ANNEXURE P

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.**
ICT Architecture									
ICT Architecture for mSCOA to run the required ERP management system									
	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	
	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	
	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 anually basis	
Corporate Governance									
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.									
	Internal Audit	Approved Internal Audit Plan in existence and Risk Management Strategy in Place	Integrated work flow Request For Information management tool, backed by document management.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Ability to obtain base transactional information 'View Only' ability.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Ability to request sample transactions from all sub and core financial systems. This include documents as loaded via the document management systems.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Issue audit findings and risk registers and invoke consequence management procedures.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Continues work flow on risks identified to ensure mitigation.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
	External Audit	Public Audit Act, 2004	Work flow and incident management tool to ensure progressive dealing with Request For Information and Communication of Audit findings.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Document management to ensure delivery of responses and documents requested on 'Request for Information' to AG.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Real time system (date time stamped) electronic responses to AG queries and continued internal escalation of non responded queries.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Escalation and continuous request for 'auditor conclusion' on responded communication of audit findings.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Escalation and classification of matters influencing auditors opinion.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Compilation and work flow on audit recovery plans.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
	Audit Committee	Audit Charter	Document management and work flow to ensure resolution tracking is achieved.	CIA	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
	Steering committee	Business requirements Circular 126	Steercom to monitor and report on working groups and roadmap	CFO	Circular 126	In progress	Ongoing	Steering committee meetings held regularly	Report to audit committee on processes and status of the steering committee and working groups

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	System Configurations	Access control of all systems and modules should as a minimum adhere to the following: Minimum Information Security Standards.	Authentication, authorisation and cryptographic security technologies and digital certificates must be given high emphasis throughout the entire system including but not limited to the application, data processing, data storage, data communications and user access.	Manager ICT	Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Must integrate secondary authentication systems such as biometric devices for users that provides access to critical modules, processes and digital signatures or similar technologies to prevent document tampering.	Manager ICT	Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			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 confidentially 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	
			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	
			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	
			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	
		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.	
			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.	
			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.	
			Finalisation and submission of annual financial statements (AFS) period 13 results in *opening balance transactional transfer* 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 recalcualted opening balances in the next financial year. (M01 and M02)	
			Audit periods with allowed audit approved journals occur in period 14 and result in *opening balance transactional transfer* 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 recalcualted opening balances in the next financial year. (M03, M04 and M05)	
			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.	

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			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.	
			Period closing, finalisation and audit period corrections are *opening balance transactions* in the current open period as well as normal transactions in the audit periods.	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.	
		Integration	Document management must occur at the capturing point of all transactions.	Manager ICT	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			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	
			Create workflow and exception reporting mechanisms.	All managers	mSCOA Regulation	Completed	2022/07	SOP's and manuals in place at all financial departments	
			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	
			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	
		Help function user manual	The System must include an online procedural manual facility that allows for the recording and updating of all relevant processes to aid the users of the system.	Manager ICT	Best Practice	Completed	2022/07	FMS has on the menu screen the option to extract manual for easch process on the financial system	
			The manual must be context specific and accessible from any input screen in the system.		Best Practice	Completed	2022/07	FMS has on the menu screen the option to extract manual for easch process on the financial system	
			Functionality is required to permit a duly authorised user to maintain the user manual.		Optional	Completed	2022/07	FMS has on the menu screen the option to extract manual for easch process on the financial system	
		Document and transaction control	The solution must include the online recording of all transactions with a unique transactional identifier and a date/ time stamp format which records transactions in all systems.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			It is important to note that no records are physically deleted. Deleting a record in the context of the Solution means to 'flagging as deleted', the record so that it is no longer visible or active and does not present 'clutter' to normal users.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			However, duly authorised users may view or report on logically deleted records.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Logically deleted records MAY NOT be reactivated. (If a record was 'flagged for deletion' in error, it will require recapturing).		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		Training and Skills transfer	End User Training which includes both theoretical as well as practical training.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Complete Solution Hand Over to Municipal Project Team including full documentation.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Deployment of an IT strategy for maintenance and future developments.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		Back up and data recovery	Data back up procedures must be continuous and roll back. Recovery should be at the maximum extent possible and not cause system down time "RAID configuration".	ICT manager	Best Practice	Completed	Ongoing	This is done and certificates are issued from the FMS service provider	

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			Disaster recovery sites are either off site at the municipality or cloud based solutions that are to be tested regularly.	ICT manager	Best Practice	Completed	Ongoing	This is done and certificates are issued from the FMS service provider	
			Daily, weekly, monthly and yearly backups must be documented and signed-off.	ICT manager	Best Practice	In progress	Ongoing	ICT and munsoft as per SLA, other subsystems ICT to provide	
	Performance Management System	Performance Management System that gives effect to chapter 6 of the Municipal Systems Act, 2000	Due to the nature of local government the performance management system of a municipality originates from its integrated development plan (IDP) and as such the key performance indicators are created in the IDP. This module therefore formally start with and should assist in the compilation of the IDP.		Best Practice			Action Assist is currently used for perfomance management of employees. Vendor performance is still a manual process.	
			The performance management system should as a minimum produce the following documents:						
			The integrated development plan (IDP) for publication;		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	IDP document is still a manual process
			The service delivery- and budget implementation plan (SDBIP);		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	SDBIP is done manually by Ignite service provider
			The service level agreements (SLA's) and performance contracts;		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Reporting on service delivery- and budget implementation plan (SDBIP) indicators (inclusive of financial performance indicators); and		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			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. 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.
	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 52(d).	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	
			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	

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			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	As per Regulation by NT business processes	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	As per Regulation by NT business processes	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 section/ Budget section/N Rossouw - Data section	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 Manager to test and drive. Distinction to 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	As per Regulation by NT business processes	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)
			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	
			Annual report;	AFS and reporting	mSCOA Regulation	Completed	2022/07	Annual report is done outside the system and uploade on Go muni on required date	
			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 form the financial system to compile	
			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.	
			PAYE and 501 reconciliations;	Payroll	Legislation	In progress	Ongoing	Reconciliation is perform manually by information from the payroll system	
			IRP 5; and	Payroll	Legislation	In progress	Ongoing	Reconciliation is perform manually by information from the payroll system	
			Unemployment Insurance Fund (UIF) forms.	Payroll	Legislation	In progress	Ongoing	Reconciliation is perform manually by information from the payroll system	

