access control per type/category is required to limit risk of unauthorised access and amendments. Sub committee to be establish with all role players for discussion on implementation and integration. Service provider will log a further enhancement on contract type access. Upload of Lease and contract on test environment for UAT.	It was noted that some of the processes were done manually or modules not fully implemented
			Link to valuation system.	Property services/Revenue/Exp enditure/Assets	NT audit issues	Not started	2026/07		
			Link to asset register.	Property services/Revenue/Exp enditure/Assets	NT audit issues	Not started	2026/07		
		Facilities	Facilities rental module updated from receipting with workflow refunds.	Property services/Revenue/Exp enditure/Assets	NT audit issues	Not started	2026/07		
		Rent in	Lease register with work flow and document management.	Property services/Revenue/Exp enditure/Assets	NT audit issues	Not started	2026/07		
			Automated payment scheduling.	Property services/Revenue/Exp enditure/Assets	NT audit issues	Not started	2026/07		
1 1									

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1			Must cater for pensioners' benefits.	HR/Payroll	mSCOA Regulation	Completed	2022/07	Pensioners medical aid is on the payroll system	
1			Provision to record allowance details against a post and employee (e.g. Telephone Allowance, categories, amounts, telephone number etc.).	HR/Payroll	mSCOA Regulation	Completed	2022/07	Allowances are captured against nature of expenditure	
1			The system must cater for all requirements of the South African Revenue Services (SARS).	HR/Payroll	mSCOA Regulation	Completed	2022/07	Payday are updated with latest tables with release updates	
1			Must provide a facility to automate the update of tax tables whenever changes occur.	HR/Payroll	Legislation	Completed	2022/07	Tax tables not automated but updated in the system with latest tax tables	
1			History of previous tax tables must be retained on the system for an indefinite period.	HR/Payroll	Legislation	Completed	2022/07	History companies are created in the payroll system where history can be accessed	
1			The system must be flexible so as to cater for any legislative changes to UIF, Workman's Compensation, Unions, etc..	HR/Payroll	Legislation	Completed	2022/07	Payday are updated with latest tables with release updates	
1			The system must be able to cater for more than 1 payroll type (e.g. Staff, Pensioners, etc.).	HR/Payroll	mSCOA Regulation	Completed	2022/07	Payroll are split into companies to identify types	
1			Narrative type pay slips must be provided (Hard copy and electronically).	HR/Payroll	Legislation	Completed	2022/07	Printed and electronic payslip available	
1			Accumulations of all deductions to be printed on pay slip if required (Pension, tax, housing allowance, motor car allowance, etc.).	HR/Payroll	Legislation	Not started	2026/07	Payslip not printed accumulated amount per type, only taxable income is ytd	
1			Salary payments made to employees' bank accounts must be catered for electronically by either ACS (Automated Clearing Bureau) or electronic funds transfer (EFT).	HR/Payroll	Legislation	Completed	2022/07	Employee payments are made into bank account as per bank details on their masterfile via EFT	
1			Provide a payment hold facility.	HR/Payroll	Legislation	Completed	2022/07	Hold facility on the payday system by making pay type different as EFT	
1			Budget control and management of virement requirements.	HR/Payroll	mSCOA Regulation	Completed	2022/07	Virements are done on the financial system per the mSCOA segments and sent via file to Payroll to update budget monthly	
1			Report and create the workflow for collection of all employees and councillors with arrear accounts.	HR/Payroll	Legislation	Completed	2022/07	The system facilitates comprehensive report generation on payroll and employee-related data.	
1			Provide the financial statements with regulated reporting requirements regarding the municipal councillors' outstanding debtor account details.	HR/Payroll	Legislation	Completed	2022/07	The system facilitates comprehensive report generation on payroll and employee-related data. Monthly reported on S71 and annually on the AFS from information sourced from the debtors system.	
1			Provide the general ledger (GL) with transactions that debit expenditure and credit revenue votes when applicable. This creates a temporary total liability of the payroll balance on the integration control.	HR/Payroll	mSCOA Regulation/NT demo issue	In progress	Ongoing	The municipality uses the PAYDAY Payroll system. The payroll integration into the General Ledger is processed through a file which is extracted from the PAYDAY Payroll system and manually pushed into the General Ledger; thus, there is no seamless integration with the General Ledger.	
1			Create the clearing transactions that clear the integration control, these transactions include:						
1			Electronic funds transfer (EFT) to employee's bank accounts into the core financial systems cashbook awaiting approval;	HR/Payroll	mSCOA Regulation	Completed	2022/07	To pay salaries, the PAYDAY system sends the Automated Clearing Bureau (ACB) file directly to the Bank to affect the salary pay-run. The integration with banks is automated.	