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Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)									
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.									
	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	As per Regulation by NT business processes	Software provider testing and demontstration performed on the following integration between the planning and financial core system: 1. New Projects / IDP created within the capital planning module CP3 - There is however not the required inetgration established as required in terms mSCOA requirements. Fiies have to be exported to excel corrected updated and imported. New capital projects to be created in FMS as projects sequience is determined in FMS. Due to not integrating this cannot be automated. No real time testing of project validiity in CP3 to FMS when captured. 2. Budget allocated within the planning module - but exported as explained in 1 above. 3. Transactions and adjustment budget within the Financial core system and uploaded to the planning module. 4. Operating - Budget captured on all mSCOA segments in the core firnancial system. Await the NT business processes to be regulated	Prioritisation of Budget is done on CPS initially, once projects are forced out / or in to balance to funding sources, prioeritisation cannot be done agaon automatically/ Manual process to be follwed then.
			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.	
			The system should be able to link budgeting to final integrated development plan (IDP) priorities.	Budget Office	NT demo issue	Completed	As per Regulation by NT business processes	IDP module not availaable: Budget do not integrate with IDP as IDP module does not exist. Capex is done through the CP3 module where IDP parameters can be linked. Budget linked at parameter level	There are certain CP3 limitations/challenges as per issues logged with vendor.
			Budgeting on the factual elements of typical work streams.	Budget Office	mSCOA Regulation	Completed	2022/07	Typical workstreams used in budget and actual transacting.	
			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 in FMS	
			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	In progress	2027/07	Functioality not available. Call logged	Call was logged
			Incorporation of the sub module's elements.	Budget Office	Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Tracking of the budget process plan and timetable.	Budget Office	Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Automated workflow for departments' submissions as per budget guideline documents.	Budget Office	Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Comparison capabilities for department budget submissions, scenario's & recommendations.	Budget Office	Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			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. Partially manual	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)
			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	
			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	

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			Ensure correct dtat strings is created with budget process and that all relevant segments and parameters are correctly linked when budget string is created.	Manager Budgeting	mSCOA Regulation	Completed	Jul-17	The systems needs additional controls to prevent incorrect strings from being created to ensure correct reporting at actual stage. Call logged. System provider Development to address . Corrections to be performed prior to finalisation of budget strings being finalised. action plan for manager is in place.	
			Enable what-if inter-operability and modelling between the municipality's main budget module and the sub-budget modules.	Budget Office	Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	Minimum system specifications to address
			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:						
			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	Manual MS Word process
			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	Manual MS Word process
			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	Manual MS Word process
			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	Manual MS Word process
			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	Comply as per requirement
			The annual procurement plan;	SCM	Legislation	Not started	2026/07	To be developed	Manual on excel
			The asset maintenance plan;	All	Legislation	Not started	As per Regulation by NT business processes	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.
			Any amendments made/ proposed to the municipality's policies or By-laws;	All	Legislation	Completed	Ongoing	Changes to policies or by laws are annually approved by council	Manual process
			The rates and tariffs promulgation;	Budget Office	Legislation	Completed	Ongoing	Annually	Revenue and legal services
			The general tariff advertisement;	Budget Office	Legislation	Completed	Ongoing	Budget advertisement are published in newspapers and website	
			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	
	Revenue	A revenue sub-ledger budget module that as a minimum:	Calculate and spread budgets based on current consumption and database history.		Best Practice	Not started	To be developed	Service provider to provide roadmap once regulations have been promulgated	
			Measure and flag anomalies of the current database history against alternative information sources such as the Surveyor General (SG), Deeds Office and valuation rolls to ensure completeness of budgeting and actual billing.		Best Practice	Not started	To be developed	Service provider to provide roadmap once regulations have been promulgated	
			Provide functionality for town ship development and populate amounts and consumption on average per type of connection in this development.		Best Practice	Not started	To be developed	Service provider to provide roadmap once regulations have been promulgated	

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.
			Provide for the adjustment of distribution losses based on anticipated remedial actions on the sales loss as identified by the water and electricity distribution loss templates. Zero consumption account based on average and type of use tariffs.		Best Practice	Not started	To be developed	Service provider to provide roadmap once regulations have been promulgated	
			Create projected growth and tariff calculations taking into account the provision for bad debt and material losses. (In this regard transacting on the "Regional" segment is crucial for GRAP 104 type calculations).		Best Practice	Not started	To be developed	Service provider to provide roadmap once regulations have been promulgated	
			Planning of secondary costing i.e.. Departmental charges, internal recoveries and activity based charges informing cost reflective tariffs.		Best Practice	Not started	To be developed	Service provider to provide roadmap once regulations have been promulgated	
			Supply the general ledger's "main budget module"-budgets with the full mSCOA segments as a budget line. It should be able to provide this for revenue, expenditure and balance sheet items.		Best Practice	Not started	To be developed	Service provider to provide roadmap once regulations have been promulgated	
	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	
			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	
			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.	It was noted that some of the processes where done manually or modules not fully implemented
			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	
			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	
			Utilising historical trends, calculate the likely provision for leave and bonus provisions. This function should also be able to anticipate (if applicable) any long service allocations.		Best Practice	Not started	Future	Service provider to provide roadmap once regualtions have been promulgated	
			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.	
	Assets	An Asset management sub-ledger budget module that as a minimum:	Allows budgeting for "new capital" projects requested in the integrated development plan (IDP).		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Anticipates completion and subsequent operational costs of these "new capital" projects.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Calculates existing and anticipates new planned assets' maintenance, insurance and a percentage of "un-planned" maintenance.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	

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.
			Calculates depreciation, taking into account the impact of major repairs.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Calculates profit or loss on planned disposals.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Provides for a (contract) retention payment schedule.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Provides for grant and work-in-progress (WIP) or contract management payment schedules to assist the main budget module with its forecasting and cash flow management.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Supplies the general ledger's main budget module planned budgets with the full mSCOA segments as a budget line. This functionality should be able to provide this for both expenditure and balance sheet items.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Provide the asset maintenance plan.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
	Budget Management	Budget Management and Monitoring	Allow the public to provide comments on the budget electronically via the municipality's website. These comments together with the comments received from public sessions to be populated/consolidated onto a tool that can be accessed by the public and councillors.	Budget Office	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Automate the virement process as per the virement policy.	Budget Office	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Link the service delivery- and budget implementation plan (SDBIP) and workflow to show progress on projects and include links to service delivery scorecards and municipal procurement plans.	SDBIP	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Provide the annual procurement plan	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Integration with CP 3 (Capital budget module)	Budget/N Rossouw	mSCOA Regulation	In progress	Ongoing	Call logged	CP3 to fully integrate with the budget module on the FMS with data validation and integrity.
			Automated of opening balance of Tabled budget - Year 1	Budget/Munsoft	mSCOA Regulation	In progress	Ongoing	Call logged	Currently only the 2 outer years are automated, FMS still to be updated for 1st year to check the ADJB closing balances.
Financial Accounting									
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.									
	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.
			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.	
			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	

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.
			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	
			Drill down to transactions from the general ledger (GL) to the sub-ledger or 3rd 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.	
			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.	
			Data strings analysis on monthly reporting: Ensure data strings issues as per NT monthly analysis are addressed	Z Korasie	mSCOA Regulation	Completed	30-Jun-26	Action plan item for Manager on mSCOA action plan	
			Casf flow reporting - Differences C Schedules and Data strings upload	Z Korasie	mSCOA Regulation	Completed	01-Jul-26	Action plan item for Manager on mSCOA action plan	
	Accounts Receivable	Transactions in debtors must reflect in the AR in mSCOA segmentation	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	
			Daily balancing between sub-system and AR; and	N Rossouw	Best Practice	Completed	Ongoing	Currently part of the day end procedure to review the financial controls	
			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	
		Integration of sundry systems	Cemeteries system.		Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Fire and emergency services systems.		Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Library system.		Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Pound system.		Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Traffic fines systems.		Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
	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.	
			Align suppliers with debtors and HR modules.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		Accounts Payable (AP)	AP must include, at a bare minimum but not limited to:						

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.
			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. Setllement 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	As per Regulation by NT business processes	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	
			Retention register with auto mated update, pay-out and balancing;		Best Practice	Not started	Future	Service provider to provide roadmap once regualtions have been promulgated	
			A cession register linked to the PMU with automated allocations;		Best Practice	Not started	Future	Service provider to provide roadmap once regualtions have been promulgated	
			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	As per Regulation by NT business processes	No automation on VAT cacls, done outside the system, but information from the FMS is used.	
			The option to scan and store invoices and other documents on the supplier;		Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			A web portal for suppliers to enquire on payment status and uploading/submitting of invoices.		Optional	Not started	Future	Service provider to provide roadmap once regualtions have been promulgated	
		Cash Management	Automated receipting of bank deposits received.		Best Practice	Not started	Future	Service provider to provide roadmap once regualtions have been promulgated	
			Automated passing of journals for interest and other bank charges.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Electronic payment of creditors and salaries.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		Investments	An investment register with notifications/responses for the end of fixed investment periods (date of maturity) incorporated within the workflow. Updates from cashbook and payments must be seamless.	Investments	Best Practice	In progress	Ongoing	Investments register was implemented 1st July 2022 and processes are done on this module. System does not calculate the interest automatically. Still a manual process.	
			Produce a reconciliation of the investment register with all required documentation.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		Loan Register	A loan register capable of calculating repayments and schedule payments within the workflow.	Borrowings	Best Practice	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 borrwoing postings are currently in UAT stage.	
			Produce a reconciliation of the loan register with all required documentation.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		Tax & VAT	Fully integrated and approved VAT handling capabilities incorporating all statutory required documentation.	VAT	Legislation	Not started	As per Regulation by NT business processes	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	As per Regulation by NT business processes	No interface with SARS via the payroll of FMS, all calculations done are manually but information from the system are 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.
		Automated Work flow	Where authorisations are across line functions, the process must be automated. Examples are deviations (section 36), Subsistence and Travel claims, Personnel Requisitions, Transfer of funds(virement Policy), Asset Transfer, Clearance forms, Works orders, Leave applications, etc.		Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		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	
		Insurance Claims	Provide an insurance claims register with direct linking to the assets module.	Insurance	NT issue	Not started	As per Regulation by NT business processes	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
			Derive valuation of assets to calculate insurance premiums from the asset register.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Write-off of assets from the insurance module must update and transact on the asset register as well as the gl.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Workflow with document management and reporting must be available.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
	General Ledger		Review of monthly datastrings and ADJB as per NT feedback	Reporting/Budget/N Rossouw	NT issue	In progress	Ongoing	Reviews from NT as per Zaheer Kahn mails, issues to be identified of differences and to be corrected as needed	Budget issues to be corrected in budget cycle and incorrect monthly movements by reporting before next reporting cycle
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.									
	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.									
	Project Creation & Planning	Y	A comprehensive project module that allows for integrated development plan (IDP) objectives to be transferred into the project module for planning, budgeting and ultimately reporting purposes.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	

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.
			The municipal budget module must be aligned to the project module.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Projects registered in the project module must be aligned to the mSCOA Project segment.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			All segmentation of mSCOA must be incorporated into the project module, whereby a project based budget is produced, informed by the integrated development plan (IDP) and giving input to the annual service delivery- and budget implementation plan (SDBIP).		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Capital acquisition, maintenance and replacements must be driven from the project module.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Operating budget items such as operating expenditure on repairs and maintenance, operational costs and typical work streams must originate from the project module.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
	Project Management	Project Management Unit (PMU)	Project management and stakeholder inputs must be controlled by clear business processes and user access controls.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Projects net completed within a financial year must be carried over and work-in-progress (WIP) items registered.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Project managers should have full access to their projects within the limitations of the budget and internal policies.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Workflow processes must assist in project maintenance.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Strict budget control as per the approved integrated development plan (IDP) must be maintained.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			A Safety, Health and Environmental (SHE) module to comply with general Health and Safety Regulations should be incorporated within the system. (For example the Construction Regulations, the Occupational Health and Safety (OHS) Act, 1993, General Administrative Regulations, General Safety Regulations and the National Environmental Management Act, 1998)		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Regulatory Safety, Health and Environmental (SHE) documentation must be available in a document management tool with defined check lists and milestones.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Health and safety incidents must be recorded and managed on the system and reported as per legislation.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	

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.
	Cash Management	Bank Reconciliation	***A fully integrated and automated cashbook module that links to the banking sector and allows for at least:***						

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.
			Allow for multiple bank accounts and sweeping between accounts;	Cash book	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			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.	
			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.	
			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	
			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	
			Automated reconciliation of bank statements to the ledger and supplying supporting documentation for management.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Forecasting of cash must be available on a dashboard.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			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	
		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	
			Internal cash receipt with drawdown of petty cash.	Creditors	mSCOA Regulation	Completed	2022/07	Petty cash module implemented and currently transacting on this module	
			Automated payment requests with user authorisation and access control.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		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.
			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.	
			Interest Received and interest expense reconciliation.	Interest	mSCOA Regulation/NT demo issue	Not started	As per Regulation by NT business processes	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.
			Cash Flow Management which includes forecasting and analysis and full integration with the budget and financial accounting modules.		Optional	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Funds management and budget availability control.		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	

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;

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.
(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.*									
	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	***The supply chain module should as a minimum have the following functionality:***						
			Allow for requisition from the annual procurement plan;		Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Align requisition to be project based;	SCM	mSCOA Regulation	Completed	2022/07	Requisitions issued against combination of mSCOA segments	
			Supplier rotation management (parameter driven);	SCM	Legislation	Completed	2022/07	Rotations on the FMS in the SCM module	
			Supply Chain Deviation Management Facility in terms of legislation;	SCM	Legislation	Not started	As per Regulation by NT business processes	Deviations are performed manually and codes needs to be selected on the FMS when capturing requisition.	
			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.	
			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	
			Electronically manage the invitation, bid closure and adjudication process with a full document management server unpinning the cycle;	SCM	NT issue	Not started	As per Regulation by NT business processes	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.	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.
			Record and electronically store the bid adjudication committee's meeting minutes and store the minutes on the document management server;	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Ensure the service level agreement (SLA) and allocation letters are electronically archived prior to any payment being made;	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Enforce where applicable retention enforcement and manage retention registers;	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Tender management	SCM	NT demo issue	Not started	As per Regulation by NT business processes	Tender management are manually performed outside of the system. Below R30 000 process currenlty on the FMS.	
			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	
			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. Full life cycle assets management system does not exist and still has toe be developed.	