1			Creation of "invoices" for 3 rd parties, SARS (PAYE, VAT, etc.), UIF, Medical aid and pension funds;	HR/Payroll	mSCOA Regulation	Completed	2022/07	Payments to third parties are performed and co-ordinated with the Banking systems	
1	Payroll		Must be able to easily integrate with banks. Seamless upload of payroll information.	HR/Payroll	Legislation	Completed	2022/07	To pay salaries, the PAYDAY system sends the Automated Clearing Bureau (ACB) file directly to the Bank to affect the salary pay-run. The integration with banks is automated.	

1

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1 Valuation Roll Management									
1 The valuation roll forms the basis for the levying of assessment rates and all processes and procedures are governed by the Municipal Property Rates Act, 2004 (MPRA). All categories of properties in the municipal boundary need to be recorder and maintained in a municipal register of properties including the value of land and improvements as described in the MPRA. Municipalities are also required to undertake interim valuations to ensure the property valuation roll is constantly maintained and updated. Importantly, the business processes need to ensure integration with the revenue value chain of the municipality and the billing processes and procedures.									
		Valuations Module to give effect to the Municipal Property Rates Act, 2004, and as a minimum:	Seamlessly integrate with the revenue management module.	Valuations	Legislation/NT demo issue	In progress	Ongoing	Valuation roll is outsourced to HCB Valuers who have been appointed as an external service provider to prepare the valuation roll. The valuation roll is imported onto the MUNSOFT system via a file transfer. There is no seamless integration with the third-party system. This file is then uploaded onto the MUNSOFT system by the system administrator once approved. All objections are recorded and stored on the IMIT system which is not linked to the MUNSOFT system.	The current process has the necessary internal control measures to mitigate any foreseen risks. Tender are invited every 4 years for valuers and they do come with their own system. Sub committee to be established with all role players for validation and testing of integration.
			Integrate with the building control system used in the municipality to ensure completion of additions and new buildings get immediately updated on the billing sub-system.	Valuations	NT issue	In progress	Ongoing	Maual processes are in place.	Demonstration on building control processes in IMIS. Sundry register needs to be utilised in order for the building control to integrate fully. FMS and SBM to discuss workflow. Sub committee to be established with all role players for validation and testing of integration.
1			Provide the municipal website with the Municipal Propert Rates Act, 2004 required A&B valuation rolls.	Valuations	Legislation	Completed	2022/07	Valuations are published on website as per legislation requirements	
		Managing and calculation of property rates, special rating areas and service charges on a property subject to a number of requirements including but not limited to:	The valuation of property will be performed in the separate (Computer Assisted Mass Appraisal) system and the individual property values and relevant property attributes passed to the Solution via an interface with valuation module. Data to be validated and managed within the Solution in compliance with legislation policies and business rules to enable calculation of property rates.	Valuations	Legislation	Not started	2026/07	Valuation roll is outsourced to HCB Valuers who have been appointed as an external service provider to prepare the valuation roll. The valuation roll is imported onto the MUNSOFT system via a file transfer. There is no seamless integration with the third-party system. This file is then uploaded onto the MUNSOFT system by the system administrator once approved. All objections are recorded and stored on the IMIT system which is not linked to the MUNSOFT system.	
			Property Rates and service charges are calculated at different tariffs depending on various criteria such as the category of the property.	Tariff	mSCOA Regulation	Completed	2022/07	Tariff and billing is done on the usage of the property	
			Functionality is required to exempt certain categories of property and/ or certain categories of property owners from rates.	Tariff	Legislation	Completed	2022/07	Tariff and billing is done on the usage of the property	
			Functionality is required to calculate a rebate or a reduction in rates in compliance with the requirements of legislation and/ or business rules.	Tariff	Legislation	Completed	2022/07	Tariff and billing is done on the usage of the property and rebates as per tariff book	
			Functionality is required for the phasing in of rates in compliance with legislation.	Valuations	Legislation	In progress	Ongoing	Manual processes are performed	
			Clearance Certificate Management to be online and comply with Section 118 of the Municipal Systems Act, 2000.	Valuations	Legislation	In progress	Ongoing	Currently clearance certificates are issued electronically online, using system which integrate with attorneys. It is not done on the FMS.	
1									
1 Land Use Building Control									
1 Land use management is a process of managing the use and development of land. Aspects need to include spatial, urban policy usage, and economic considerations. A land use management system need to include all processes, methods and tools used for organising, operating and supervising the urban environment including the factors influencing it. A management system needs to cover all phases from the vision behind the preparation of plans and decisions to their implementation and the monitoring of impacts. Planning practices, decision making processes, procedures, implementation, monitoring mechanisms, methods and tools used in the above-mentioned phases are all elements of an integrated system. In general, land use management is driven by various decisions taken at different levels of administration (local, regional, national). Building management incorporates all activities relating to township management such as building plan approvals, rezoning applications, illegal land usage and Municipal By-laws management. Importantly, the land and building management needs to be integrated with the revenue value chain of the municipality.									