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.
			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	
			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.	
		Contract Management that gives effect to MFMA section 116.	Contract management through workflow and audit trail.	SCM	NT demo issue	Not started	As per Regulation by NT business processes	Manually contract register is in place, Munsoft contract management module is currently in progess for being tested,	
		Requisitions	Different requisition origination such as online, manual, stores and other modules.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Project based requisition forms.	SCM	mSCOA Regulation	Completed	2022/07	Requisitions issued against combination of mSCOA segments	
			mSCOA segmented capturing.	SCM	mSCOA Regulation	Completed	2022/07	Requisitions issued against combination of mSCOA segments	
			Ability to attach documents to online requisitions such as drawings or specifications.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Must support full work flow and electronic signatures.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		Projects	Must be able to supportthe generation of mandatory budget pricing at the beginning of the project and the maintenance thereof.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Follow accepted project management methodology through work flow and document management.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Allow for incentives, penalties and returns.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		Supplier Evaluation	Evaluate supplier performance in accordance with contract deliverables.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Update incentives and penalties to supplier database.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Automate notification alerting relevant system users when a supplier's BEE certificate and tax certification reach expiry dates.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		Request for quote, quotations and Request for proposals	Maintain a Request for quote, quotations and proposals database linked to suppliers.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Automated notification of price differences outside of approved variance.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Commodities setup in financial system to CSD	SCM	NT demo issue	In progress	Ongoing	Commodities not propertly set up in the financial system which impact the CSD.	SCM decided not to sync with commodities of CSD. Manually set up
			Automated evaluating of quotations with parameters.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Comparative tables for allocation of bids.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Automated notification and ordering system.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Workflow and document management in quotation process.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
		Purchase Order Processing(PO)	Allow for automated purchase orders from approved requisitions.	Creditors	Best Practice	Completed	2022/07		
			Electronic authorising and signing of purchase orders (PO's) through workflow process.		Best Practice				
			Automated sending of purchase orders (PO's) to supplier through email and/or fax.		Best Practice				
			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 auromated 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.
			Automated transfers of outstanding orders to future periods with budget controls.	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Align purchase order (PO) deliverables to the annual service delivery- and budget implementation plan (SDBIP).	SCM	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
	Inventory	Inventory / Stores sub system	All consumable items in terms of the classification framework is purchased via an inventory principal. This include direct purchases like pens, stationary, etc.	Inventories	mSCOA Regulation	Completed	2022/07	All consumables are purchased via the inventory consumed expenditure segment in standard/Zero/Materials and supplies	
			In terms of the above, all systems should cater for a stores module be it virtual or actual that will allow management to control the consumable items in an effective and controlled manner.	Inventories	mSCOA Regulation	Completed	2022/07	Consumable store for zero rated and standard rated is in place at SBM where goods can be issued via store requisition	
			The stores module must seamlessly integrate and balance with the core financial system.	Inventories	mSCOA Regulation	Completed	2022/07	Stores are updated and posted to the GL as part of day end procedures	
			Where a full stores module is operational, high value items should annually be measured to establish whether any of these items should be capitalised as 'assets'.	Inventories	Legislation	In progress	Ongoing	High value items are done on year end with posting of a journal to the GL	
			Normal functions should be included as standard best practice and should include but not be limited to: Warehouse management; Acquisitions; Stock Level Management; Disposals; Automated consumable stores stock count sheets (departmental stores).	Inventories	mSCOA Regulation	Completed	2022/07	Warehouse Management: The stores are centralised and the MUNSOFT Stores Menu is used. Inventory Acquisitions are brought into the system via GRNs. The Inventory Acquisitions and Issues are performed using MUNSOFT Stores. MUNSOFT Stores also has minimum and maximum levels for inventory. Stock counts are performed. Stock Adjustments can be made using MUNSOFT Stores.	
Grant Management									
Grant management includes all the activities, processes and procedures to register and reconcile all the grants allocated, received and spent according to the conditions in the Annual Division of Revenue Act.									
	Subsidies	Maintain a grant register that as a minimum:	Provide for a grant register linked to ledger accounts.	Grants	mSCOA Regulation	In progress	Ongoing	Manual grants register in place, but not on Munsoft application. Grant capturing and revenue recognition is performed via journals on the General Ledger. Currently being tested	The grants module is in process of being tested and results will be provided to the service provider. Detailed listings will be provided to service provider for enhancements and issues identified during the tests performed. Currently there are some VAT issues on the grants on various reports not shown.
			Automate receipt allocation of grants.	Manager AFS	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Automate payment allocations.	Manager AFS	Best Practice	Not started	Future	Service provider to provide roadmap once regulations have been promulgated	
			Link to mSCOA funding source with budget control.	Manager AFS	mSCOA Regulation	In progress	Ongoing	Manual grants register in place, but not on Munsoft application. Grant capturing and revenue recognition is performed via journals on the General Ledger.	
			Provide for reporting in accordance with the mSCOA Regulation and internal control.	Manager AFS	mSCOA Regulation/NT demo issue	In progress	Ongoing	Grant reporting (Grant Registers, Funding reports, etc.) are done manually and a grant management report is not available. Reliance is placed on the General Ledger detail to drill down on the performance against the grant receipts and revenue recognition. The municipality has indicated that it has not yet implemented the Grants Module.	
Full Asset Life Cycle Management including Maintenance Management									
In terms of Section 152 of the Constitution, local government's primary mandate is to ensure services are provided in a sustainable and developmental manner; this notion and spirit is supported by the MFMA. Good asset management facilitates the provision of services in a financially sustainable manner and requires adequate automation of critical process within the asset management cycle. Typical to an effective and efficient system at least the following functions need to be addressed as part of the minimum business process requirements – *(a) Safeguarding of assets, e.g. asset tracking, numbering and locations;* *(b) Maintaining assets, planned and unplanned maintenance which needs to also incorporate capital asset renewal;* *(c) Maintenance costing as an input into asset replacement plans;* *(d) Establishing and maintaining a management, accounting and information system that accounts for the assets 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.
(e) Asset valuation principles in accordance with Generally Recognised Accounting Practice (GRAP); *(f) Establishing and maintaining systems of internal control over assets;* *(g) Establishing and maintaining an asset register;* *(h) Clarifying responsibilities and accountabilities for the asset management process, and* *(i) Insurance of assets.*									
	Asset Management	Subject to the existing legislative and generally recognised accounting practice (GRAP) requirements:	***An asset and liabilities subsystem that gives effect to MFMA section 63:*** Assets classes with its associated asset types to manage the accounting policy statements in the financial statements as well as give overall control of all assets within asset classes with its associated useful lives and its associated SCOA reporting framework. It should also include the NERSA Regulatory Reporting Manual (RAM) classification as well as the Department of Water Affairs (DWA) in order for the municipality to comply with NERSA and DWA requirements. All asset transaction types must be accommodated in a flexible manner to accommodate future expansion within the SCOA framework. An audit Trail, with an enquiry facility into the audit trail, of all movement within these files is a requirement. ***The 'asset management system' module should:***						
			Manage the full asset life cycle;	Assets	Legislation	In progress	As per Regulation by NT business processes	Asset management maturity assessment currently been undertaken in paternership with PT, outcome of assessment in conjunction with NT expectations will formualte the assessment, according to ISO 5000 . SIDPM. There are however various challenges due to different sub-systems, i.e IMIS, CP3 where integration will be required. Full assets life cycle module / system still to be developed .	Processes are not automated and system not fully utilised to manage municipal assets. System currently does not provide for a full asset management lifecycle.
			Manage the contract and build phase of the project by registering the component and rolling the accounting transaction up to the work-in-progress (WIP);	Assets	Legislation/NT demo issue	Not started	As per Regulation by NT business processes	Capital Project reconciliations are performed manually. Work-in-progress (WIP) is calculated manually and journalised to the General Ledger.	
			Immediately after a completion certificate is received, unbundle assets and maintain the parent-child relationship between the main asset and its components;	Assets	mSCOA Regulation	In progress	Ongoing	Unbundling of assets are done annually. Unbudnling is done on the IMIS system and extracted from the FMS	
			Enable *table-to-floor* inspection sheets (electronic devises are preferred) as well as *floor-to-table* look-up methodologies;	Assets	Legislation	Completed	2022/07	Done electronically via scanners.	
			Host the insurance register and constantly update the portfolio as new assets are purchased or if there is progress on the value of work-in-progress (WIP);	Assets	Legislation	Not started	As per Regulation by NT business processes	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. The insurance portfolio is annually updated manually.	
			Compile and monitor expenditure against the asset maintenance plans;		Best Practice				
			Integration to billing systems to monitor investment properties and valuation inconsistencies;		Best Practice				
			Utilise the billing system functionality to ensure ownership of land and buildings to the deeds register;		Best Practice				

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.
			Integration of the electronic scanning and verification device. The purpose is to ensure annual verification and conditional assessment with GPS co-ordinate capturing to the nearest extent possible; and		Best Practice				
			Seamless integration with a Geographical Information System (GIS) or alternative mapping enabled graphical user interphase.		Best Practice				
		Identification of Assets	Ability to identify and track assets in a hierarchy structure of departments, locations, components and sub-components.		Best Practice				
			Define Cost Centres, Work Centres, assigning of re-servicing the equipment to an individual.		Best Practice				
			Allow for criticality rating to be assignable to each asset via the risk assessment model.		Best Practice				
			Ability to link movable assets to third party asset tracking systems.		Best Practice				
		Maintenance Strategies	Must be able to configure different strategies.		Best Practice				
			Ability to attach and insert links to Technical Documentation throughout the maintenance module.		Best Practice				
			Must cater for a master maintenance schedule with reporting of 'maintenance done'.		Best Practice				
			Must be able to indicate the lifespan of equipment for replacement budgeting purposes.		Best Practice				
			Must be able to track warranty periods by components.		Best Practice				
			Support call centre notifications and maintenance of assets with integrated workflow.		Best Practice				
		Fleet Management	Fleet Management system.		Best Practice				
		Fleet Tracking	Fleet Tracking system.		Optional				
Real Estate and Resources Management									
Real estate management includes the management of land plus anything permanently fixed to it, including buildings, sheds and other items attached to the structure that are both lease-in and lease-out. It can be grouped into three broad categories based on its use - residential, commercial and industrial. Examples of real estate include undeveloped land, houses, condominiums, town homes, office buildings, retail store buildings and factories. Specific attention needs to be given to the property register inclusive of owned and leasehold properties, tenant and occupant information, lease contract administration and management, occupational health and safety requirements, insurance, etc. Other resources management among others include fleet (vehicle) management, plant and equipment, etc. including the hiring thereof.									
	Property management	Rent out	Maintain a rent register for rental properties.	Property services/Revenue/Exp	NT audit issues	Not started	As per Regulation by NT business processes	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
			Holiday resort systems.	Property services/Revenue/Expenditure/Assets	NT audit issues	Not started	As per Regulation by NT business processes		
			Automated rent renewals with workflow and document management.	Property services/Revenue/Expenditure/Assets	NT audit issues	Not started	As per Regulation by NT business processes		
			Link to debtors system for collection of rent.	Property services/Revenue/Expenditure/Assets	NT audit issues	Not started	As per Regulation by NT business processes		
			Link to valuation system.	Property services/Revenue/Expenditure/Assets	NT audit issues	Not started	As per Regulation by NT business processes		
			Link to asset register.	Property services/Revenue/Expenditure/Assets	NT audit issues	Not started	As per Regulation by NT business processes		