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1	Land use	Property maintenance	Property register providing for all land in the municipal area.	Land use	Legislation	In progress	Ongoing	Manual process currently performed	Service provider to be in contact with IMIS and Town planning on the processes that follow on the IMIS system. This will be part of the valuation integration. Demo/Working session will be scheduled with SBM and system vendor.
1			Town, township, suburb, street, erf, subdivision and sectional title detail must be aligned to the deeds office and Demarcation Board specifications.	Land use	Legislation	In progress	Ongoing	Manual process currently performed	Service provider to be in contact with IMIS and Town planning on the processes that follow on the IMIS system. This will be part of the valuation integration. Demo/Working session will be scheduled with SBM and system vendor.
1			Integration with billing and valuation systems.	Land use	Legislation	In progress	Ongoing	Manual process currently performed	Service provider to be in contact with IMIS and Town planning on the processes that follow on the IMIS system. This will be part of the valuation integration. Demo/Working session will be scheduled with SBM and system vendor.
1			Alignment of ownership must be verifiable with the deeds office.	Land use	Legislation	In progress	Ongoing	Manual process currently performed	Service provider to be in contact with IMIS and Town planning on the processes that follow on the IMIS system. This will be part of the valuation integration. Demo/Working session will be scheduled with SBM and system vendor.
1			Property transfers, subdivisions, consolidations and zoning changes must be system process with work flow and document management driven.	Land use	Legislation	In progress	Ongoing	Manual process currently performed	Service provider to be in contact with IMIS and Town planning on the processes that follow on the IMIS system. This will be part of the valuation integration. Demo/Working session will be scheduled with SBM and system vendor.
1									
1	Revenue Cycle Billing								
1	The valuation roll forms the basis for the levying of assessment rates and all processes and procedures are governed by the Municipal Property Rates Act, 2004 (MPRA). All categories of properties in the municipal boundary need to be recorded and maintained in a municipal register of properties including the value of land and improvements as described in the MPRA. Municipalities are also required to undertake interim valuations to ensure the roll is constantly maintained and updated. Importantly, the business processes need to ensure integration with the revenue value chain of the municipality and the billing processes and procedures.								
1	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	Additionally to the standard minimum functionality in the MFMA the billing system must:						
1			Calculate and account monthly for the provision of bad debt;	Revenue	mSCOA Regulation	In progress	Ongoing	Calculation of provision for bad debt manual exercise	Manual process in place
1			Integration of Prepaid at a minimum of a 'debtor per tariff '-code per region, monthly bill the consolidation sales amount and daily receipt the sales;	Revenue	mSCOA Regulation	In progress	Ongoing	Integration and updated on a daily basis but not seamless	File received from prepaid vendor and update in FMS
1			Create and Maintain Regional Structure;	Revenue	mSCOA Regulation	Completed	2022/07	Consumers linked to each ward in sub module	
1			Create and maintain a tariff structure to comply with mSCOA Regulations;	Tariff	mSCOA Regulation	Completed	2022/07	Tariffs are setup linking to GL with all mSCOA related segments	
1			Produce monthly invoices to debtors and group accounts;	Revenue	Legislation	Completed	2022/07	Invoices are producing every month and print or email to consumers	

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1			Allow for rebates and penalty levies.	Tariff	mSCOA Regulation	Completed	2022/07	Rebates are build in the tarief structure and penalties/interest are done during the billing process	
1		Specific but not limited requirements	Must have report writing capabilities for standard & Ad hoc reporting (daily, monthly & annual).	Report writer	mSCOA Regulation	Not started	2030/07		
1			Maintenance of tariffs as per the tariffing section.	Tariff	Legislation	Completed	2022/07	Tariffs can be adjusted and setup as needed	
1		Billing Reporting and Tariff Maintenance	Must be able to do consolidated billing of properties (all services and rates into one bill): As Municipalities are working within the determination of the Municipal Property Rates Act, 2004, a property relational database design is critical. The respective debtor is secondary to that.	Billing	Legislation	Completed	2022/07	Billing occurs at the end of each month and payments in the following month.	Comply
1			Flexible tariff building structure and design. System must be capable of inclining block tariffs based on daily, monthly, or annual rate scales.	Billing	mSCOA Regulation	Completed	2022/07	Tariff structure do have inclining block facilitites.	