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.
		Facilities	Facilities rental module updated from receipting with workflow refunds.	Property services/Revenue/Expenditure/Assets	NT audit issues	Not started	As per Regulation by NT business processes		
		Rent in	Lease register with work flow and document management.	Property services/Revenue/Expenditure/Assets	NT audit issues	Not started	As per Regulation by NT business processes		
			Automated payment scheduling.	Property services/Revenue/Expenditure/Assets	NT audit issues	Not started	As per Regulation by NT business processes		
	General Processes	Maintenance	Maintenance module for properties and facilities.	Assets	Optional				
			Facilities Management (Maintenance).	Assets	Optional				
Human Resource and Payroll Management									
Human resources and payroll management is the organisational function that deals with issues related to employees such as compensation, hiring, performance management, organisational development, safety, wellness, leave management, benefits, employee motivation, communication, administration, and training in line with the prescriptions of the Labour Relations Act. Staff establishment, human resources development and expenditures on staff benefits should be done according to the processes and procedures set out in the MSA and MFMA. Pay roll management entails the administration of the financial record of employees' salaries, wages, bonuses, net pay, and deductions and should be done within the limits of the approved budget and the prescriptions of the South African Revenue Services (SARS). Budgeted remuneration and benefits needs to be directly aligned to the approved staff establishment with provision for vacancies shown separately and all staff payments must be reconciled monthly. The issue of productivity or performance management needs to be addressed by using the latest available technologies such as bio metrics devices.									
	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	Organisation Management.	HR/Payroll	Legislation/NT demo issue	Not started	As per Regulation by NT business processes	The organogram is not on the Payday system. There is functionality on the payday system where the poste can be captured to the name of the employee. The organogram is not accommodated in Payday where it can be viewed as part of the organogramt per department. There is a list populated on the payday system, however die post linkage and employees per dept cannot be confirmed from a completeness perspective ito hierarchy.	HR in process to investigate and implement.
			Employee Records Management.	HR/Payroll	Legislation	In progress	Ongoing	Employee records are filed at a centralised place at the Admin dept	
			Leave Records Management.	HR/Payroll	Legislation	Completed	2022/07	ESS system is used for leave application and authorised as per delegation	
			Leave Pay Accrual to be automated also to be retrieved on an ad hoc basis.		Best Practice				
			E-Leave functionality.		Optional				
			Training and Development Management.	HR/Payroll	Legislation	In progress	Ongoing	Individual development plans handled by HR	Manual process
			Recruitment and Selection Management.	HR/Payroll	Legislation/NT demo issue	Not started	As per Regulation by NT business processes	The HR processes for recruitment are manual processes	Manual process
			Performance Management.	HR/Payroll	Legislation	Completed	2022/07	Performance management are done on action assist	
			Travel claims Management.	HR/Payroll	mSCOA Regulation	Completed	2022/07	Travels claims are done via the payroll system when claim form signed off as per delegation is received. Submission form is still an manual process.	
			Human Resource Self Service.		Optional				
			Talent Management.		Optional				
			Career Path Management.		Optional				
			Payroll and Benefits Management.		Optional				
			Automated reconciliation at predetermined intervals.		Optional				
			Overtime claims Management/ Time off in lieu.	HR/Payroll	Legislation	Completed	2022/07	Overtime are done via the payroll system when overtime form signed off as per delegation is received. Submission form is still an manual process.	
			Special Allowance Management (e.g. acting, secondments, etc.).	HR/Payroll	Legislation	Completed	2022/07	Acting are done via the payroll system when acting form signed off as per delegation is received. Submission form is still an manual process.	
			Refunds to staff in respect of over-deductions and ad hoc payments.	HR/Payroll	Legislation	Not started	2022/07	Payday reversals	

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.
			Deductions and payments to third parties (e.g. medical aids, SARS, union contributions, etc.).	HR/Payroll	Legislation	Completed	2022/07	Payments made to 3rd parties are performed in the payroll system and co ordinated with the banking systems	
			Ad hoc payroll runs must reflect in the Financial Management System.	HR/Payroll	mSCOA Regulation	Completed	2022/07	No ad hoc payments are done by SBM	
			Must cater for pensioners' benefits.	HR/Payroll	mSCOA Regulation	Completed	2022/07	Pensioners medical aid is on the payroll system	
			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	
			Employee Relations.	HR/Payroll	Best Practice				
			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	
			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	
			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	
			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	
			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	
			Narrative type pay slips must be provided (Hard copy and electronically).	HR/Payroll	Legislation	Completed	2022/07	Printed and electronic payslip available	
			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	
			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	
			Provide a payment hold facility.	HR/Payroll	Legislation	Completed	2022/07	Hold facility on the payday system by making pay type different as EFT	
			Third Party deduction and payments in terms of schedules or ad hoc basis.		Best Practice				
			Variance reporting.		Best Practice				
			The ability to calculate back pay across tax periods and increment periods must be provided for.		Best Practice				
			The system must allow for dummy validation pay runs to be carried out prior to running the final run.		Best Practice				
			All temporary staff (e.g. seasonal workers, learner ship programs, contract workers, etc.) to be controlled via Budget availability.		Best Practice				
			Provision to maintain (add, amend, delete) conditions of service pertaining to specific posts.		Best Practice				
			The Payroll System must be able to accommodate or account for all vacancies (i.e. funded and or unfunded vacancies) based on a Council approved Organogram in terms of. Section 66A of the Municipal Systems Act Amendment Act (MSAA).		Best Practice				
			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	

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.
			Ensure that all employees' and councillors' declaration of interest and related parties are captured on the master files.		Best Practice				
			Bank account monitoring against supplier and/ or contract payment AND against own and related parties bank accounts.	HR/Payroll	Best Practice	Completed	2022/07	Payments to third parties are performed and co-ordinated with the Banking systems.	
			Test against the central database for contracts with any 'organs of state'/ "persons in the service of state" and supply the central database with employees' and related parties' details.		Best Practice				
			Supply the central database with the identification (ID) numbers of employees, councillors and related parties.		Best Practice				
			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.	
			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.	
			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.	
			Create the clearing transactions that clear the integration control, these transactions include:						
			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.	
			Creation of "invoices" for 3rd 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	
			Provide for an employee portal to update personal information and re-produce documents.		Best Practice				
			The system must support a disciplinary module which should allow for (not complete list): - Grievances created (bottom up workflow) - System should recommend action to be performed based on type of grievance - Allow for exception reporting (when a grievance is not being addressed in correct time frame)		Best Practice				
	Time Management		Work schedule and shift planning.		Best Practice				
			Time data recording and administration.		Best Practice				
			Align with Safety Health and Environmental (SHE) module.		Best Practice				
	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.	
			Support multiple payrolls with different pay structures.	HR/Payroll	Legislation	Completed	2022/07	SBM uses different companies to pay different structures and are update to the FMS after each company is in balance	
			Produce, in conjunction with the Human Resource system, a multi-year budget in the mSCOA segmentation.	HR/Payroll	mSCOA Regulation	Completed	2022/07	Payday is used for budgeting in the 1st MTREF year and % escalation is used for the 2 outer years. Payday can only do 1 year budget.	
			Integrate with the time management system.		Best Practice				
			Ability to submit statutory reporting to SARS for all taxes.	HR/Payroll	Legislation	In progress	Ongoing	Inforamtion can be submitted to SARS from Payday but No integration with SARS	

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.
Customer Care, Credit Control and Debt Collection									
Each municipality must within its financial and administrative capacity establish a sound customer management system as prescribed in the MSA. Credit control and debt collection is the responsibility of the municipality and processes, procedures and mechanisms must be implemented in line with the policy as adopted by the Council as prescribed in the MSA.									
	Credit Control	A credit control and debt collection system that integrate with the revenue management system and that gives effect to Chapter 9 of the Municipal Systems Act, 2000	***The system should enable the municipality to manage an end-to-end debt collection process and must:***					Debt collection processes are largely manual processes. MUNSOFT does provide a "Cut-off" Menu with warning letters. Manual processes are used for internal checks with the use of WINDEED (for ownership). The list of handovers is prepared and reviewed by senior municipal officials. The provision for doubtful debts/impairment is a manual exercise. Debt collection is managed through an external system called Collection Wise. The third-party system does not integration with the core ERP MUNSOFT system. The Rumas system is utilised for the debt collection process. The indigent information is captured and uploaded on to the Rumas system. The Rumas system provides for credit bureau, deeds office and home affairs checks, etc. The Rumas system does not integrate with MUNSOFT.	Currently no integration with debt collection - Rumas.
			Provide for SMS, email and hand delivered late payment notifications;		Best Practice				
			Provide for parameter based disconnection list generation;		Best Practice				
			Manage re-connection and arrangements with integrated notes on the debtor master file and workflow with technical services;		Best Practice				
			Integrated clearance applications and calculations;		Best Practice				
			Final demand and summons issuing; and		Best Practice				
			Management of attorney actions on an integrated level.		Best Practice				
			If the module is a 3rd party solution – it must as a minimum integrate the fees as well as the action history to the billing sub-ledger. This integration must be seamless.	Credit control	mSCOA Regulation	In progress	Ongoing	Rumas is used as a credit control system but no automated integration . Still file sent to and from.	No integration currently exist.
		Debtor Classification and Categorisation	Indigent Management (Assistance-to-the-Poor).	Indigents	NT demo issue	In progress	Ongoing	The Indy Reg system is utilised for indigent management. The indigent register is prepared outside of the system on Indy Reg, and reports are manually sent to the MUNSOFT system for document management. The Rumas system is utilised for the debt collection process. The indigent information is captured and uploaded on to the Rumas system. The Rumas system provides for credit bureau, deeds office and home affairs checks, etc. The Rumas system does not integrate with MUNSOFT.	No integration currently exist.
			Indigent Register must be accommodated in a work flow of various administration processes including, but not limited to:		Best Practice				
			Online Application;		Best Practice				
			House visit;		Best Practice				
			Capturing of details;		Best Practice				
			Verification of details, Test against Central Supplier Database;		Best Practice				
			Authorisation of application;		Best Practice				
			Automated Subsidy, Write Off and reversals thereof.	Indigents	mSCOA Regulation	In progress	Ongoing	Subsidy is calculated and automated as part of the tariff when indigent is switch on, reversal of subsidy is however a manual process where debit note is done against account.	Debit note are done on the consumer module

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.
		Arrear Arrangements	*Arrear arrangement functionality must be a ccommodated in a work flow of various administration processes including , but not limited to :*						
			Online Application;		Best Practice				
			Authorisation of application;		Best Practice				
			Automated arrangement financials;		Best Practice				
			Automated Default process;		Best Practice				
			Irrecoverable Debt Write Off process;	Credit control	mSCOA Regulation	In progress	Ongoing	Write off is approved by council and only after approval, arrears can be written off, not automated process due to timing for approval	Manual process in place
			Restriction and Reinstatement of Credit and prepaid meters;		Best Practice				
			Meter Tampering Management;		Best Practice				
			Debtor (individual/group) dashboard;		Best Practice				
			Management facility to monitor Debtors that are also Service Providers (creditors) set off Management;		Best Practice				
			Management of staff arrear set off.		Best Practice				
		Legal Process	Up to the Default Judgement.		Best Practice				
			Debit Order Payments.		Best Practice				
			Councillor Arrear Management.	Credit control	Legislation				
			Specialised Functionality for Third Party Interfaces (e.g. Staff Arrear Set Offs, Prepaid Vending Arrear Set Offs, Prepaid meter blocking/set offs, etc.)	Credit control	Legislation	Completed	2022/07	3rd party interfaces/updates are done daily to prevent blocking of arrear accounts in prepaid	Manual process in place
	Customers	Customer portals to give effect to Section 95 of the Municipal Systems Act, 2000 which (amongst other) requires the following:	***A sound customer management system that:***						
			Aims to create a positive and reciprocal (give-and-take) relationship between persons liable for payments and the municipality;		Best Practice				
			Establishes mechanisms for users of services and ratepayers to provide feedback to the municipality or other service providers/ mechanisms (of the municipality) regarding the quality of the services and the performance of the municipality or its service providers/ mechanisms;		Best Practice				
			Provides accessible mechanisms to any person to query or verify municipal accounts and metered consumption;		Best Practice				
			Enables electronic query and appeal procedures which allow persons to receive prompt response/ action to 'inaccurate accounts' queries;		Best Practice				
			Enables structured workflow mechanisms to deal with complaints from such persons, together with prompt replies and corrective action by the municipality;		Best Practice				
			Mechanisms to monitor the municipality's response time and efficiency in complying with the above; and		Best Practice				

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.
			Provides for accessible, secure and electronic payment channels.		Best Practice				
		Customer Relations Management & Community Liaison	Able to automate customer registration.		Best Practice				
			Automate the registration of services (water, electricity & prepaid electricity).		Best Practice				
			Automate the allocation of funds to the customer to trigger instruction to unblock/ reconnect suspended service.		Best Practice				
			Automated customer correspondence capabilities which includes, but is not limited to, automated responses to customer enquiries, linking a reference number to the customers account.		Best Practice				
			Updates on statements which will reflect latest adjustments.		Best Practice				
			Integrate community liaison (e.g. service interruptions).		Best Practice				
			Account payments and cashier balancing on one system.		Best Practice				
			Must have real time reflection of payments.		Best Practice				
Valuation Roll Management									
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 information for spatial analysis in a Geographical Information System (GIS).		Best Practice			No system module to manage valuation roll. Maintained in excell spreadsheet/pdf. No integration with GIS/Property/Land use	Demonstration on building control processes in IMIS 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.
			Integrate with the land use system to ensure appropriate tariffs is timeously applied.		Best Practice				
			Integrate with the Surveyor General (SG) database and town planning systems in use at the municipality.		Best Practice				
			Integrate with the deeds registry and monitor actual sales with current valuations as well as ownership against the billing system.		Best Practice				
			Validate and report anomalies in the asset register on municipal owned properties.		Best Practice				
			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	

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.
		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	As per Regulation by NT business processes	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.	
Land Use Building Control									
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.									
	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.
			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.
			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.
			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.

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.
			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.
	Special	Integration with external stakeholders	Must be able to align property register with the Surveyor General register.		Best Practice				
			Where a 3rd party GIS system is used integration should be seamless.		Best Practice				
			Integration with the asset register for municipal properties.		Best Practice				
	Building Control	Integration to the Town Planning function	Building plan submission and approval.		Best Practice				
			Document management for building plans and zoning certificates.		Best Practice				
Revenue Cycle Billing									
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.									
	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:***						
			Measure and flag anomalies of the current database transaction (all services) against alternative information sources such as Surveyor General (SG), Deeds and valuation rolls to ensure completeness of actual billing;		Best Practice				
			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
			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
			Provide accessible pay points and other mechanisms for settling accounts or for making pre-payments for services;		Best Practice				
			Provide adequate information for spatial analysis in a GEOGRAPHICAL INFORMATION SYSTEM (GIS) system;		Best Practice				
			Create and Maintain Regional Structure;	Revenue	mSCOA Regulation	Completed	2022/07	Consumers linked to each ward in sub module	
			Integrate with valuation and property systems;		Best Practice				
			Allow for multiple billing cycles;		Best Practice				
			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	
			Produce monthly invoices to debtors and group accounts;	Revenue	Legislation	Completed	2022/07	Invoices are producing every month and print or email to consumers	
			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	