1			Must allow for the maintenance of tariffs as per the tariffing section.	Billing	mSCOA Regulation	Completed	2022/07	Tariff structure can be set up as per tariff book	
1		Revenue receipting	Must adhere to applicable legislation and by-laws.	Receipting	Legislation	Completed	2022/07		
1			To accommodate fully automated processing of multiple receipting streams including but not limited to:						
1			Third Party vendors (e.g. Absa, Easy Pay, Prepaid Vendor, etc.);	Receipting	NT demo issue	Completed	2022/07	Receipts are from the customers (cash and cards) at the Cashiers. Deposits are also received via uploads of the Easy Pay files, which subsequently deposits the batch into the bank account. Unallocated deposits are manually reviewed. Prepaid services (ONTEC system) are managed externally and brought into MUNSOFT ERP Solutions via a text file. This file does not seamlessly integrate with the MUNSOFT ERP System.	SBM decision not to seamlessly integrate
1			Printing and re-printing (marked as "Copy Receipt") of receipts.	Receipting	Legislation	Completed	2022/07	Copy of receipt can be printed with printed copy on receipt	Comply
1			Provides the facility to charge interest on arrears amount subject to certain user defined provisions and according to user maintainable rates.	Revenue	mSCOA Regulation	Completed	2022/07	Interest are charged 30 days on outstanding amount according to prime +1%. Some accounts can be selected to not levy interest if needed	
1			Functionality is required to raise debit and credit transactions which are updated to a Debtor account. The functionality must provide for the following transaction sources:						
1			Calculated transactions - these transactions will be the result of a calculation that is subject to user defined business rules to determine the tariff to be used, special conditions that may apply to be used, discounts or rebates to be applied etc.;	Revenue	mSCOA Regulation	Completed	2022/07	Debit and credit notes can be done against consumer accounts to do corrections per service	
1			Manually Input transactions - these transactions are captured by a user and will reflect all the details of the transaction;	Receipting	mSCOA Regulation	Completed	2022/07	Manual receipting can be done but are updated after close of business to consumer account	
1			Electronic transactions - these transactions are received electronically, which then must be identified and raised to the relevant Debtor account.	Revenue	mSCOA Regulation	Completed	2022/07	Receipting from banks and 3rd parties are updated via integration processes	
1			Transactions will be classified by type e.g. billing transaction, receipt transaction, journal transaction etc. The definition of a transaction type must be user maintainable.	Revenue	mSCOA Regulation	Completed	2022/07	Type of transactions are showing on consumer account	

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality and action steps	Assign responsible person	Required by	Status	Implementation Date	Response on Progress	Any additional relevant to the way forward relating to the response column with time frames to address implementation gap.
1			All transactions, regardless of type and origin, must be date/time stamped and have the user/origin included in the record. A narration / description field must be available whereby a short description of the transaction can be recorded.	Revenue	mSCOA Regulation	Completed	2022/07	Al transactions on direct and consumer receipting are date and time stamped and audit of user	
			Functionality is required to categorise Debtors and Properties by a set of user defined parameters. The categories are used to create subsets of the Debtor Master for reporting, to establish appropriate tariffs and to determine billing cycles (MPRA section 3(3)c(i)).	Revenue	mSCOA Regulation	Completed	2022/07	Parameter driven of usages on erf master to billed according to mSCOA usage segments	
1			Functionality is required to link the Debtor to the numbered meter that is used to measure the Debtor consumption of services. It is important to note that a Debtor may well be linked to a number of meters. (E.g. a landlord with a number of leased properties). (MSA section 95d).		NT demo issue	Completed	2022/07	For electricity (conventional meters), hand-held devices are used. Routes are uploaded from MUNSOFT on to the device. Meter readings are captured, pictures, and GPS co-ordinates are also taken. Meter readings are updated and uploaded on to MUNSOFT. Controllers check the validations. Prepaid electricity (ONTEC) is managed externally, and transactions are brought into MUNSOFT ERP Solutions via integration. A file is imported into the MUNSOFT system hence the process is not seamlessly integrated.	Comply
1			Functionality is required to capture and record the meter reading and the date on which the meter was read. At least the following methods of capture must be provided, namely:						
1			Prepaid electricity meters:						
1			Functionality that is an integral part of the Billing interface to its prepaid vendor;	Meters	mSCOA Regulation	Completed	2022/07	Prepaid updated daily with sales and arrears	File to file used to update consumer accounts
1			Water inventory managing.	Water Inventory	mSCOA Regulation	In progress	Ongoing	Manual processes are used for the accounting for Water Inventories. Bulk water is purchased and distributed thereafter. Water Losses are determined by Technical Services.The municipality is reminded to continuously improve controls for inventory management; however, no water inventory is administered on the ERP system as part of the inventory module.	Still manual process
1			Reports/ extracts including but not limited to:						