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		Specific but not limited requirements	Must have report writing capabilities for standard & Ad hoc reporting (daily, monthly & annual).	Report writer	mSCOA Regulation	Not started	As per Regulation by NT business processes		
			Maintenance of tariffs as per the tariffing section.	Tariff	Legislation	Completed	2022/07	Tariffs can be adjusted and setup as needed	
			Integrate with debt collection for disconnections and reconnections.		Best Practice				
			Integration into 3rd party software for receive readings taken.		Best Practice				
			Must be able to store infrastructure (metering) diagrams which will show the physical location of meter in order to be able to drill down to all of the relevant information concerning the meter in question.		Best Practice				
			Must have a full process and document flow for terminations and re-connections of services and the relevant documentation.		Best Practice				
			Must integrate with the Geographical Information System (GIS) to the extent that reticulation of services can be viewed as a layer at any point in time within the context of the current property being worked on.		Best Practice				
		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
			Generate statements at any point in time and consolidate at customer level.	Billing	Best Practice	Completed	2022/07	Billing occurs at the end of each month and payments in the following month.	
			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.	
			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	
			Customer must be able to nominate between mailing, MMS or e-mailing of monthly statement.	Billing	Best Practice	Completed	2022/07	Options available and consumer portal to view and mail consumer account. Each consumer have their own login details	
		Revenue receipting	Must adhere to applicable legislation and by-laws.	Receipting	Legislation	Completed	2022/07		
			Allow for all accepted payment methods at cashiers, including automated payment and clearing of card payments.		Best Practice				
			To accommodate fully automated processing of multiple receipting streams including but not limited to:						
			Payroll;		Best Practice				
			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
			Cash Offices;		Best Practice				
			Traffic;		Best Practice				
			Other Municipal Directorates (e.g. Fresh Produce Market, Libraries, etc.).		Best Practice				
			To cater for multiple bank accounts.	Receipting	Best Practice	Completed	2022/07		

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			Processing of payments at supervisor controlled cash offices to accommodate cashier opening, balancing and closing.	Receipting	Best Practice	Completed	2022/07		
			Multiple daily and monthly online and automated reconciliations.	Receipting	Best Practice	Completed	2022/07		
			Receipting to be online.	Receipting	Best Practice	Completed	2022/07		
			Cash payments must be able to be processed during database server and network downtime.		Best Practice				
			All pay points and receipting streams to be uniquely identifiable in the sub ledger and general ledger.		Best Practice				
			Receipting to also accommodate specialised payment types e.g. Rates Clearance, Arrear Debt arrangements, Assistance-to-the-Poor, Service Deposits, etc.		Best Practice				
			To accommodate the correction of erroneous and/or rejected receipts.		Best Practice				
			Facility to reverse "refer to drawer"(R/D) for Cheques, debit orders and IVR payments.		Best Practice				
			To facilitate debit orders.		Best Practice				
			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
			Interface with barcode scanner to scan account numbers from the statements.		Best Practice				
			Recording of cheque details.		Best Practice				
			Reversal of receipt and associated interest where applicable.		Best Practice				
			While the billing process itself follows standard accounting practices for raising debit and credit transactions, the tariffs of charges and the business rules that govern the selection of the Appropriate tariff are complex. The Solution will provide functionality to calculate the amounts due for services and levies in accordance with the determined tariffs and business rules.		Best Practice				
			Calculate the income due to the municipality for services and/ or products or property, on a regular, user defined and maintainable basis.		Best Practice				
			Generate invoices and/or statements for the amounts payable to the municipality on a regular, user defined and maintainable basis.		Best Practice				
			Group accounts into one or more 'billing cycles' based on user defined criteria.		Best Practice				
			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	
			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:						
			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	

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.
			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	
			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	
			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	
			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	
			Functionality is required to process different Debtor and property categories according to different business rule or time frames.		Best Practice				
			Tariffs are stored by effective date from inception and all history is retained to enable recalculation of accounts even over different tariff periods.		Best Practice				
			Functionality is required for the system to automatically apply new tariffs from the effective date specified in the tariff record. At this time the 'current ' tariff will receive a status of 'expired' and the 'new' tariff becomes 'current'.		Best Practice				
			Miscellaneous Charges: Certain miscellaneous charges may be raised at regular intervals (monthly, quarterly, annually) and fixed periods whilst others are raised on an ad hoc basis with automated escalation dates and percentages.		Best Practice				
		Meter Management (credit and prepaid)	Functionality is required to link the numbered meter that is used to measure the consumption of services to the erf/ property on which the meter is installed. It is important to note that there may well be more than one meter per erf/ property.	Meters	Best Practice	Completed	2022/07	Meter readings are manually recorded and then imported into the system and exception reports are reviewed and addressed.	Peter Meter subsystem is used for meter management
			Functionality is required to categorise meters.		Best Practice				
			The Solution must be able to record the relationship of each meter to the property and track meter readings and relevant history of each meter individually.		Best Practice				
			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
			Functionality is required to create and maintain practical and efficient meter reading routes.		Best Practice				

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.
			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:						
			Capture via standard keyboard entry;		Best Practice				
			Receiving meter readings electronically from a third party interface. Automated uploading and validation will be required.		Best Practice				
			Meter readings must be retained at a transaction level and may not be overwritten, deleted or adjusted. Errors must be rectified by entering a cancelling entry and entering the correct reading.		Best Practice				
			Functionality is required to calculate charges for services consumed according to user defined algorithm which may contain a number of variable factors in order to determine the correct tariffs to apply.		Best Practice				
			Functionality is required to raise the charges against a debtor's account according to a user defined billing cycle (which may coincide with the meter reading cycle for an area).		Best Practice				
			In the event of a meter being read 'out of cycle' the charges may be raised to the debtors account on an 'ad hoc' basis. These charges raised must be visible on the debtor's account immediately, but will not generate an invoice immediately as it will be included on the standard invoice/ statement generated during the next billing cycle.		Best Practice				
			In the event that a meter reading is not received, functionality is required to calculate an estimated consumption, according to a user maintained algorithm.		Best Practice				
			Functionality is required to recalculate an account from all meter transaction history, taking into account any tariff changes, or from a specific starting point in the history on an ad hoc basis with the option to accept or discard the result. (i.e. the recalculation will be regarded as a 'what if' with the option to make it 'live').		Best Practice				
			Meter management system must be integrated/ interfaced with the Billing Component.		Best Practice				
			Prepaid electricity meters:						
			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
			Automated blocking and arrear set off functionality is required.		Best Practice				
			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
			Functionality is required to manage an Inventory of Water Meters. This to be work flowed as certain steps are dependent on others.		Best Practice				
			Reports/ extracts including but not limited to:						